

Procedure file

Basic information		
INI - Own-initiative procedure	2007/2090(INI)	Procedure completed
Road map for renewable energy in Europe		
Subject		
3.60 Energy policy		
3.60.05 Alternative and renewable energies		
3.70.20 Sustainable development		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ITRE Industry, Research and Energy		27/02/2007
		PSE THOMSEN Britta	
	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs	The committee decided not to give an opinion.	
	DEVE Development	The committee decided not to give an opinion.	
	INTA International Trade		27/02/2007
		ALDE KARIM Sajjad	
	ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
	ENVI Environment, Public Health and Food Safety		27/03/2007
		ALDE PRODI Vittorio	
	IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	
	TRAN Transport and Tourism	The committee decided not to give an opinion.	
REGI Regional Development		12/04/2007	
	ALDE HARKIN Marian		
AGRI Agriculture and Rural Development		27/02/2007	
	ALDE SCHUTH Willem		
European Commission	Commission DG Energy and Transport	Commissioner PIEBALGS Andris	

Key events		
	Non-legislative basic document published	Summary

10/01/2007		COM(2006)0848	
26/04/2007	Committee referral announced in Parliament		
09/07/2007	Vote in committee		Summary
20/07/2007	Committee report tabled for plenary	A6-0287/2007	
24/09/2007	Debate in Parliament		
25/09/2007	Results of vote in Parliament		
25/09/2007	Decision by Parliament	T6-0406/2007	Summary
25/09/2007	End of procedure in Parliament		

Technical information

Procedure reference	2007/2090(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
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Stage reached in procedure	Procedure completed
Committee dossier	ITRE/6/46095

Documentation gateway

Non-legislative basic document		COM(2006)0848	10/01/2007	EC	Summary
Document attached to the procedure		SEC(2006)1719	10/01/2007	EC	
Document attached to the procedure		SEC(2006)1720	10/01/2007	EC	
Document attached to the procedure		SEC(2006)1721	10/01/2007	EC	
For information		SEC(2007)0012	10/01/2007	EC	
Committee draft report		PE388.641	11/05/2007	EP	
Committee opinion	INTA	PE386.707	05/06/2007	EP	
Committee opinion	AGRI	PE388.376	05/06/2007	EP	
Committee opinion	ENVI	PE388.421	07/06/2007	EP	
Committee opinion	REGI	PE388.438	14/06/2007	EP	
Amendments tabled in committee		PE390.519	15/06/2007	EP	
Committee report tabled for plenary, single reading		A6-0287/2007	20/07/2007	EP	
Text adopted by Parliament, single reading		T6-0406/2007	25/09/2007	EP	Summary
Commission response to text adopted in plenary		SP(2007)5401	18/10/2007	EC	
Commission response to text adopted in plenary		SP(2007)5763/2	06/12/2007	EC	

Road map for renewable energy in Europe

PURPOSE: to present a long term renewable energy road map with a view to building a more sustainable future.

CONTENT: climate change, increasing oil and fossil fuel dependence and rising energy prices: all these factors are rendering Europe increasingly vulnerable. The key to a sustainable future must involve renewable energies. As part of its Energy Policy for Europe, the European Commission has put forward a proposal for a long-term renewable energy roadmap. The proposal includes an overall binding 20% renewable energy target and a binding minimum target of 10% for transport biofuels for the EU by 2020, and a legislative pathway to bring renewable energies in the fields of electricity, heating and cooling and transport to the economic and political mainstream. Following a debate on these proposals in the Spring European Council, the Commission will bring forward legislative proposals in 2007 to start the implementation of this road map.

The proposal states that reaching the target will generate major greenhouse gas emissions savings, reduce annual fossil fuel consumption by over 250 Mtoe by 2020, of which approximately 200 Mtoe would have been imported, and spur new technologies and European industries. These benefits will come at an additional cost of between ?10-18 billion per year, on average between 2005 and 2020, depending on energy prices. With a conducive regulatory framework, heavy investment has been made in the past in conventional energy sources, notably coal and nuclear energy. The time has now come to do the same for renewable energy sources. Pursuing an ambitious Energy Policy for Europe, including a more vigorous and ambitious promotion of renewable energy sources, will require changes in policy. It will entail action at all policy and decision making levels. This road map sets out a framework for such action.

Overall progress towards reaching the targets for renewable energy

The 12% target for the contribution from renewables to overall EU energy consumption by 2010 is unlikely to be met. Based on current trends, the EU will not exceed 10% by 2010. This can only be considered a policy failure and a result of the inability or the unwillingness to back political declarations by political and economic incentives. Furthermore, the progress that has been achieved is largely due to efforts made by a relatively small number of Member States. This is not equitable and risks distorting the functioning of the internal market. Based on the targets for electricity and biofuels, heating would have to contribute 80 Mtoe by 2010 in order for the 12% overall renewable energy target to be met.

