



# The Renewable and Energy Efficiency Package

Where do we stand?

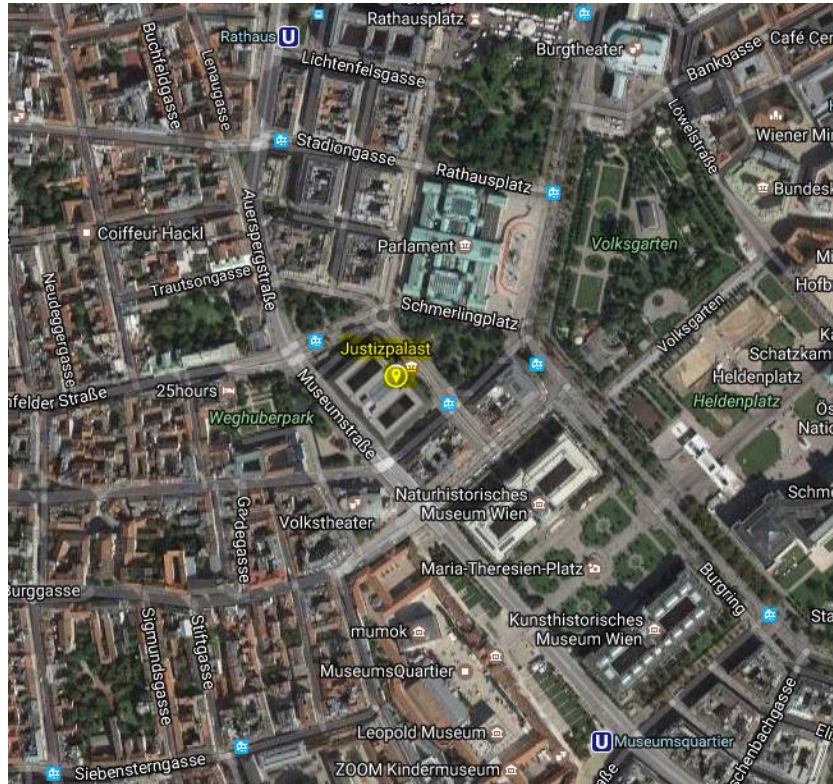
COMPETENCE  
YOU CAN COUNT ON.

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Vienna, 5 May 2017

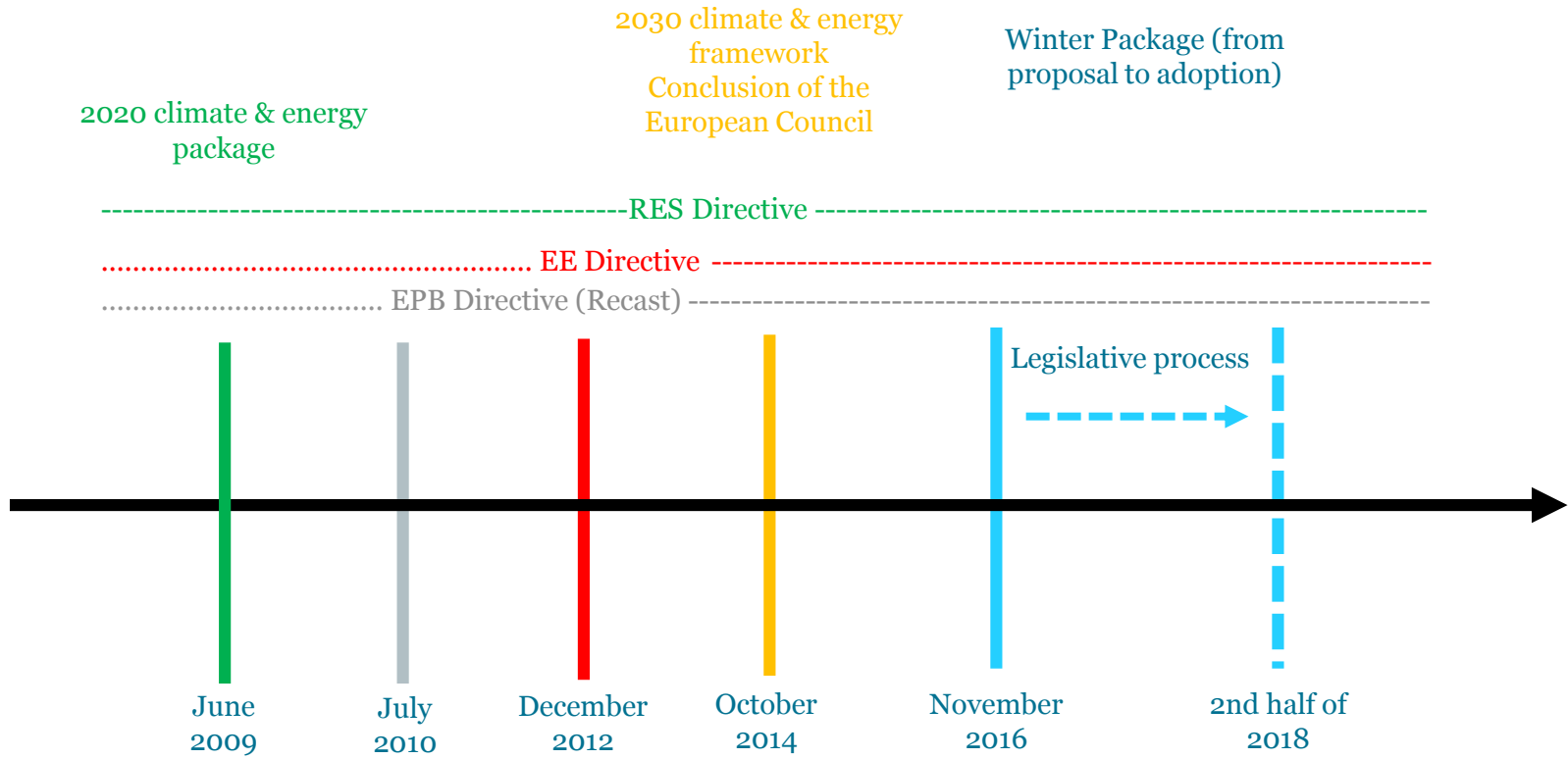
# WHERE DO WE STAND?

