REPORT OF THE RENEWABLE ENERGY TASK FORCE CHAIR  
ON THE ACTIVITIES RELATED TO RENEWABLE ENERGY

I. BACKGROUND

The agreement reached on the New EU Renewable Energy Directive\(^1\) in December 2008 by the European Parliament opened up the possibilities for further consideration by the Energy Community. It is for the very first time when a legislative act of the European Union makes explicit reference to the Energy Community and moreover, the new Directive shall repeal the Directives 2001/77/EC and 2003/30/EC with effect from 1 January 2012.

The Ministerial Council acknowledged the momentum and with the occasion of its 5\(^{th}\) meeting in December 2008, welcomed the suggestion of the European Commission to launch a study in 2009 on the impact and modalities of a possible inclusion of this future directive in the Energy Community Treaty and to set up a Renewable Energy Task Force.

Therefore, in March 2009, the Energy Community Secretariat launched a dedicated study to identify how the new Directive on the promotion of the use of energy from renewable sources could be valuable for the Contracting Parties and candidate Contracting Parties (Moldova, Ukraine and Turkey) of the Energy Community and to propose the modalities for a possible further adoption in the Energy Community Treaty.

Furthermore, in order to put renewable energy more in the focus in the Energy Community, a dedicated workshop for the kick–off the new initiatives has been organized by the Secretariat in April 2009.

The 6\(^{th}\) Ministerial Council meeting in June 2009 approved the mandate of the Renewable Energy Task Force as proposed by PHLG and elected Mr. Paul Hodson from the European Commission as its Chair.

This current Report presents the current state-of-play of the new initiatives related to promotion of renewable energy in the Energy Community, the critical issues that require special considerations and the next steps envisaged in the upcoming period.

II. RENEWABLE ENERGY TASK FORCE

The recently established Renewable Energy Task Force is acting as an expert group to assist the institutions of the Treaty. Its role is to build on the existing knowledge, legal and institutional framework in the renewable energy already in place in the region covered by the Treaty in order to facilitate the Energy Community to act in accordance with its Article 35. Furthermore, the Task Force will use the additional information provided via a special study on the impact and modalities for further adoption of Directive 2009/28/EC in the Energy Community Treaty.

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\(^{1}\) Directive 2009/28/EC on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC  
Upon the adoption of the mandate of Renewable Energy Task Force by the Ministerial Council, all the Parties to the Treaty have been invited to submit their nominations for expert members in the Renewable Energy Task Force. All seven Contracting Parties, three Observer Countries out of five and three Participant EU countries out of eleven sent their nominations for the Renewable Energy Task Force.

The 1st meeting of the RE TF took place in Vienna, at the premises of Energy Community Secretariat, on 8 October 2009. The adopted agenda and the documents of the meeting are available at:

http://www.energy-community.org/portal/page/portal/ENC_HOME/CALENDAR/Other_Meetings/meetings_2009/08_Oct

The key document proposed for adoption by the Renewable Energy Task Force was the Work Programme related to the renewable energy activities in the period 2009-2011.

The Work Programme includes also a key task that is going to be fulfilled in cooperation with the Donors Community, to support further institutional capacity building in the Contracting Parties and Observer countries in the area of Renewable Energy. This task includes tailored-made technical assistance and a series of workshops based on the individual needs of every Contracting Parties and Observers to meet the present and future requirements of the renewable energy acquis.

However, the main task in the Work Programme is related to the analysis of the Directive 2009/28/EC for the purpose of its implementation in the Energy Community. The Renewable Energy Task Force will take stock on the outcomes of the "Study for the Implementation of the new Renewable Energy Directive in the Energy Community" carried on by a consortium led by IPA Energy and Water Economics (UK) and EPU-NTUA (Greece).

III. STUDY ON THE IMPLEMENTATION OF THE NEW EU RENEWABLE ENERGY DIRECTIVE 2009/28/EC IN THE ENERGY COMMUNITY

At the end of April 2009, the Energy Community Secretariat signed the contract with a consortium led by IPA Energy and Water Economics and EPU-NTUA to study the implications of implementing the new Renewable Energy Directive 2009/28/EC within the Energy Community.

