



Fundamentals of the Energy package and the new Renewables Directive

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● Policy background and proposal

- Background: Sustainability, security of supply and competitiveness
- Proposal: January 2007 energy package proposed targets for 2020:
 - » 20% reduction of GGE (+ international target of 30%)
 - » 20% overall binding target of RES in the energy mix;
 - » 10% minimum binding target for biofuels share in transport;
 - » 20% energy efficiency improvement
- Support: Broadly endorsed by Member States (March 2007 European Council) and Parliament (Thomsen Report of September 2007)



● European Commission's package of proposals 23/01/08

- **EU emissions trading scheme** (EU ETS) with a European cap, auctioning of allowances: to generate reductions in GHG of 21%
- **New national targets** to achieve a **10% GHG reduction** in non EU ETS sectors
- A framework to promote the development of **CO₂ capture and storage**
- New **guidelines** on **state aid for environmental protection**
- A first assessment of submitted **National Energy Efficiency Action Plans**
- **New directive** to reach the **20% renewable energy target** and 10% biofuels target

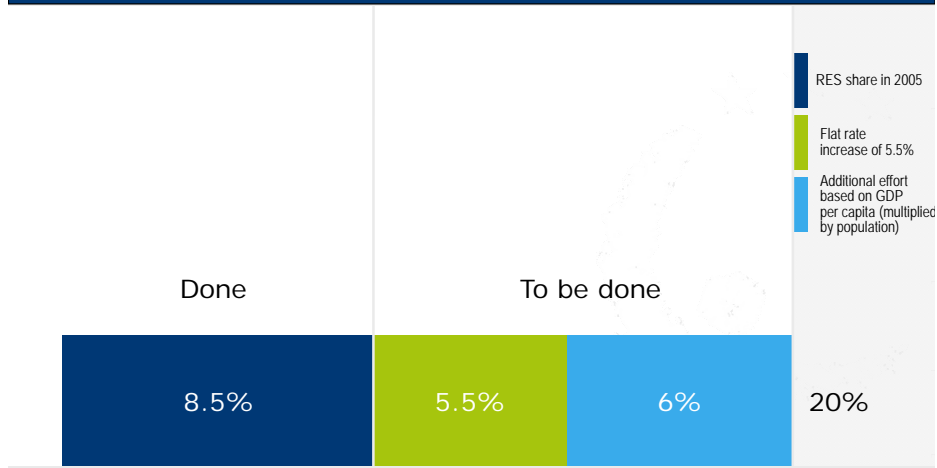


● The renewables Directive

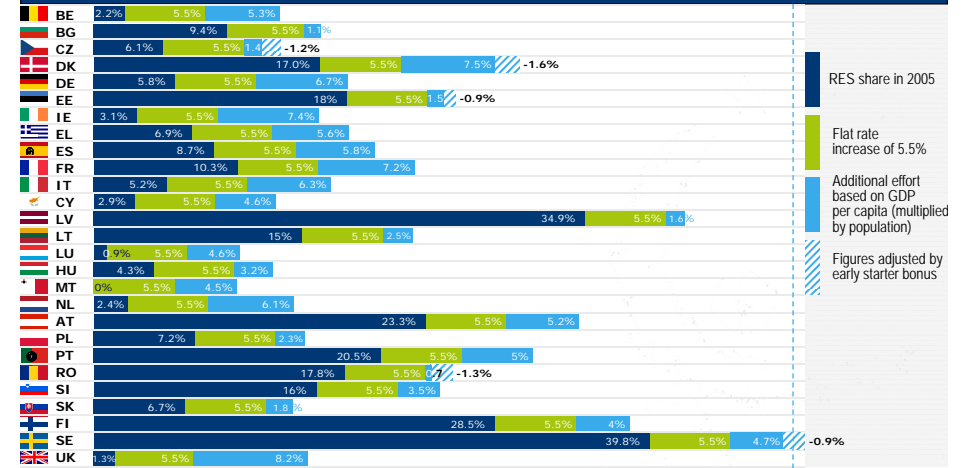
1. Sets **mandatory national targets** for renewable energy shares, including 10% biofuels share, in 2020 (*Articles 3 and 5*)
2. Requires **national action plans** (*Article 4*)
3. Standardises "**guarantees of origin**" (certifying the renewable origin of electricity or heat) and enables the transfer of these to provide **flexibility** to Member States (*Articles 6, 7, 8, 9 and 10*)
4. **Requires** reduction of administrative and regulatory barriers to the growth of renewable energy (*Article 12*), improvements in provision of **information and training** (*Article 13*) and improves renewables' access to the **electricity grid** (*Article 14*)
5. Creates a **sustainability regime for biofuels** (*Articles 15-18*)