The European Union has made most progress in the electricity sector. Here, with policies and measures currently in place, the European Union will probably achieve a share of 19% in 2010. However, progress has been uneven across the EU, with Member States with a stable regulatory framework performing best.

In transport biofuels, there has been some progress, particularly since the adoption of the Directive, but not enough to reach the targets adopted. In the use of renewable energy sources for heating and cooling there has been hardly any progress since the 1990s.

On the basis of the experience gained, a number of key principles for the future renewable energy policy framework need to be established. With a view to significantly increasing the share of renewable energy sources in the EU's energy mix, the Commission considers that such a framework should:

- be based on long term mandatory targets and stability of the policy framework,
- include increased flexibility in target setting across sectors,
- be comprehensive, notably encompassing heating and cooling,
- provide for continued efforts to remove unwarranted barriers to renewable energies
- deployment,
- take into consideration environmental and social aspects,
- ensure cost-effectiveness of policies, and
- be compatible with the internal energy market.

In addition to the legislative measures outlined above and their application by Member States, the Commission will take the following action:

- propose strengthening the legal provisions to remove any unreasonable barrier to the integration of renewable energy sources in the EU energy system. Conditions for grid connections and extensions must be simplified. Some Member States have a panoply of permission procedures to be complied with in order to construct renewable energy systems. This must be reduced. Building codes normally ignore renewable energies. Red tape for innovative small and medium-sized enterprises must be eliminated. To this effect, the Commission will continue to stringently apply the Renewable Electricity Directive;
- propose legislation to address the barriers to growth in the use of renewable energies in the heating and cooling sector including administrative obstacles, inadequate distribution channels, inappropriate building codes and lack of market information;
- take further action to improve the functioning of the internal electricity market considering the development of renewable energies. Improved transparency, unbundling, higher interconnectors capacity, all improve the opportunity for new innovative renewable energy players to enter the market;
- re-examine, in 2007, the situation concerning Member States' support systems for renewable energies with a view to assessing their performance and the need to propose harmonising support schemes for renewables in the context of the EU internal electricity market. While national schemes for renewable energy in electricity may still be needed for a transitional period until the internal market is fully operational, harmonised support schemes should be the long term objective;
- promote a proposal for an incentive/support system for biofuels that, for instance, discourages the conversion of land with high biodiversity value for the purpose of cultivating biofuel feedstocks; discourages the use of bad systems for biofuel production; and encourages the use of second-generation production processes;
- continue to promote the use of renewable energy sources in public procurement for fostering clean energies, in particular with regard to transport;
- continue to pursue a balanced approach in ongoing free trade negotiations with ethanol produced countries/regions, respecting the interests of domestic producers and EU trading partners, within the context of rising demand for biofuels;
- continue to co-operate closely with grid authorities, European electricity regulators and renewable industry to enable a better

integration of renewable energy sources into the power grid, with particular attention paid to the special requirements related to much larger deployment of off-shore wind energy, notably as regards cross-border grid connections. Opportunities provided by the TEN-E scheme should be examined and work on a European offshore super-grid should be initiated;

- exploit fully the possibilities offered by the Community's financial instruments ? notably the Structural and Cohesion funds, the Rural Development funds, and the financial support made available through the Community's international co-operation programmes to support the development of renewable energy sources in the EU and beyond;
- continue to promote the exchange of best practices on renewable energy sources, using different information and debate platforms, such as the existing Amsterdam Forum. In the context of the Commission initiative on Regions for Economic Change, the Commission will also establish networks of regions and cities to boost the sharing of best practices for sustainable energy use;
- continue to internalise external costs of conventional fossil energy (inter alia by means of energy taxation);
- reap all the opportunities offered for renewable energy by the result-oriented actions of the forthcoming European Strategic Energy Technology Plan (SET-Plan);
- promote the use of renewable energy sources in its external energy policies and favour opportunities for sustainable development in developing countries;
- fully implement the Biomass Action Plan adopted by the Commission in December 2005. Biomass offers great potential and major benefits in other Community policies;
- continue to use the Intelligent Energy for Europe programme to help bridge the gap between successful demonstration of innovative technologies and effective market entrance to achieve mass deployment and to boost large-scale investment across the EU in new and best performing technologies and to ensure that renewable energy is given the highest priority in the sustained efforts to maximise the use of the EU research and technology development programmes in support of zero- or low carbon energy technologies whilst developing synergies with Member States involved in similar development.