According to the contractual specifications, the Consultant submitted an Inception Report one month after the signature of the Contract, in July 2009 and an Interim Report to the PHLG meeting in September 2009.

At the 1st meeting of the Renewable Energy Task Force, IPA and EPU-NTUA have been invited to report the progress registered since the Study has begun. In accordance with the contractual requirements, the Consultant provided an update on the progress of the project to the Renewable Energy Task Force members summarized in three main activities:

1 – Renewable Energy Framework Analysis
   - assess the current state of development of renewable energy frameworks in each Contracting Party (CP) and candidate Contracting Party (cCP);
   - understand the renewable resource potential in each Party;
   - assess what would have to be done in order to meet the requirements of the new EU Directive if adopted;
2 – Energy Market Modelling
- prepare forecasts of energy consumption;
- calculate indicative renewable energy targets;
- understand the renewable resource potential in the region;
- develop an economic model of the Energy Community to determine how the renewable targets could be met;

3 – 2020 Target Implications – Opportunities and Costs
- look at the costs and opportunities of implementing the targets within the Region;
- consider the potential for the Energy Community to help EU Member States to meet their renewable targets.

Task 1, being mainly a qualitative analysis, has been reported by the Consultants as substantially complete; the draft Background Reports will be sent to each RE TF member for assessment and to fill in the missing information, if any.

In relation to the Task 2, the interim calculations of 2020 RE targets for the Contracting Parties and candidate Contracting Parties have been disclosed. This part of the quantitative analysis of the RES Study represents the key task of the Study and some crucial aspects have been raised by the Consultant, as:
- gaps and inconsistency in data provided by Parties leading to significant implications for the target calculation;
- lack of reliable energy statistic for the base year 2005 (except for Croatia and Turkey), UNMIK and Montenegro data are really difficult to get even from alternative sources;
- heat, cooling and transport consumption data are less accurate than electricity consumption.

As regards Task 3, the work is in progress and EBRD offered to help sharing the information about indicative costs of renewable energy project investments in the region as there are not many developed so far.

In the next step, the Consultant will send to each Party the Data Sheet for analysis and validation. Where the data is totally missing, including secondary sources, the assumptions made by the Consultant will be explained in details for further consideration. The proposed input from the Donors has been highly appreciated and welcomed to help the Consultant to achieve reliable outcomes.

The study is due to be completed by mid December 2009, when the Consultant will submit a complete report on the findings. The Renewable Energy Task Force is invited to comment, propose and give opinion on the outcomes reflected in the Draft Final Report of the Study.

According to the contractual provisions with the consultant, after the comments received by the Contracting Parties and the candidate Contracting Parties, a workshop is planned to present the Final Report, including the calculation of 2020 renewable targets for the Contracting Parties and candidate Contracting Parties. Most probably the workshop will be organised one day prior to the 2nd Renewable Energy Task Force meeting in February 2010.

It has been strongly underlined that for the modelling part of the Study, the Consultant needs a significant amount of data collected from various economic areas and therefore, good outcomes can be registered only with the in-depth involvement of each Party along the requested information.

To wrap-up, the Interim Report for the PHLG and the presentation to the 1st meeting of the Renewable Energy Task Force highlighted the concrete problems in performing the study, particularly regarding data quality and acquisition.
IV. TIMETABLE AND EVENT CALENDAR FOR THE PERIOD 2009 – 2010

The most important milestones related to the work of the Renewable Energy Task Force for the upcoming period are:

15 December 2009 Submission of the Draft Final Report – open for comments;
25 January 2010 Comments on the Draft Final Report to be sent to the Consultant;
24 February 2010 Workshop to present the Final Report;
25 February 2010 2nd RE TF meeting to consider the adaptation of the Directive 2009/28/EC, according to the Final Report of the Study;
1 March 2010 RE TF Chairman Report to the PHLG including the proposal of the Draft Ministerial Council Decision;
29 June 2010 3rd RE TF meeting

Based on the study outcomes, the Renewable Energy Task Force will prepare a final report that includes recommendations concerning the modalities for further adoption of the Directive 2009/28/EC in the Energy Community.

