

Jean Monnet Module "Moving the EU forward"

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Directive 2016/29/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 06 April 2016

on increasing final energy consumption from renewable sources to 50% by 2030





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Having regard to the Treaty establishing the European Community, and in particular Article 175(1) thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the Economic and Social Committee²,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the procedure laid down in Article 251 of the Treaty⁴,

Whereas:

- (1) The control of European energy consumption and the increased use of energy from renewable sources, together with energy savings and increased energy efficiency, constitute important parts of the package of measures needed to reduce greenhouse gas emissions and comply with the Kyoto Protocol to the United Nations Framework Convention on Climate Change, and with further Community and international greenhouse gas emission reduction commitments beyond 2012. Those factors also have an important part to play in promoting the security of energy supply, promoting technological development and innovation and providing opportunities for employment and regional development, especially in rural and isolated areas.
- (2) In particular, increasing technological improvements, incentives for the use and expansion of public transport, the use of energy efficiency technologies and the use of energy from renewable sources in transport are some of the most effective tools by which the Community can reduce its dependence on imported oil in the transport sector, in which the security of energy supply problem is most acute, and influence the fuel market for transport.
- (3) The opportunities for establishing economic growth through innovation and a sustainable competitive energy policy have been recognised. Production of

energy from renewable sources often depends on local or regional small and medium-sized enterprises (SMEs). The opportunities for growth and employment that investment in regional and local production of energy from renewable sources bring about in the Member States and their regions are important. The Commission and the Member States should therefore support national and regional development measures in those areas, encourage the exchange of best practices in production of energy from renewable sources between local and regional development initiatives and promote the use of structural funding in this area.

- (4) When favouring the development of the market for renewable energy sources, it is necessary to take into account the positive impact on regional and local development opportunities, export prospects, social cohesion and employment opportunities, in particular as concerns SMEs and independent energy producers.
- (5) In order to reduce greenhouse gas emissions within the Community and reduce its dependence on energy imports, the development of energy from renewable sources should be closely linked to increased energy efficiency.
- (6) The main purpose of mandatory national targets is to provide certainty for investors and to encourage continuous development of technologies which generate energy from all types of renewable sources. Deferring a decision about whether a target is mandatory until a future event takes place is thus not appropriate.
- (7) The achievement of the objectives of this Directive requires that the Community and Member States dedicate a significant amount of financial resources to research and development in relation to renewable energy technologies. In particular, the European Institute of Innovation and Technology should give high priority to the research and development of renewable energy technologies.
- (8) Member States may encourage local and regional authorities to set targets in excess of national targets and to involve local and regional authorities in drawing up national renewable energy action plans and in raising awareness of the benefits of energy from renewable sources.

¹ Opinion of 17 September 2008 (OJ C 77, 31.3.2009, p. 43).

² OJ C 325, 19.12.2008, p. 12.

³ Opinion of the European Parliament of 17 December 2008 (not yet published in the Official Journal) and Council Decision of 6 April 2009.

⁴ OJ L 283, 27.10.2001, p. 33.

- (9) In order to exploit the full potential of biomass, the Community and the Member States should promote greater mobilisation of existing timber reserves and the development of new forestry systems.
- (10) Public support is necessary to reach the Community's objectives with regard to the expansion of electricity produced from renewable energy sources, in particular for as long as electricity prices in the internal market do not reflect the full environmental and social costs and benefits of energy sources used.
- (11) In calculating the contribution of hydropower and wind power for the purposes of this Directive, the effects of climatic variation should be smoothed through the use of a normalisation rule. Further, electricity produced in pumped storage units from water that has previously been pumped uphill should not be considered to be electricity produced from renewable energy sources.
- (12) To obtain an energy model that supports energy from renewable sources there is a need to encourage strategic cooperation between Member States, involving, as appropriate, regions and local authorities.
- (13) The measures necessary for the implementation of this Directive should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission.
- (14) In accordance with point 34 of the Interinstitutional agreement on better law-making⁵, Member States are encouraged to draw up, for themselves and in the interest of the Community, their own tables illustrating, as far as possible, the correlation between this Directive and the transposition measures and to make them public,