In addition to these Commission initiatives, it should be underlined that Member States, regional and local authorities have to make a significant contribution towards increasing the use of renewables. Currently, Member States use various policy tools to promote renewables, including feed-in tariffs, premium systems, green certificates, tax exemptions, obligations on fuel suppliers, public procurement policy and research technology and development. To make progress towards the proposed new targets, Member States will have to make further use of the range of policy instruments at their disposal, in compliance with the provisions of the EC Treaty.

Member States and/or local and regional authorities are in particular called upon to:

- ensure that authorisation procedures are simple, rapid and fair with clear guidelines for authorisation including as appropriate, appointing one-stop authorisation agencies responsible for coordinating administrative procedures related to renewable energy sources;
- improve pre-planning mechanisms whereby regions and municipalities are required to assign suitable locations for renewable energies;
- integrate renewable energies in regional and local plans.

Road map for renewable energy in Europe

The Committee on Industry, Research and Energy adopted the initiative report by Britta THOMSEN (PES, DK) on the Roadmap for Renewable Energy in Europe. Firstly, the committee calls on the Commission to present by the end of 2007 at the latest a proposal for a renewable energy legislative framework to be adopted by co-decision on the basis of Article 175(1) of the EC Treaty. It stresses that this legislative framework should maintain existing legislation for the renewable electricity and biofuels sectors, but must be strengthened and improved and accompanied by ambitious legislation on increasing the share of renewable energy for heating and cooling.

The Commission is urged to propose a sectoral approach within the legislative framework, setting clear and realistic binding targets for the electricity, transport and heating and cooling sectors. It is also urged, in its forthcoming proposal for revision of the Emissions Trading Scheme (ETS), to ensure the better internalisation of the external cost of energy production through the auctioning of ETS credits, so as to create a level playing field for renewable energies and to ensure a fair price for carbon.

Convinced that renewable energy sources are abundant on our planet and of the need to extract energy from them, the report recommends that the revenues generated from ETS auctioning and research funds should be used for research into renewable sources of energy, including promising and challenging sources, such as osmosis energy, tidal energy, wave energy, concentrated solar power, high altitude wind power, laddermill energy and algae fuel technology.

Boosting Renewables: the committee emphasises the importance of creating and implementing Renewables Action Plans (RAPs) at Community and national levels and stresses that these should serve to contribute to a real Common European Energy Policy. It calls for sectoral targets to be incorporated into the RAPs to encourage investment, innovation and research in all sectors.

The Commission is invited, inter alia, to: i) reach an agreement as soon as possible on assigning the 20% renewables target, taking into account cost-effectiveness and sectoral analyses of the potential in each country, in such a way as ensures an active commitment from all Member States; ii) contribute to the creation of a market environment that is favourable to renewables in that it actively promotes the decentralised production and use of this type of energy; iii) include energy efficiency scenarios in all RAPs; iv) include in its proposal a clear mid-term target for the proportion of energy to be derived from renewable energy sources so as to avoid delays in the Member States and for reviews of the RAPs to be carried out every three years starting from the date of entry into force of the proposal, so that the Commission can take action before 2020 if any Member State is not fulfilling its obligations; stresses that Member States which fail to honour their commitments must suffer the consequences.

Internal Market and the grid infrastructure: the report underlines that transparent, fair and priority access to the grids is an essential precondition for the successful integration and expansion of electricity generation from renewable sources and that grid access and planning

procedures should be further simplified and harmonised. It calls for increased efforts in each Member State to reduce administrative burdens and simplify authorisation procedures including the possibility to create a one-stop shop in order to facilitate the authorisation of renewables. With a view to creating a favourable market environment for renewable energy, the Commission and the Member States are called upon to abolish perverse subsidies and the proactive use of public procurement within the EU to help reduce the cost of both energy efficient and renewable technologies.

Heating and Cooling: the report calls on the Commission to ensure that any proposal for a framework directive for renewables contains strong measures for the promotion of renewable heating and cooling with the aim of increasing its share in the EU from the present level of approximately 10% to at least double that amount by 2020. It encourages the Commission to: i) propose innovative solutions to enable all relevant technologies to achieve a high degree of market penetration; ii) speed up the widespread adoption in all Member States of best practice regulations making it compulsory, at least where existing buildings are substantially renovated and new buildings are built, for a minimum proportion of the heating requirement to be met from renewable sources; iii) develop by the end of 2007 an implementation programme for the large scale deployment of passive and net positive energy houses and buildings in the EU.

