

# The Renewable Energy Directive – national targets, costs, state of play and compliance questions

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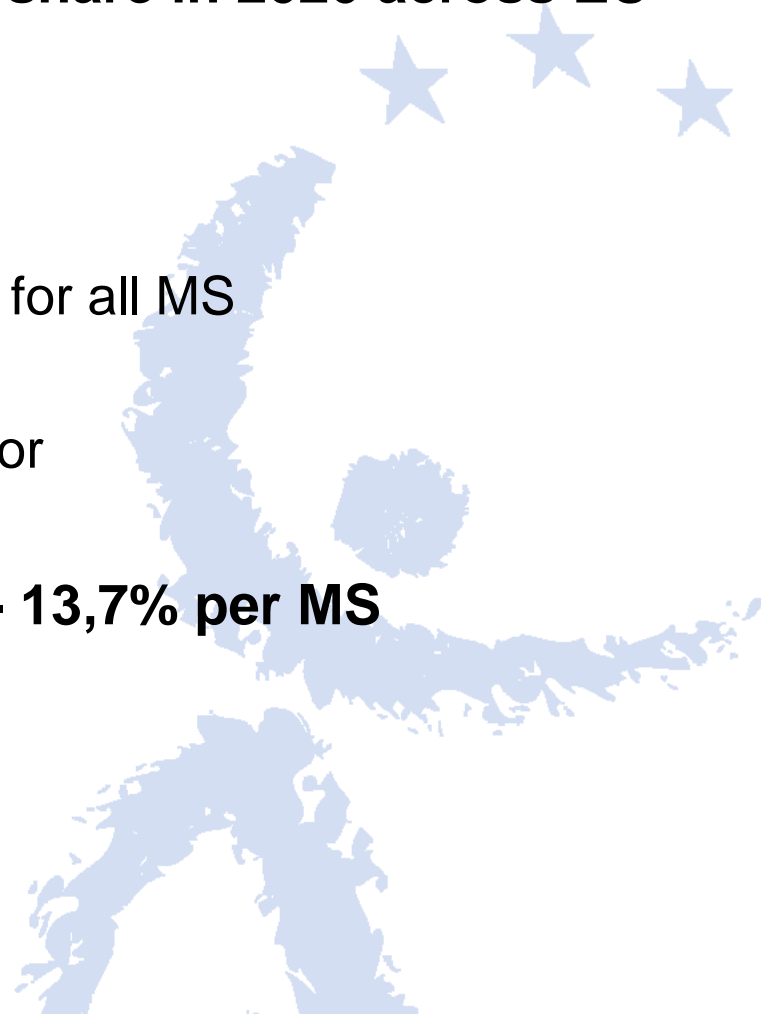
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# Renewable energy Directive - main elements

1. Sets **mandatory national targets** for renewable energy shares, including 10% biofuels share, in 2020 (*Articles 3 and 5*)
2. Requires **national action plans** (*Article 4*)
3. Standardises “**guarantees of origin**” (certifying the renewable origin of electricity or heat) and enables the transfer of these to provide **flexibility** to Member States (*Articles 6, 7, 8, 9 and 10*)
4. **Requires** reduction of administrative and regulatory barriers to the growth of renewable energy (*Article 12*), improvements in provision of **information and training** (*Article 13*) and improves renewables’ access to the **electricity grid** (*Article 14*)
5. Creates a **sustainability regime for biofuels** (*Articles 15-18*)