The report shall be submitted for adoption at the Ministerial Council meeting in 2010, based on prior endorsement by the PHLG.

V. CONCLUSIONS

The indicated activities of the Renewable Energy Task Force follow its mandate as outlined by the Ministerial Council of the Energy Community and transposed in the adopted Work Programme.

The 1st RE TF meeting concluded that intensified efforts in assessing the modalities for implementation of the Directive 2009/28/EC has to be made in the upcoming period. Cooperation of every Renewable Energy Task Force member with the consultant for data collection and validation is crucial for the key outcomes as the 2020 energy consumption forecast and calculation of 2020 renewable targets depend extensively on the inputs from Contracting Parties and candidate Contracting Parties.

Involvement of Renewable Energy Task Force members as strategic experts in the communication with the Consultant will be of great importance to define the perspective for successful assessment of each Party current status and future perspectives in relation to the renewable energy sources.

The 2nd RE TF meeting will aim to reach consensus on the proposed adaptation of the text of the Directive 2009/28/EC and on the targets calculation and implications for the Parties of the Energy Community.

The achievement of the expected results shall be strongly supported by accompanying events, with the focus on training, sharing best experience, technical assistance for development of adequate renewable energy policy, legislative and regulatory framework. Therefore, the contribution of the Energy Community Secretariat and the Donors' Community are clearly appreciated.
MEMBERS OF THE RENEWABLE ENERGY TASK FORCE

CHAIRMAN: Mr. Paul HODSON – European Commission

MEMBERS:

- **ALBANIA** – Mr. Fatjon TUGU
- **BOSNIA and HERZEGOVINA** – Mr. Mustafa GAGULA, Mr. Aleksandar JEGDÍČ
- **CROATIA** – Mr. Igor RAGUZIN, Mr. Domagoj VALIDŽIĆ
- **THE CZECH REPUBLIC** – Mr. Pavel GEBAUER
- **THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA** – Ms. Milica KARAFILOSKA
- **GEORGIA** – Ms. Margalita ARABIDZE
- **GREECE** – Dr. Dimitris PAPASTEFANAKIS
- **ITALY** – Mr. Felice EGIDI, Mr. Roberto VENAFRO
- **MOLDOVA** – Mr. Marin PROFIR
- **MONTENEGRO** – Mr. Igor KOVACEVIĆ
- **NORWAY** – Mr. Johan VETLESEN
- **SERBIA** – Mr. Dejan STOJADINOVIC
- **UNMIK** – Mr. Osman HAJDINI, Mr. Kris Pierre LITIERE
## THE WORK PROGRAMME 2009-2011 RELATED TO RENEWABLE ENERGY ACTIVITIES

<table>
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<tr>
<th>No.</th>
<th>TASK</th>
<th>DEADLINE</th>
<th>ACTIVITY</th>
<th>DELIVERABLES</th>
<th>REMARKS</th>
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Commission proposal of a Draft Decision of MC on the implementation (including the adaptation) of Directive 2009/28/EC | Task leader: RE TF Chairman |
| 2.  | Development of the Transparency Platform and Knowledge Management Database for RES both on Energy Community level and in the Contracting Parties and Observers | End 2010 | Institution building and development of concrete information platform in the Contracting Parties and Observers in relation to RES | Dedicated section of EnC website related to Renewable Energy with extensive regional information  
EC and EnC synchronised websites for the purpose of a common Transparency Platform  
Investors Guide in RE | Task leader: to be determined |
Summary Report on the development of the Action Plans for the PHLG and MC | The Summary Report will be prepared by the Task Leader  
Task leader: to be determined |
2011 | Training sessions delivered to ministry officials within renewable energy area, energy and regulatory agencies and authorities to understand the requirements of the Action Plan template for the implementation of Directive 2009/28/EC | Workshops as to target issues, where improvement of knowledge is necessary for all Contracting Parties and Observers  
Priority List of topics to be addressed in the workshops  
Work with the donors – as to target issues in the Contracting Parties and Observers on individual basis | Task leader: to be determined |

2 Adopted by the Renewable Energy Task Force at the 1st meeting on 8 October 2009