



NEWS RELEASE

EREC – European Renewable Energy Council
Renewable Energy House, Rue du Trône 26, 1000 Brussels
www.erec-renewables.org

For information please contact:

- Oliver Schäfer, Policy Director, mob. +32 496 65 28 37

Brussels, 07.12.2005

News release on the Commission's communication on "The support for electricity from renewable energy sources"[1]

EREC welcomes the excellent analysis of the Commission's communication – but 2007 review is not necessary

The European renewable energy industry today welcomed the Commission's communication on "The support for electricity from renewable energy sources" as a profound document with an excellent analysis, nevertheless it is not understandable why another report in two years should bring more knowledge rather than confusion amongst the industry.

The analysis sees administrative barriers and grid issues as crucial barriers to further renewables development.

EREC Policy Director Oliver Schäfer: "This is partly a problem of Member States that have not fully implemented the directive in its spirit, but only in its letters. We urge the Commission to address these Member States and remind them on the targets they accepted and the benefits they can gain by increasing the share of renewables significantly."

The Commission recommends a coordinated approach, which is based on two pillars: Cooperation between countries and optimisation of the impact of national schemes.

One of the most important optimisation measures is to create increasing legislative stability and by that reducing the investment risk.

The reduction of administrative barriers and grid issues as well as the encouragement of technological diversity are key issues that are fully supported by EREC.

EREC also shares the view that due to widely varying potentials and developments in different Member states regarding renewable energies, a harmonisation of support mechanisms seems to be very difficult to achieve in the

short term and medium-term. In addition, short term or medium-term changes to the system might potentially disrupt certain markets and make it more difficult for Member States meeting their targets

Oliver Schäfer: “The Commission made an analysis of different support mechanisms for renewables electricity in the member states that speaks for itself, but I am really surprised about the conclusion that another report is necessary in 2007 again. We hoped to have clarity on the crucial issue of stability in the political framework. Now the debate could continue and can create confusion in the industry and amongst investors”

The Commission wants to “*closely monitor the state of play in EU renewable energy policy and, not later than December 2007 review the level of Member States systems for promoting renewables electricity*”. Schäfer added: “The Commission now must make clear that this report will not stimulate another debate on whether we should harmonise support mechanisms at a premature stage or not. From their own findings it is clear that this needs much more time, so why do they send out this confusing message? What kind of new findings do they expect within not even two years?”

As one important step the Communication also addresses the question of setting new targets for renewables beyond 2010. Disappointingly this process shall also be addressed by the end of 2007 and not -as often announced- already next year. A setting of binding targets for 2020, as recently recommended by the European Parliament, would increase investor confidence and sent out a clear and reliable message.

Under the directive on the “promotion of electricity from renewable energy sources (2001/77)” the Commission was required to publish this communication.

EREC’s position on the future of support mechanisms in Europe can be found at http://www.erec-renewables.org/documents/RES-E/EREC_RES-E_def.pdf

NOTES TO EDITOR

[1] Communication: ‘The support for electricity from renewable energy sources’ COM(2005)627, 7 December 2005

EREC – the European Renewable Energy Council - is an umbrella organisation of the leading European renewable energy industry, trade and research associations active in the sectors of photovoltaic, wind, small hydropower, biomass, geothermal and solar thermal and represents an industry with an annual turnover of more than 15 billion Euro and more than 250 000 employees.