WORKING PAPER

PROPOSAL OF THE SECRETARIAT
ON THE ESTABLISHMENT OF A TASK FORCE ON RENEWABLE ENERGY

I. BACKGROUND

The implementation of the acquis for renewables aims to overcome key challenges for the Contracting Parties, such as growing dependence on energy imports, fragile security of energy supplies and the need for sustainable development along with limitation of the energy sector’s impact on environment.

According to Article 20 of the Treaty, the Contracting Parties have to develop national plans for the adoption of:

- Directive 2001/77/EC on the promotion of electricity, produced from renewable energy sources in the internal electricity market, and
- Directive 2003/30/EC on the promotion of the use of biofuels or other renewable fuels for transport.

The plans have been submitted for approval to the Ministerial Council within one year after the Energy Community Treaty entered into force. Further deadlines for implementation have been set in the approved plans.

However, although the formal requirements of the Treaty have thus been fulfilled, further detailed attention to renewable energy by the Contracting Parties is paid as the potential is significant within the South East European region.

In addition, in December 2008, the European Parliament adopted the Commission’s proposal for a Renewables Directive, which aims to ensure that the EU will achieve a 20% share for renewables in the EU energy mix until 2020. Summary information on the Directive is also presented (see Attachment). It has to be mentioned that the Directive – although being EU legislation – makes explicit reference to the Energy Community.

Thus, as to streamline the work in this aspect, establishment of a special Task Force on Renewable Energy (RE TF) has been considered.

Thus, following the importance of the issue and the provided guidance, as reflected in the Conclusions of the 11th and 12th PHLG meetings and 5th MC meetings in December 2008, the Secretariat makes the current proposal on the establishment of a Task Force on Renewable Energy.
II. ORGANIZATIONAL ISSUES

Unless otherwise decided, the work of RE TF shall be organizationally and administratively supported by the Secretariat. In this capacity the Secretariat will also attend the meetings of RE TF. Since it is intended to deliver over short and medium-term periods a certain number of concrete outcomes, the RE TF should have a stable structure with a permanent chairman for the period of the mandate of RE TF.

III. COMPOSITION OF THE TASK FORCE

1. RE TF shall consist of expert level representatives of the Contracting Parties and participants to the Treaty establishing the Energy Community from governmental institutions with responsibilities, related to renewable energy sources.

2. The Observers shall be also invited to nominate their representatives from the same type of institutions, so as to actively participate in the work of RE TF.

3. Each Party shall have no more than two representatives at the meetings of RE TF. Participants and Observers shall have no more than one representative.

4. The Chair may invite stakeholders, including representatives of the Donors' community, to participate on an ad-hoc basis.

5. The Ministerial Council will nominate a chair of RE TF.

IV. WORK OF THE TASK FORCE AND MANDATE

The meetings and the work of RE TF shall be chaired by the chair of the RE TF.

The meetings of RE TF shall take place upon the invitation of the chair.

RE TF should meet as often as needed in order to achieve the goals set up by the mandate of the Ministerial Council. RE TF meetings should preferably take place at the premises of the Secretariat.

The Chair is responsible for the preparation of the reports of RE TF and for their timely submission.
Proposed mandate:

The Ministerial Council (Conclusion 5, 5th MC Meeting, 11th December 2008) called for the establishment of a Renewable Energy Task Force. Its mission shall be to evaluate the impact of the new directive on the promotion of the use of energy from renewable sources in the Contracting Parties and candidate Contracting Parties of the Energy Community.

Procedurally, the RE TF will investigate and propose the modalities for a possible further adoption of the new Renewable directive within the Energy Community Treaty.

RE TF should 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, additional information shall be provided via a special study on the impact and modalities for further adoption in the Energy Community Treaty.

RE TF shall also take into account the findings of the following studies:


- The on-going benchmarking study concerning the state of play in promoting the renewable energy sources among the Contracting Parties financed by USAID and Hellenic Aid.

Deadline:

Operationally, the PHLG shall be informed at its meetings on the state of play.

The RE TF shall inform the Ministerial Council in December 2009 for the progress achieved and shall prepare its final report for the Ministerial Council meeting in June 2010.
NEW RENEWABLES DIRECTIVE – SUMMARY INFORMATION AND REFERENCE TO THE ENERGY COMMUNITY

In December 2008, the European Parliament adopted the Climate Change Package which aims to ensure that the EU will achieve its climate targets by 2020: a 20% reduction in greenhouse gas emissions, a 20% improvement in energy efficiency, and a 20% share for renewables in the EU energy mix.

The new Renewable Directive lays down mandatory national targets to be achieved by the Member States through promoting the use of renewable energy in the electricity, heating and cooling, and transport sectors in order to ensure that by 2020 renewable energy makes up at least 20% of the EU's total energy consumption. The agreement foresees also that by 2020 renewable energy - biofuels, electricity and hydrogen produced from renewable sources - account for at least 10% of the EU's total fuel consumption in all forms of transport.

In terms of reaching the mandatory national targets, the directive provides the flexibility to use support schemes and measures of cooperation between different Member States and with third countries in accordance with Articles 5-11 of the Directives.

Member States have to adopt, publish and notify to the Commission their National Action Plans to meet the objectives of the directive and shall ensure that authorisation, certification and licensing procedures are simplified to remove barriers in the development of renewables market.

It is for the very first time, when an EU piece of legislation includes the reference to the Energy Community Treaty and envisages measures for cooperation between EU Member States and Contracting Parties for their mutual benefit.

In the Directive’s recital 35 it is mentioned – “If, by virtue of a decision taken under the Energy Community Treaty to that effect, the contracting parties to that treaty become bound by the relevant provisions of this Directive, the measures of co-operation between Member States foreseen in this Directive will be applicable to them.”

In the Article 9 (8) – Joint projects between Member States and third countries provide the opportunity for cooperation to foster the promotion and implementation of renewable objectives in the Contracting Parties – “Member States and the Community shall encourage the relevant bodies of the Energy Community Treaty to take, in conformity with the Energy Community Treaty, the measures which are necessary so that the Contracting Parties to that Treaty can apply the provisions on cooperation foreseen in the present Directive between Member States.”

According to the Article (26) of the New Renewable Directive on the promotion of the use of energy from renewable sources, for the EU MS several articles of the Directives 2001/77/EC and 2003/30/EC shall be deleted with effect from 1 April 2010 and both Directives will be repealed with effect of 1 January 2012.