

EREF

European Renewable Energies Federation

Philip Lowe
Directorate General for Energy
1049 Brussels

05 December 2013

Subject: Estonia in breach of its Partnership Agreement for the allocation of the money from the cohesion funds

Dear Mr. Lowe,

EREF has been informed by its members, that the Estonian government is about to step back from its commitments under the Draft Partnership Agreement for using the European Structural and Development Funds (ERDF, ESF) 2014-2020, as it does not earmark any sums for the development of renewable energy. It further seems to ignore the recommendations by the European Commission in their 2012 and 2013 country-specific recommendations and its own 2020 competitiveness strategy by leaving out dedicated provisions for renewables. In such a situation, EREF would like to urge you not to support the signature of any final version of the Partnership Agreement under the ESRF and ESF Regulation, until the flaws have been corrected and the Estonian Operational Program for distribution of the funds has been adjusted. We have heard that the day of the signature from the side of the European Commission and Estonia is to arrive soon and therefore we would like to stress the urgency. A non-integration of the support for renewable energy projects within the objectives is to be considered of a violation of Estonia's obligations towards the European Union.

Long-term decarbonisation strategies are at the center of the Commission's position on the development of Partnership Agreement and programs in Estonia. As the Commission writes, *„support should focus not only on the targets for 2020, but also on the long-term decarbonisation target for 2050. Estonia features one of the highest energy intensities per capita in the EU. The importance of shale oil as energy source emphasizes the need to diversify energy supply by developing more*

EREF is a federation of national renewable energy associations from EU Member States, such as wind, solar, small hydro, bio-energy, tidal, wave, and geothermal sources. EREF is striving to defend the interests of independent power, fuel and heat production from renewable sources and to promote non discriminatory access to the energy market. EREF is a member of EREC, the European Renewable Energy Council.

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efficient and less polluting energy sources“ (p.10). Furthermore, „renewable energy use (including offshore marine and wind energy) should be fostered, including through networking of good practice, upgraded infrastructure and legislation. The RES with highest potential are wind and sustainable use of biomass“ (p. 13).

While those sentences clearly speak in favor of dedicated earmarking for renewables, the Estonian government seems to totally ignore this explicit advice by the European Commission. It further seems to disregard its commitments towards the transition to a low-carbon society.

Finally, and as mentioned above, the promotion of renewable energy is prioritized both in the European Commission’s 2012 and 2013 Country Specific Recommendations and the Estonian 2020 competitiveness strategy. By not earmarking any funds specifically for renewables, the Estonian government seems to be ignoring any kind of counsel it was getting and again acts against its own industry which had – based on the competitiveness strategy – expected certain dedication for renewables.

This withdrawal of the Estonian government jeopardizes investor confidence and damages the renewables industry. It endangers jobs and sustainable growth. With that, the Estonian government is using the ESDF money for purposes entirely opposite to what they were intended for.

This being the case, EREF calls on the European Commission not to sign the Partnership agreement. Rather, we urge the Commission to point the Estonian government to those discrepancies and shortcomings, in order to discuss and correct them, for the benefit of the Estonian industry and economy.

Sincerely,



Dr. Dörte Fouquet
EREF Director