HAVE ADOPTED THIS DIRECTIVE:

Article 1: Targets

- 1. The EU final consumption from Renewable Energy Sources should be increased until 2030 to 50%:
- 2. The Council of the European Union aims to reconsider the targets to reach on a global scale, in a comprehensive way, to take into account each single social, geopolitical and financial situation.
- 3. The Council of the European Union remains open to any new research on a potentially efficient renewable energy source;
- 4. Strengthen the role of the European Renewable Energy Council (REC) by granting more

- authorities to the Council by increasing the knowledge transfer and support networks;
- 5. State agencies will provide the general directives and a business friendly regulation and legislative framework. State agencies alongside the EU will also be responsible for the protection of consumer rights and the achievement of high safety standards in the energy sector. This will include allowing consumers to easily switch energy suppliers, monitors energy usage and speedily resolve complaints. But the increased involvement of the private sector will contribute substantially, facilitate and provide the necessary "know how". Public authorities should lead an exemplary role regarding the use of renewable (ex. use of electric cars/ public service facilities/ public transportation);
- 6. We call for the implementation of the Strategic Energy Technology Plan considering the way towards the acceleration of the development and deployment of low carbon technologies such as solar power, smart grids, hydrothermal, geothermal and carbon capture and storage;
- 7. We can exploit domestic waste in order to transform domestic and industrial waste into biogas through an anaerobic digestion, proven to be renewable following the example of Brazil;
- 8. We also call for the expansion and renovation of the grid energy (electricity);
- 9. Sustainable efficiency in transport with regulations that promotes the use of means of environmentally friendly transport and supporting more frequent use of public transport, intermodal switching and cycling;
- 10. Reinvigorated stress on sustainable energy efficiency and renewable energy sources at the EU level.

Article 2: Definitions

The following definitions also apply:

- (a) 'energy from renewable sources' means energy from renewable non-fossil sources, namely wind, solar, aerothermal, geothermal, hydrothermal and ocean energy, hydropower, biomass, landfill gas, sewage treatment plant gas and biogases;
- (b) 'aerothermal energy' means energy stored in the form of heat in the ambient air;
- (c) 'geothermal energy' means energy stored in the form of heat beneath the surface of solid earth;
- (d) 'hydrothermal energy' means energy stored in the form of heat in surface water;

⁵ OJ C 321, 31.12.2003, p. 1.

- (e) 'biomass' means the biodegradable fraction of products, waste and residues from biological origin from agriculture (including vegetal and animal substances), forestry and related industries including fisheries and aquaculture, as well as the biodegradable fraction of industrial and municipal waste;
- (f) 'gross final consumption of energy' means the energy commodities delivered for energy purposes to industry, transport, households, services including public services, agriculture, forestry and fisheries, including the consumption of electricity and heat by the energy branch for electricity and heat production and including losses of electricity and heat in distribution and transmission;
- (g) Efficiency means emphasis on the need to stick to the plan of renewable energy trade market and filling the gaps amongst memeber states based on the rules of supply and demand.

Article 3: Energy independence

- Strongly calls for a decrease of the dependence of Member States to energy from non-EU Member States, especially non-renewable ones, by improving the internal European market.
- 2. Aims to take ambitious and operative measures to implement infrastructures that will facilitate the investments in renewable energy sources
- 3. The Member States should stay open to any external investment but call for a strict control over it to avoid the dependence of states on green technologies coming from the outside.
- 4. Production of dispersed and micro-level energy in order to use as much as possible the natural and human resources already at our disposal for production of the needed energy production and of dispersed and micro-level energy from renewable energy resources should also be developed. Mainly, it could be the use of solar energy for water heating and production of electricity.

