

# Promotion of the use of energy from renewable sources. Renewable Energy Directive

2008/0016(COD) - 11/09/2008 - \${summary.subTitle}

The Committee on Industry, Research and Energy adopted the report drafted by Claude TURMES (Greens/ALE, LU) and amended the proposal for a directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources.

The main amendments adopted in committee (1st reading of the codecision procedure) are as follows:

**Purpose:** MEPs clarify that this Directive establishes a common framework for the promotion of energy from renewable sources and its integration into the internal energy market with a view to strengthening existing national support systems in the Member States while combining them in a European energy policy that is increasingly independent of third countries, with greater security of supply and more environmental protection, competitiveness and industrial leadership on the part of the European Union. It establishes sustainability criteria for energy from biomass, including for transport fuels from biomass.

**Objectives concerning the use of energy from renewable resources:** Member States shall introduce appropriate measures to ensure that the share of energy from renewable sources equals or exceeds the mandatory minimal interim targets set out in Part B of Annex I.

The report stipulates that it is appropriate to establish mandatory targets for an overall 20% share of renewable energy and a share of renewable energy in transport in the European Union's final consumption of 5 % in 2015 and 10% in 2020, of which 20 % in 2015 and 40 % in 2020 is met by the use of electricity or hydrogen from renewable sources, energy from waste, residues and ligno-cellulosic biomass or algae produced in vats, or energy from feedstock grown on degraded land with a net carbon benefit regarding land use emissions over 10 years.

A review in 2014 should focus on consequences for food security, biodiversity and the availability of electricity or hydrogen from renewable sources, biogas or transport fuels from ligno-cellulosic biomass and algae. Depending on the conclusions of the review, the 2020 targets could be modified, but such modification should have no effect on the overall 2020 target for energy consumption from renewables sources.

Member States should aim to diversify the renewable energy mix in each transport sector. The Commission should present a report to the European Parliament and to the Council by 1 June 2015 outlining the potential for increasing the use of renewable energy in each transport sector.

**Mandatory minimum interim targets:** to ensure that the mandatory overall targets are achieved, Member States should work towards mandatory minimum interim targets tracing a path towards the achievement of their final mandatory targets. They should establish a renewable energy action plan including information on joint target agreements, reference statistics, mandatory national final and interim targets as well as sectoral targets.

In addition, they should set out their measures to achieve these targets, while having in mind policies and measures to reduce the final energy consumption, and the fact that there are different uses of biomass and therefore it is essential to mobilise new biomass resources. Assessments concerning the expected contribution of each renewable energy technology and a strategic environmental assessment should be included. Member States should take into account the optimal combination of energy efficiency technologies with renewables.

**Direct penalty mechanism:** in order to ensure clear and robust compliance by the Member States with the objectives of this Directive the Commission shall establish a direct penalty mechanism against them. It shall impose direct penalties on Member States which fail to comply with the objectives, by falling short of mandatory interim and 2020 targets. The revenue from these penalties shall be allocated to a special fund (assigned revenue). The penalty should be calculated on the basis of the Member State's shortfall of MWh of renewable energy compared with its mandatory target, and should be set at an appropriate level to provide a strong incentive for Member States to invest in renewable energy, with view to complying with, and even exceeding, the national targets.

**Support schemes:** Member States are responsible for meeting their individual targets for the share of energy from renewable sources. They operate different national support schemes for renewable energy sources, including green certificates, investment aid, tax exemptions or reductions, tax refunds and direct price support schemes. The administration responsible for supervising authorisation, certification and licensing renewable energy plants should be objective, transparent, non-discriminatory and proportionate when ruling specific projects.

**Flexibilities to achieve the targets:** the report states that each Member State shall adopt a renewable energy action plan setting out the Member States' targets for the shares of energy from renewable sources in transport, electricity and heating and cooling. The Industry Committee also introduced flexibility mechanisms in the draft Directive so that the Member States can reach their renewable energy objectives in a joint manner.

**Roadmap:** in order to ensure a stable ongoing framework for the development of renewable energy, the Commission should, by 2016, publish a roadmap for renewable energy beyond 2020, which may include options for the harmonisation of national support schemes and for the full integration of renewable electricity and biogas into the wider EU electricity and gas markets.

**Public aid schemes:** the Member States, regions and local authorities may establish public aid schemes to support renewable energies, as they are initially more expensive than those they replace, with the consequence that their penetration of the energy market does not result in short-term commercial benefits for the operators or lower prices for consumers.

**Sustainability criteria for biomass for energy:** MEPs strengthened these criteria: to be counted in the objectives for transport biofuels, biofuels must save at least 45% of greenhouse gas emissions compared to fossil fuels (the Commission had proposed 35%). From 2015, greenhouse gas emission savings should be at least 60%. Moreover, the committee includes social sustainability criteria and the equal remuneration for men and women.

**Improve access of renewable energy to grid infrastructure:** the revised Directive requests Member States to take all the necessary steps to develop transmission and distribution grid infrastructure, intelligent networks, storage facilities and the electricity system in order to allow the secure operation of the electricity system and to accommodate the further development of electricity production from renewable energy

sources. According to MEPs, it is essential that support schemes offered for use of biogas for heat and power generation should be matched with financially neutral support schemes for the production of biomethane of a quality fit for pipeline injection and use in vehicles.