Transport and biofuels: the committee calls for the development of a comprehensive, environmentally, socially, and economically sustainable transport policy that fulfils the objectives of Community environmental, climate-related and competition policies, as well as social and regional objectives, in which sustainably produced biofuels may play a role, and also through changes of lifestyle, traffic reduction, and structural measures, such as urban and regional planning. It calls for the principle of decoupling growth in transport from economic growth and for a stronger commitment to cleaner modes of transport, demand management and a gradual rise in fuel efficiency standards in the transport sector.

The Commission is called upon to: i) submit measures to promote other alternative fuels that will help to cut emissions from the transport sector; ii) include hybrid electric cars in the Strategic EU Energy Technology plan; iii) develop a mandatory, comprehensive certification scheme, applicable to biofuels both produced within and imported into the EU; iv) seek cooperation with the WTO and similar international organisations in order to secure international acceptance of specific sustainability criteria and the certification system, and thus promote the most sustainable means of production of biofuels worldwide and create a level playing field for all; v) ensure that the EU's bilateral agreements with third countries address trade and investment in renewable energy; vi) ensure that fossil fuels comply with the same requirements as those imposed on biofuels production.

Lastly, Member States are asked to support the purchase of low CO₂ emission cars through fiscal incentives.

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Parliament also called on the Commission to ensure that the forthcoming legislative proposal concerning renewable energies contains strong measures for the promotion of renewable electricity, with the aim of increasing its share in the EU from the present level to at least double that amount by 2020. It regretted that regional and local authorities in the EU continue to show too little interest in harnessing and using renewable energy sources.

Whilst each Member State must be free to choose the most appropriate renewable energy sources given the differences in potential to develop certain renewable energies, Parliament insisted that the target of 20% of energy from renewables means the contribution from renewable energy sources, not other low-carbon energy sources. It deplored the fact that the EU target of a 12 % renewable energy contribution to the EU energy mix by 2010 will, in all likelihood, not be met.

Internal Market and the grid infrastructure: Parliament regrets that the European Council of 8 March 2007 did not call sufficiently strongly for completion of the internal energy market. It believes that it is indispensable that renewables are rapidly integrated into the internal energy market. It is necessary to ensure equal conditions in every Member States in order for a real internal market for energy to develop. The report underlines that transparent, fair and priority access to the grids is an essential precondition for the successful integration and expansion of electricity generation from renewable sources and that grid access and planning procedures should be further simplified and harmonised. It

calls for increased efforts in each Member State to reduce administrative burdens and simplify authorisation procedures including the possibility to create a one-stop shop in order to facilitate the authorisation of renewables. With a view to creating a favourable market environment for renewable energy, the Commission and the Member States are called upon to abolish perverse subsidies and the proactive use of public procurement within the EU to help reduce the cost of both energy efficient and renewable technologies.

Heating and Cooling: the report calls on the Commission to ensure that any proposal for a framework directive for renewables contains strong measures for the promotion of renewable heating and cooling with the aim of increasing its share in the EU from the present level of approximately 10% to at least double that amount by 2020. It encourages the Commission to: i) propose innovative solutions to enable all relevant technologies to achieve a high degree of market penetration; ii) speed up the widespread adoption in all Member States of best practice regulations making it compulsory, at least where existing buildings are substantially renovated and new buildings are built, for a minimum proportion of the heating requirement to be met from renewable sources; iii) develop by the end of 2007 an implementation programme for the large scale deployment of passive and net positive energy houses and buildings in the EU.

Transport and biofuels: the report urges the Member States to set ambitious goals regarding the use of renewable energy sources for public transport, calling for the principle of decoupling growth in transport from economic growth and for a stronger commitment to cleaner modes of transport, demand management and a gradual rise in fuel efficiency standards in the transport sector. It emphasised that the production of more fuel-efficient cars continues to be the best way of reducing CO2 emissions and oil consumption per vehicle and is concerned that the message that the Community sends to the car industry should be less focused on the demand for biofuels and more focussed on the demand for more fuel efficient vehicles. It welcomes, however, the proposal for the revision of the Fuel Quality Directive, provided that strong safeguards are put in place to ensure that these fuels are produced in a sustainable way. Whilst tax incentives are an important instrument for changing consumer choice from fossil fuels to biofuels Parliament believes, that biofuels that do not fulfil sustainability criteria should not be eligible for subsidies or tax exemptions and should not count towards achievement of the biofuels target.

It regrets that the poorest developing countries will be hit earliest and hardest by climate change, even though they have contributed little to the causes of the problem. The EU can play an important role through the transfer of technology to developing countries.

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Lastly, Member States are asked to support the purchase of low CO2 emission cars through fiscal incentives.