

EREF Press Release

EREF unconvinced by General Court decision on the German Renewable Energy Sources Act (EEG 2012)

Brussels, 10 May 2016

The General Court of the European Union has today declared that the German Renewable Energy Sources Act from 2012 (EEG 2012) involves State Aid. The court's decision thus confirms the view of European Commission as expressed in November 2014. The Federal Republic of Germany argued for annulment and against this view. In its reasoning, the court stresses the exemptions for the heavy industry, which is exempt from paying the EEG surcharge, and similarly confirms the view of the Commission that the German support mechanism makes use of state resources. Still, the court recognizes that the support mechanism for renewables can be designed in a way that does not involve State Aid.

Dr. Dörte Fouquet, Managing Director of the [European Renewable Energies Federation \(EREF\)](http://www.eref-europe.org), believes the impact of the decision is limited: "Today's ruling has no implications for the current Renewable Energy Sources Act and renewable energy producers. The current legislation for supporting renewable energy has already been deemed compatible with the internal market by the European Commission."

EREF is unconvinced by the decision of the court. The General Court's of the European Union ruling contradicts established case law of the European Court of Justice by regarding the EEG as State aid. The support for renewables is backed by a huge majority of the German public, and has been put into effect by the German government. The policy thus has a strong public mandate, is financed by German citizens, and does not involve state resources.

"The Federal Republic of Germany should appeal the judgment. The ruling represents a significant departure from the legal assessment of the German support system in the case of PreussenElektra, and we believe the European Court of Justice should have the final say. We also encourage the German Government to change the design elements that have been criticized as involving State Aid" so Dr. Fouquet.

In order to guarantee a stable legal basis for investors, the Renewable Energy Directive also has to be further developed to allow for the existence of various national support mechanisms. The State Aid Guidelines of the European Commission are very limiting and

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.

EREF

European Renewable Energies Federation

do not constitute a proper foundation for a stable and competitive European energy transformation.

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