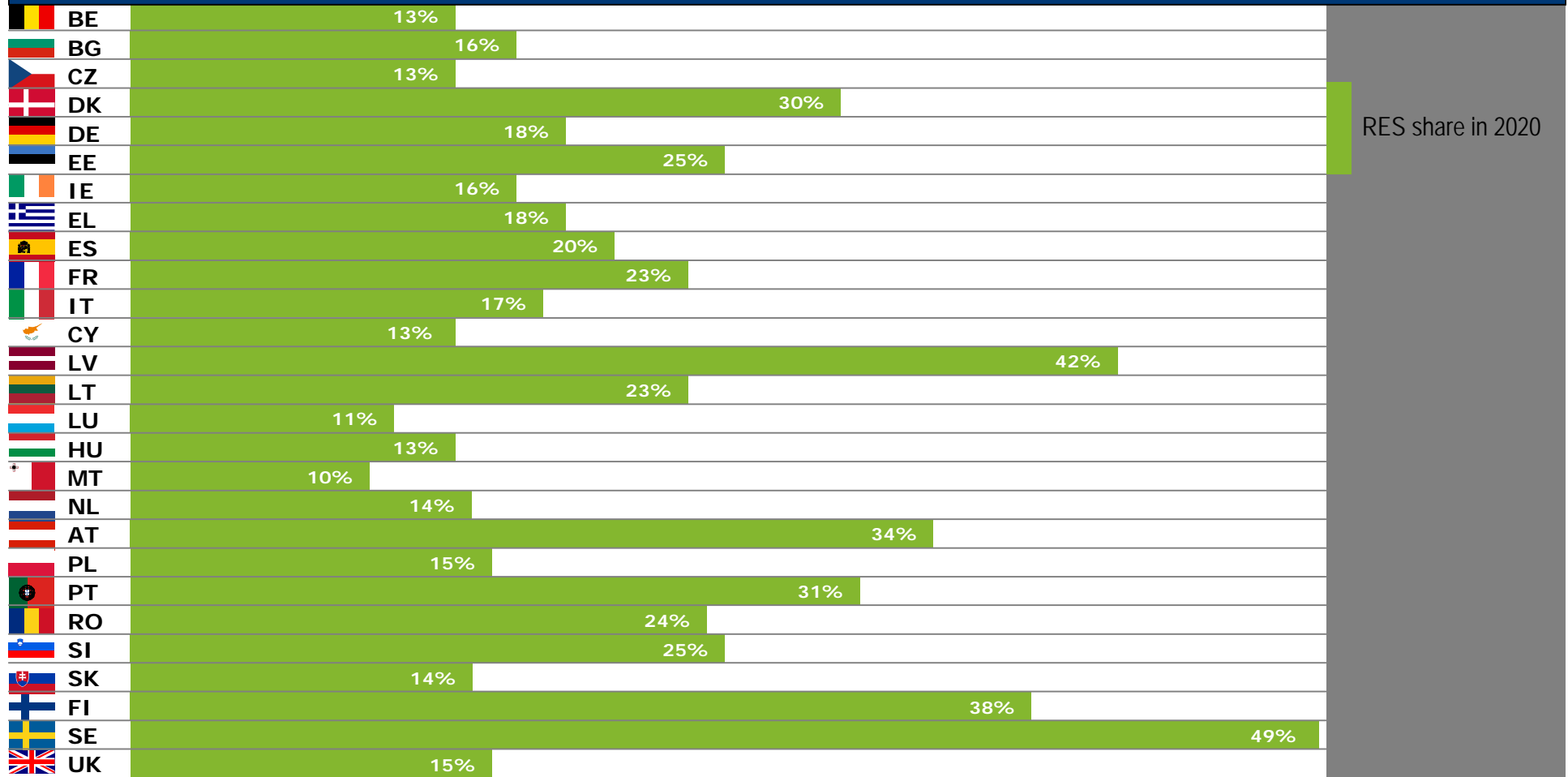
## Renewable energy Directive - target setting

- **20% mandatory renewable energy share in 2020 across EU**
  - 11,5% increase compared to 2005
- **Effort sharing:**
  - Half of the increase needed (5,5%) for all MS
  - Rest weighted by GDP
  - Early action after 2001 accounted for
- **Giving total efforts between 6,2% - 13,7% per MS**
  - Cap on max 50% share

