

Press Release – 07 December 2005

Commission's Communication on "The support for electricity from renewable energy sources"

No harmonization of support schemes for the promotion of renewable electricity now; next steps announced by the Commission are counter productive

"I welcome very much the outcome of the Commission's Communication 'The support for electricity from renewable'. I also agree with the conclusion of the Commission so far as it does not regard it as appropriate to present a harmonised European system at this stage. Any other decision would have been dramatically negative impacts for the further deployment of renewables particularly in those countries, which had to change their support system", said MECHTILD ROTHE, Member of the European Parliament and President of EUFORES.

The Communication is the first evaluation report on the different support instruments for renewable electricity in the EU Member States.

Most Member States have decided in favor of feed-in systems. Pursuant to the Communication feed-in systems have the advantages of investment security, the possibility of fine-tuning and the promotion of mid- and long-term technologies.

Although the Commission recognizes in theory a lower risk of over-funding in the quota model, it contested a possible higher risk for investors. Long-term currently high cost technologies would not be easily developed under such schemes. Furthermore these systems present higher administrative costs.

The Commission states: "A European wide common feed-in scheme which takes into account the availability of local resources could drive down the costs of all RES technologies in the different Member States".

MECHTILD ROTHE: "I share the view of the Commission that the necessary grid infrastructure development should be undertaken to accommodate the further development of renewable electricity generation and that grid operators should cover the costs associated with grid infrastructure development. Furthermore, I welcome the Commission's recommendations for one-stop authorisation agencies, clear guidelines for authorization procedures, pre-planning mechanisms and lighter procedures for small projects.

On the opposite the announcement of the next steps of the Commission is counter productive.

"What is confusion is the announcement of the Commission to review the level of Member States systems for promoting renewables electricity with the option of harmonisation already again in 2007. On the one hand the European Commission states that granting security of investments has priority for the renewable electricity sector. On the other hand it intents to open up the discussion on the coexistence of national support scheme we just went through. Obviously it is not clear for the Commission that exactly this discussion brings insecurity in a market highly sensitive to regulatory frameworks", said Marc Timmer, Managing Director of EUFORES.

MECHTILD ROTHE said: "The European Commission should focus on how Member States could achieve their targets as states out in the Directive on the promotion of electricity produced from renewable energy sources in the best possible way within the framework of their support schemes. We rather would like to see new binding and ambitious targets for 2020 as the European Parliament already called for in order to send out clear and reliable messages."