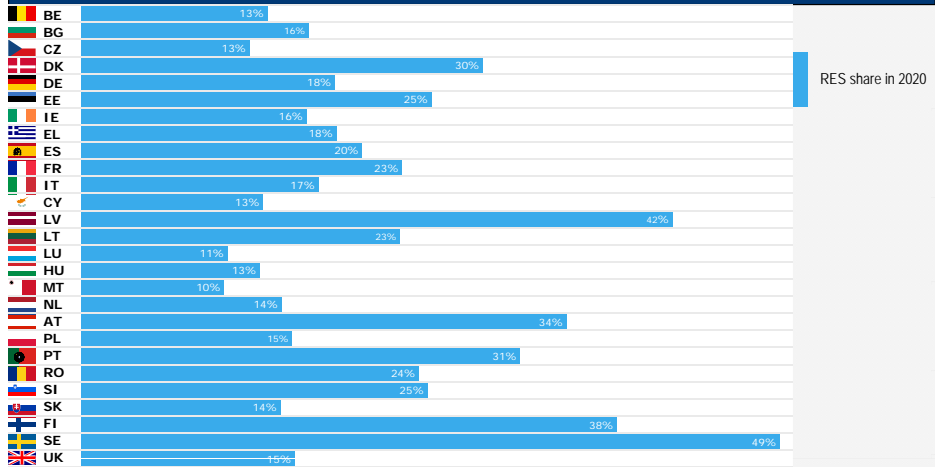
EU-27 efforts in Renewables Policy targets



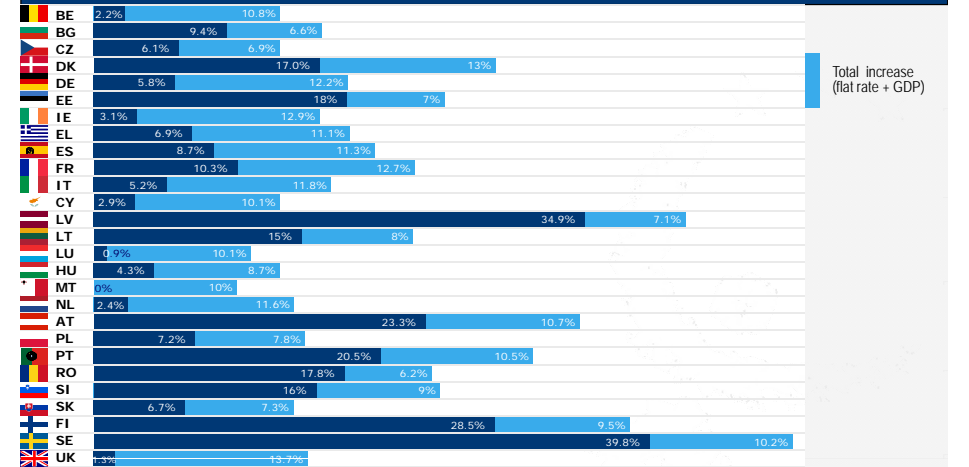
EU-27 efforts in Renewables Early starter bonus and cap



EU-27 efforts in Renewables RES share in 2020



EU-27 efforts in Renewables Increase for each Member State



● Flexibility: Guarantees of origin

- Builds on the framework created by 2001/77/EC
- In principle full transfer, however
 - A Member State may only transfer GOs to another Member State if it meet its interim targets
 - GOs from new installations may be transferred by companies (“persons”)
 - Member States may create a system to require prior government approval of such transfers

● Administrative reforms

- Requires reforms of administrative and regulatory barriers to the growth of renewable energy
 - » simplification and streamlined procedures
 - » planning authorities to consider renewable energy and district heating and cooling systems
 - » minimum levels of renewable energy in building codes for new or refurbished buildings
 - » promotion of energy efficient renewable energy
 - » certification regimes for installers; mutual recognition



● Grid access: improves renewables' access to the electricity grid

- Builds on existing access conditions in 2001/77/EC
- Requires Member States
 - » to provide priority access to the grid system for electricity from RES
 - » to develop grid infrastructure
 - » to review cost sharing rules



● Promotion of biofuels

- Establishes a biofuels sustainability scheme
- Biofuels not meeting the criteria will not be eligible for target counting, obligation schemes, tax exemptions or other support
- Member States responsible for verification of compliance, however Commission can decide that “certification schemes” give reliable proof of compliance



● Timing

- » **Policy proposal of the Commission, January 2007**
- » **Endorsed by the European Council, March 2007**
- » **Endorsed by Parliament, September 2007**
- » **Legislative proposal of the Commission, January 2008**
- » **Discussion by Council of Ministers, European Council and Parliament through to 2009**
- » **Adoption by April 2009?**

Thank you for your attention!

For more information:
http://ec.europa.eu/energy/index_en.html