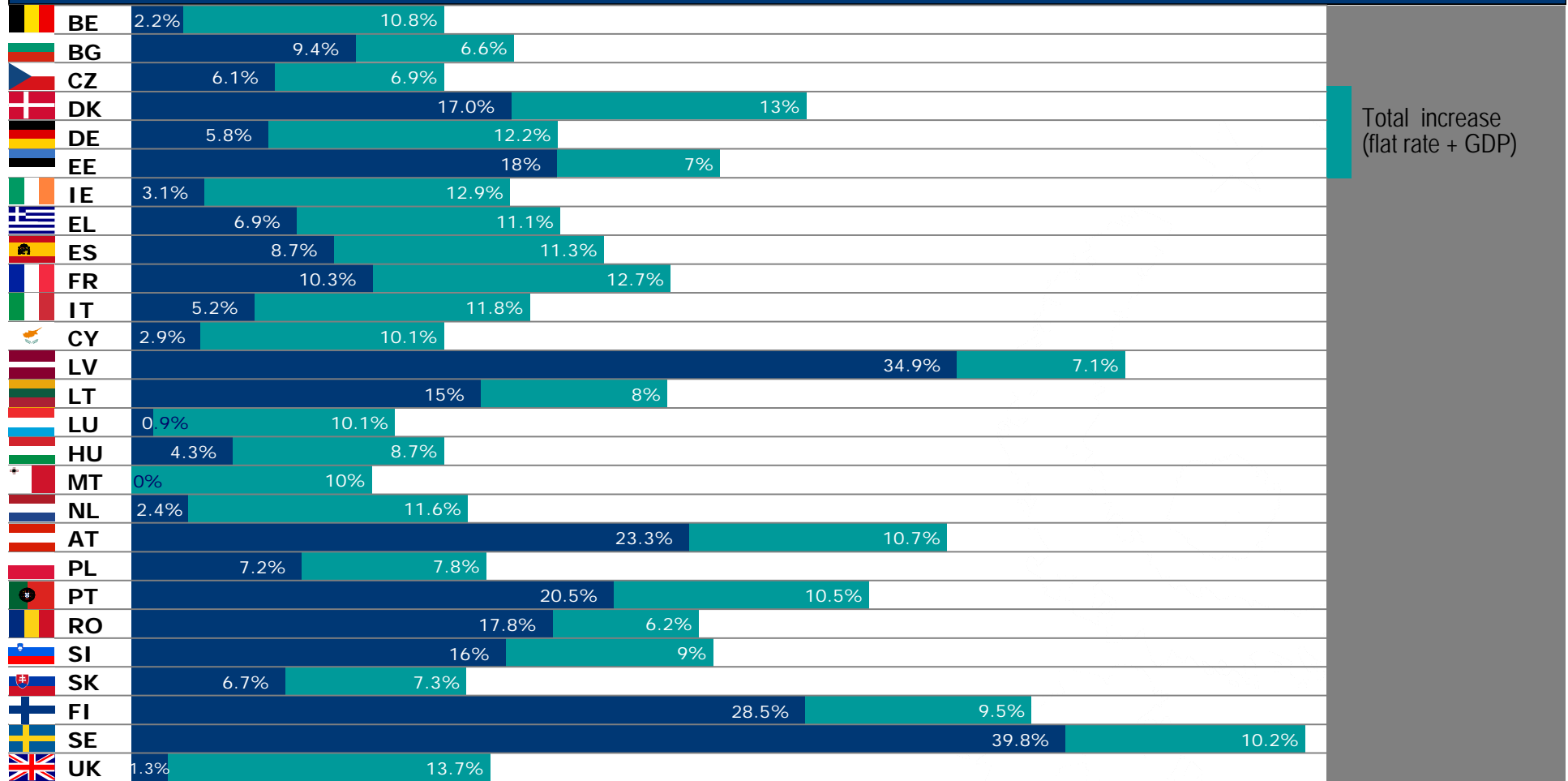




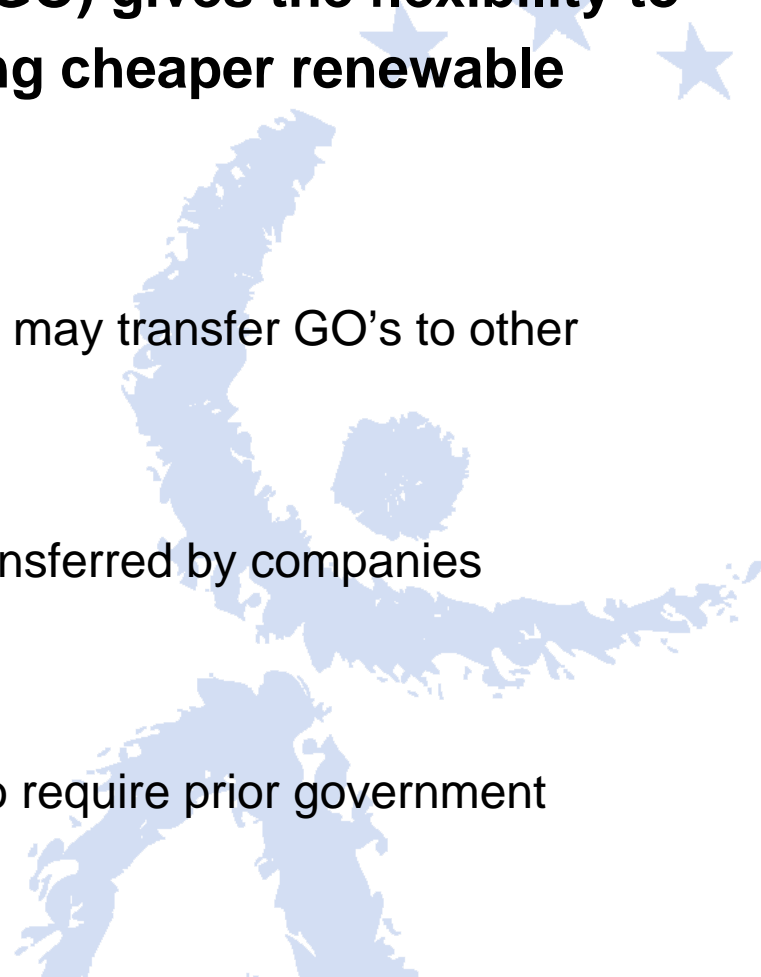
# Renewable energy Directive – national 2020 targets



