

EREF Press Release

The Paris Agreement requires a strong and reliable Renewable Energy Directive

Brussels, 20 June 2016

The European Environment Ministers are meeting today to discuss the ratification of the Paris Agreement, an important milestone on the way of limiting global warming to 1.5°C and significantly reducing the risks and impacts of climate change.

According to Dr. Dörte Fouquet, Director of EREF, our ambition to mitigate climate change must go hand in hand with continuing policies to foster innovative and flexible renewable energy technologies: "As the legally-binding agreement on climate is slowly taking shape, Europe needs to step up to the plate and deliver on being number one in renewables."

Renewable energy will play a central role in ensuring the achievement of the international and European decarbonisation goals. Investors need clear and robust framework conditions in order to stay on course towards 2030 and 2050. "The European commitment to climate change requires a strong, reliable and enforceable policy framework at home. The revision of the Renewable Energy Directive is key to ensuring the transformation of our energy system towards a renewable and clean future", underlined EREF President Savvas Seimanidis.

"Europe needs to almost completely de-carbonise its energy sector until 2050. Therefore we need strong targets and policies for renewables and energy efficiency and we need clear exit strategies in the relevant Member States to phase out mineral oil, coal and gas in an open and timely manner. These exit strategies will be a very important task for our society and include the engagement with non-EU suppliers in order to enable them to be prepared for this change", highlighted EREF Director Dr. Dörte Fouquet.

For the European Union to continue growing its vibrant home market and to meet its climate, social and economic objectives, European decision-makers need to include the following aspects into a revised Renewable Energy Directive:

1. Priority access and dispatch should continue to be embedded in the directive. Priority dispatch has been a central pillar in keeping the grid risks manageable and thus reducing capital and investment costs. Removing it would subject renewable energy producers to unbearable grid – not market – risks, thus

EREF a federation of national renewable energy associations from EU Member States represents all renewable energy sectors at EU institutions. Its objective is to promote the interests of independent power, fuel and heat production from renewable sources and to establish non-discriminatory access to the European energy market. EREF strives to create, maintain and further develop stable and reliable framework conditions for renewable energy sources.

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counteracting the concept of a level playing field. In order to fulfil the pledge of the European Union to further incentivise and encourage decentralised renewable energy deployment in the hand of citizens and industry, priority access and dispatch is a strict condition, especially in a distorted energy market with overcapacities from incumbent energy sources.

2. Member States should continue to be responsible to design their price-finding and remuneration mechanisms in a flexible way. Strong and reliable national remuneration mechanisms have been essential in driving forward renewable energy development. They need to continue playing a vital role as a substantial part of the revised directive as long as there is an over- capacity from nuclear, gas and coal power stations and capacity markets; continued subsidies for nuclear and fossils; no full internalization of externalities; and no functioning ETS system. An EU wide harmonized mechanism does not respond to the various structures of support of economics in the different Member States. The EU level needs to ensure that no retroactive changes can happen and that the various national mechanisms are efficient, reliable, answering to the decentralized approach and system change with enough flexibility and a level playing field approach.
3. Technology specific remuneration mechanisms should be encouraged, not limited. The concept of technology neutrality ignores the need for replacing conventional power plants with a broad array of renewable technologies and ensuring security of supply. Favouring the cheapest technology over others at a particular point in time can lead to an energy monoculture and eventually to an inefficient energy system.

For more information on this matter, please contact

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