„Justizpalast“  
(Supreme Court)  
Vienna



# WINTER PACKAGE

## WHERE DO WE STAND, WHERE DO WE GO?



# WHERE DO WE STAND? RENEWABLE ENERGY

- > RES Directive 2009/28/EC
  - Target: 20 % renewables in the final energy consumption by 2020
  - legally binding national targets
  - orchestrated transition to RE successful (from 10.4 % in 2007 to 17 % in 2015)
  
- > EU policy goals
  - at least 27 % renewables in 2030 (collective target for EU)
  - EU becoming world's #1 on renewables



# WHERE DO WE STAND? RENEWABLE ENERGY – EXEMPLARY PROBLEMS (I)

## > National targets / actions

- significant performance differences of EU Member States / fragmentation of local markets / in general no incentive for cross-border participation
- high costs for tax payers / electricity consumers in some EU Member States (e.g. GE)
- no incentive for self-consumption of RE at building level and „prosumer“ activities
- (district) heating and cooling sector (50% of total energy demand in Europe): still high dependance on fossil fuels
- No coherent and sustainable policy vis-à-vis biomass for energy / biofuels (strong lobbying groups at national level, etc)

## > no investor certainty post 2020

# WHERE DO WE STAND? RENEWABLE ENERGY – EXEMPLARY PROBLEMS (II)

> National support schemes in recent years successful, **BUT** diversified across the EU  
(*map to the right dated 2014*), e.g.:

- investment aid
- tax benefits
- green certificates
- feed-in tariffs
- premium payments



Note: This map does not include secondary support instruments like tax incentives, investment grants, etc.



Source: Ecofys

# WHERE DO WE STAND? RENEWABLE ENERGY – EXEMPLARY PROBLEMS (II)

- > National support schemes in recent years successful, **BUT**
  - not (always) cost-effective, not market-based
  - grid and system development needs, balancing needs
  - in some EU Member States no stable and predictable legislation
  - new „State Aid design“ already in place (→ see Environmental and Energy State Aid Guidelines 2014 - EEAG), but transition period
  
- > Current debate in Austria (draft Amendment to Eco Energy Act): last chance to collect public subsidies on basis of „old“ state aid regime (feed-in tariff decoupled from market price, full compensation of higher costs, „perfect bankability“)

# WHERE DO WE STAND? ENERGY EFFICIENCY

- > EE Directive 2012/27/EU
  - Target: 20 % improvement by 2020
  - indicative national energy efficiency targets
  
- > EU policy goals
  - at least 27 % ( 30 %) improvement in 2030
  - extend energy saving obligations (1,5% of energy consumption p.a.) until 2030
  - improve EE in buildings
  - improve energy performance of products (Ecodesign)
  - inform consumers (Energy Labelling)





# WHERE DO WE STAND?

## ENERGY EFFICIENCY – EXEMPLARY PROBLEMS

- > lack of
  - guidance for member states and for large enterprises
  - transparency in metering and billing – no clear and timely information about energy consumption for consumers
  - verification rules → difficulties in drawing reasonable conclusions regarding confidence in the totality of measures
  
- > EE in buildings: underinvestment → renovation rate of buildings per year: 1%
  
- > complicated
  - calculation of energy savings
  - eligibility criteria for the purposes of Art 7 EED



# WHERE DO WE STAND? MACRO-ECONOMIC FIGURES

- > The renewable energy sector in Europe
  - employs more than 1 Mio persons
  - accounts for ~ EUR 144 billion p.a.
  - holds 40% of the world's renewable energy patents
  
- > RE deployment cut ~ EUR 20 billion of fossil fuel imports in 2014
  
- > Out of the EFSI-transactions approved by the EIB, 23% are in the energy sector; ~ half of the projects in this sector are related to renewable energy investments



Source: European Commission



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