



European Renewable Energy Council

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EREC welcomes R&D&D funding proposal

Brussels, 7th October 2009. The European Renewable Energy Council (EREC) welcomes the Communication on Financing of Low Carbon Technologies (LCT) tabled today by the European Commission. The long-awaited financing proposal for the SET-Plan estimates additional funding needs for a wide range of energy technologies of about EUR 50 billion over the coming decade.

“The European Renewable Energy Industry welcomes the Communication and the fact that the Commission has finally expressed funding needs for energy research, development and demonstration in numbers”, says Arthouros Zervos, President of the European Renewable Energy Council (EREC). “However, EREC regrets that the Commission did not table concrete proposals for the allocation of EU funds”, Zervos continues. The implementation of EU industrial initiatives, evolving from the European Strategic Energy Technology Plan (SET-Plan), implies significant co-financing from the industry, together with Member States and the EU. More clarity is needed as to the level of public funding to be made available, given the challenge that the concrete setting of the initiatives represent for the renewable energy industry.

“R&D&D investments in the next ten years will have a significant impact on security of energy supply, tackling climate change and boosting economic growth and job creation in Europe”, Zervos points out. “Enhanced funding for R&D&D in renewable energy technologies is not only important for meeting the EU’s 2020 commitments, but to cutting greenhouse gas emissions by at least 80% and making renewable energy the mainstream source of EU energy supply by 2050”.

The SET-Plan, as proposed by the Commission in November 2007, identified a number of technological challenges that have to be tackled at EU level. “We need a common European approach in order to maximise the results of our efforts and to maintain Europe’s leadership on world markets. EREC therefore strongly supports joint action as proposed in today’s Communication”, says Arthouros Zervos, President of EREC.

The European Renewable Energy Industry supports the announcement of a new “Smart Cities Initiative”. However, EREC would like to emphasize the need to clearly strengthen the role of renewable energy in this new initiative. “The integration of renewable energy in the urban environment be it in transportation, in the grid system or in buildings is of utmost importance to tackle energy poverty and to reduce the EU’s carbon footprint”, Zervos points out.

EREC very much welcomes that the Communication includes important renewable energy technologies such as wind, solar, advanced biofuels and other uses of bioenergy. However, the current funding proposal has left out renewable energy heating and cooling as well as certain renewable electricity technologies underlines Zervos: “Leaving technologies like Geothermal and Solar Thermal or Small Hydropower and Ocean Energy out of the current portfolio is a missed opportunity - both in terms of security of energy supply and diversification of the energy mix.”

Finally, the Communication on LCT could prepare the ground for example for both the mid-term review of the EU budget (2011-2013) and the next Framework Programme (2013-2020). EREC therefore calls on the European Parliament and the Council to support the Commission's approach and make the necessary changes, including an increased budget envelope for renewable energy technologies.

EREC, the European Renewable Energy Council, is the umbrella organisation of the major European renewable energy industry, trade and research associations active in the field of photovoltaics, small hydropower, solar thermal, bioenergy, ocean & marine, geothermal, wind energy, solar thermal electricity and biofuels. It represents an industry with an annual turnover of more than 45 billion € and more than 450.000 employees.