Article 4: internal cooperation on the matter

 Expresses its will for a European system of feed-in tariffs that would indicate private actors to invest in RESs: the grid operator, on a European level, shall have the obligation to purchase energy produced in the standards of renewable energy. This must be ordered by a comprehensive scale that takes into account

- each geographic and natural comparative advantages;
- 2. Calls for the enhancement of the current EU Emission Trading system by increasing the cost of Emission bills;
- 3. Remains attached to the spreading of information and acknowledges the importance of exploiting the matter of green technologies;
- 4. Suggests the creation of a divided regional system of electricity infrastructure in order to increase the efficiency of transportation by enhancing the interconnection between specific inner regional blocs such as the Baltic States, Benelux region, France, Germany and Austria, Eastern Europe, Southern Europe, the British Isles:
- 5. Further suggests the introduction of an Effort Sharing Decision, so that national targets are distributed in a fair manner between the member states, always in respect to the equality principle;
- 6. Promotes the sharing of technology expertise by exploiting our continental human capital as well as all the latest updates regarding renewable energy developments and know how:
- 7. Encourages common understanding and closer cooperation between the European member states and institutions in order to increase the efficiency and liability of the Union in the European Energy market;
- 8. Underlines the need of focusing on each area's specificities and diversified features in order to make investments more secure, profitable and efficient.

Article 5: Funding

- 1. Encourages both private and public actors to be involved in the target by researches and investments in RESs; and takes into account each single financial capability;
- 2. Aims to make a better use of EU Cohesion Fund in order to improve the homogeneity of the European territories;
- 3. Suggests the involvement of European institutions, in the funding efforts, such as: the European Investment Bank, the European Bank for Reconstruction and Development, the European Cohesion Fund, the European Central Bank.

Article 6: Educational and comprehensive measures

- 1. Emphasizes the need for educational initiatives to assure a long term strategy in order for the current efforts to become a continual process in the future;
- 2. Calls for operative clauses to connect universities and private sector for an efficient collaboration

- in research, knowledge exchange and promotion of green technologies;
- 3. Encourages the raising of awareness on the benefits of building and transforming facilities in respect of the environmental standards of the European Union.

Article 7: Private Sector Involvement

- 1. The Council of the European Union aims to provide incentives for initiatives and investments in the field of renewable energy resources, by:
 - a. establishing direct financial stimuli and appropriate tax policy, such as tax exemptions
 - b. decreasing loan interest rates on both European and national scale
 - c. using of technology and data to facilitate the administrative function and to reduce time consuming bureaucratic procedures that prevent enterprises from investing in the RES sector
 - d. encouraging Long term agenda on investment plans
 - e. calling for the contribution of both private and public actors to the cabling cost.
- 2. The Council of the European Union encourages the creation of a pan-European information system via internet to inform all potential investors, about the RES legislation, taxation and conditions of every national legislation
- 3. The Council of the European Union calls for small and medium investments in order to facilitate a partial refund in case of meeting the standards in the time mentioned in the given contract; each Member State is given a margin on the determination of this refund

- 4. The Council of the European Union supports green small and medium enterprises co-funded by Members States and EU in the framework of the cohesion policy based on quotas.
- 5. The Council of the European Union remains deeply attached to the decrease of the use domestic and transport fossil fuels, and to the reduction of GHG emissions:
 - a. By promoting the use of a wide variety of biomass types as a renewable energy source
 - b. By providing subsidies to the industries so as to ensure that retail energy prices reflect the full costs of energy supply and delivery, including environmental costs.

Article 8: Stability Measures

- 1. The Council of the European Union emphasizes on decentralized power generation.
- The Council of the European Union calls for a significant assistance for the research and the development of smart applications and innovative solutions; and for financial assistance to the Research and Development programs to strengthen technical and technological advances and improve facilities.
- 3. The Council of the European Union decides to remain actively seized on the matter.