

Electricity, internal market: production from renewable energy sources, RES-E

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The 2000 Green Paper on the security of energy supply identifies two key energy priorities that Europe needs to address. The first is to tackle the EU's dependence on energy imports and the second to curb the effects of climate change. The promotion of renewable energy plays a key role in helping the EU meet both these challenges. Since 1997, therefore, the Commission has been working towards a 12% renewable energy target in gross inland consumption by 2010. This Report has been prepared by the Commission and serves the following three purposes: - It is a formal report prepared by the Commission in line with its obligation to do so under EU Directive 2001/77/EC. The purpose of the Report is to evaluate progress made by the 15 Member States in achieving the 2010 target for electricity from renewable energy sources. - It is an assessment of the prospects for achieving the target of a 12% share of renewable energy in overall consumption in the EU 15 by 2010 - including heating, electricity and transport. - It sets out proposals for concrete actions at national and Community level to ensure the achievement of renewable energy targets for 2010. The Report is accompanied by a Commission Working Document featuring a country profile of the share of renewable energy in the EU. The Communication notes that Denmark, Germany, Spain and Finland are fully on track to meet their renewable energy commitments. Greece and Portugal are off track with the rest "about to be on track". Having evaluated the various renewable energy options on offer across Europe (wind, biomass, solar thermal heat etc.) and the steps that the Member States are taking to enact a viable, target based strategy on renewable energy the Commission makes the following conclusions: - All of the Member States, some more so than others, have prepared the necessary legislation to ensure that EU targets on renewable energy are met by the year 2010. In other words, if the Member States adopt all of the measures they have prepared, the share of electricity from renewable energy sources in the EU 15 should indeed meet the 22% target set out in EU legislation. However, a lack of concrete action by Member States, means that the 22% target is unlikely to be met. Rather, the Report estimates that 18-19% of electricity consumption will come from renewable energy sources by 2010. The percentage gap can be pinned down to the fact that nationally adopted targets are not complemented by active policies. In other words the failure to reach the stated target is not a lack of national provisions and legislation, rather it is due to a lack of active policy involvement. With the measures that have been put in place by the Member States, the Commission estimates that the share of renewable energy sources across the EU 15 is on course to reach a 10%, as opposed to a 12% target, by 2010. The shortfall is caused by sluggish growth in the heating and cooling renewable energy markets. Thus, more action needs to be taken to boost a growth in these sectors. The Commission suggests that more could be done by the renewable energy industry to promote a higher uptake of their products. In addition to commenting on the state of play in the renewable energy sector the Commission proposes a number of concrete actions to be taken in the future in order to facilitate the implementation of the targets set. They are: - The setting up of a new instrument under the "Intelligent Energy-Europe, 2003-2006 programme", to help bridge the gap between successful demonstration of innovative technologies and their effective entrance on the market. - Also under the "Intelligent Energy Europe" programme to strengthen support for action at local and regional level allowing for the removal of non-technological barriers to clean energy. - A further measure would include accelerating the pace of public support for research, technological development and demonstration in renewable and energy efficiency in Europe. - Sharing responsibility for renewable energy in other policy sectors, such as Agriculture, also needs to be considered. For example, offering a EUR 45 per hectare premium to farmers who sow energy crops. Additionally, the EIB is offering loans from 8% to 16% for renewable energy schemes. As the Report states, renewable energy has potential. It offers tantalising possibilities to allow the EU to reduce its dependency on energy sources as well as helping it fulfil its Kyoto commitments. The full implementation of the EU's legal framework combined with complementary, proactive measures geared to national conditions, will help the EU achieve these challenging ambitions.