## EU-27 efforts in Renewables Increase for each Member State



- **Transfer of Guarantees of Origin (GO) gives the flexibility to meet national targets by developing cheaper renewable energy in other Member States**
  - Member States meeting their trajectory may transfer GO's to other Member States
  - GO's from new installations may be transferred by companies ("persons")
  - Member States may create a system to require prior government approval of such transfers



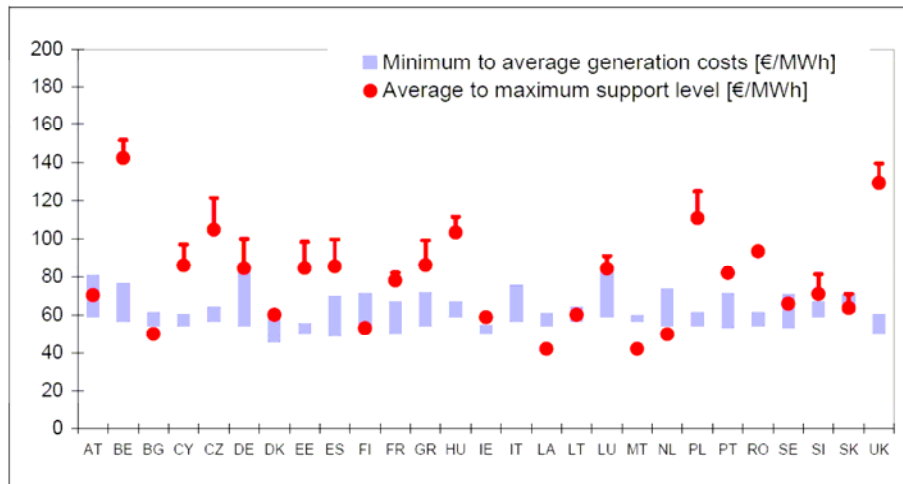
## Renewable Energy Road Map, COM (2006) 848

Summary of impacts at EU level of a 20% renewable energy target for 2020

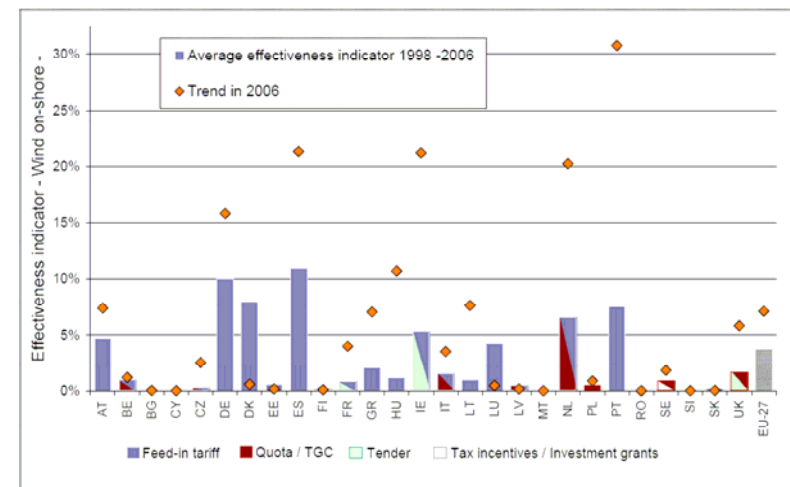
| Impact   | 20% target* |
|--|-------------|
| Cumulative additional production costs (2005-2020) €bn | 125-290     |
| Annual average additional costs €bn                    | 13-18       |
| Additional cost in 2020 €bn                            | 0-31        |
| Reduction in GHG (Mt p.a.)                             | 600-900     |
| Reduced fossil fuel Mt                                 | 200-300     |
| Δ GDP (%)  | -0.05 - 0.5 |
| Δ employment   | ~ +650,000  |

\* Range chiefly reflects oil price range \$48 - \$78

## Support to wind onshore – efficiency and effectiveness



Source: OPTRES, 2007



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- **Article 3(2)** – Member States shall introduce **appropriate measures** to ensure that the share of renewable energy equals or exceeds that shown in the indicative trajectory
- **Article 4(1) - National Action Plans** required, setting sectoral targets and defining adequate measures to reach targets as well as other requirements in the directive
- **Article 4(2)** – Member States shall submit a **new National Action Plan** if their renewable share falls below the indicative trajectory
- **Article 9(1) - Transfer of guarantees of origin** to another Member State is **not permitted** if a Member State's renewable share falls below the indicative trajectory

*Thank you for your attention!*

For more information:

[http://ec.europa.eu/energy/index\\_en.html](http://ec.europa.eu/energy/index_en.html)

