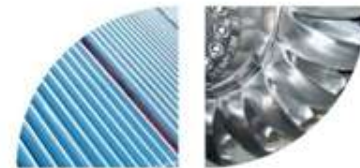




EUROPEAN RENEWABLE
ENERGY COUNCIL



Europe in the global market



Rainer Hinrichs-Rahlwes

President of EREC

31st August 2012



EREC the **umbrella organisation** of European renewable energy industry, trade and research associations.

EREC represents **Europe's entire renewable energy sector.**

EREC's Member Associations:





2020 targets in Renewable Energy

Member States' Progress Towards 2020 Targets in Renewable Energy

MS	RES in Consumption in 2010 (1)	2011/2012 RES Interim Target (1)	2020 RES Target (1)	RES in Transport (2010) (2)	2020 RES Target in Transport (2)
EU	12.5%	10.7%	20%	4.7%	10%
Belgium*	5.16%	4.4%	13%	4.33%	10%
Bulgaria	13.79%	10.7%	16%	1.00%	10%
Czech Republic	9.24%	7.5%	13%	4.58%	10%
Denmark	22.22%	19.6%	30%	0.27%	10%
Germany	11.00%	8.2%	18%	5.73%	10%
Estonia	24.32%	19.4%	25%	0.17%	10%
Ireland	5.46%	5.7%	16%	2.39%	10%
Greece	9.24%	9.1%	18%	1.93%	10%
Spain	13.83%	10.9%	20%	4.73%	10%
France	12.93%	12.8%	23%	6.10%	10%
Italy	10.11%	7.6%	17%	4.81%	10%
Cyprus	4.85%	4.9%	13%	1.97%	10%
Latvia	32.57%	34.0%	40%	3.32%	10%
Lithuania	19.72%	16.6%	23%	3.59%	10%
Luxembourg	2.83%	2.9%	11%	2.04%	10%
Hungary	8.68%	6.0%	13%	4.74%	10%
Malta	0.36%	2.0%	10%	0.30%	10%
Netherlands	3.76%	4.7%	14%	3.01%	10%
Austria	30.05%	25.4%	34%	5.45%	10%
Poland	9.41%	8.8%	15%	5.94%	10%
Portugal	24.57%	22.6%	31%	5.59%	10%
Romania	23.36%	19.0%	24%	3.19%	10%
Slovenia	19.80%	17.8%	25%	2.87%	10%
Slovakia	9.76%	8.2%	14%	7.85%	10%
Finland	32.17%	30.4%	38%	3.90%	10%
Sweden	47.94%	41.6%	49%	7.75%	10%
United Kingdom	3.20%	4.0%	15%	2.96%	10%

EU reached 12.5% RES in FEC already in 2010 = 1.8% above the indicative trajectory indicated in the NREAPs for 2011/2012

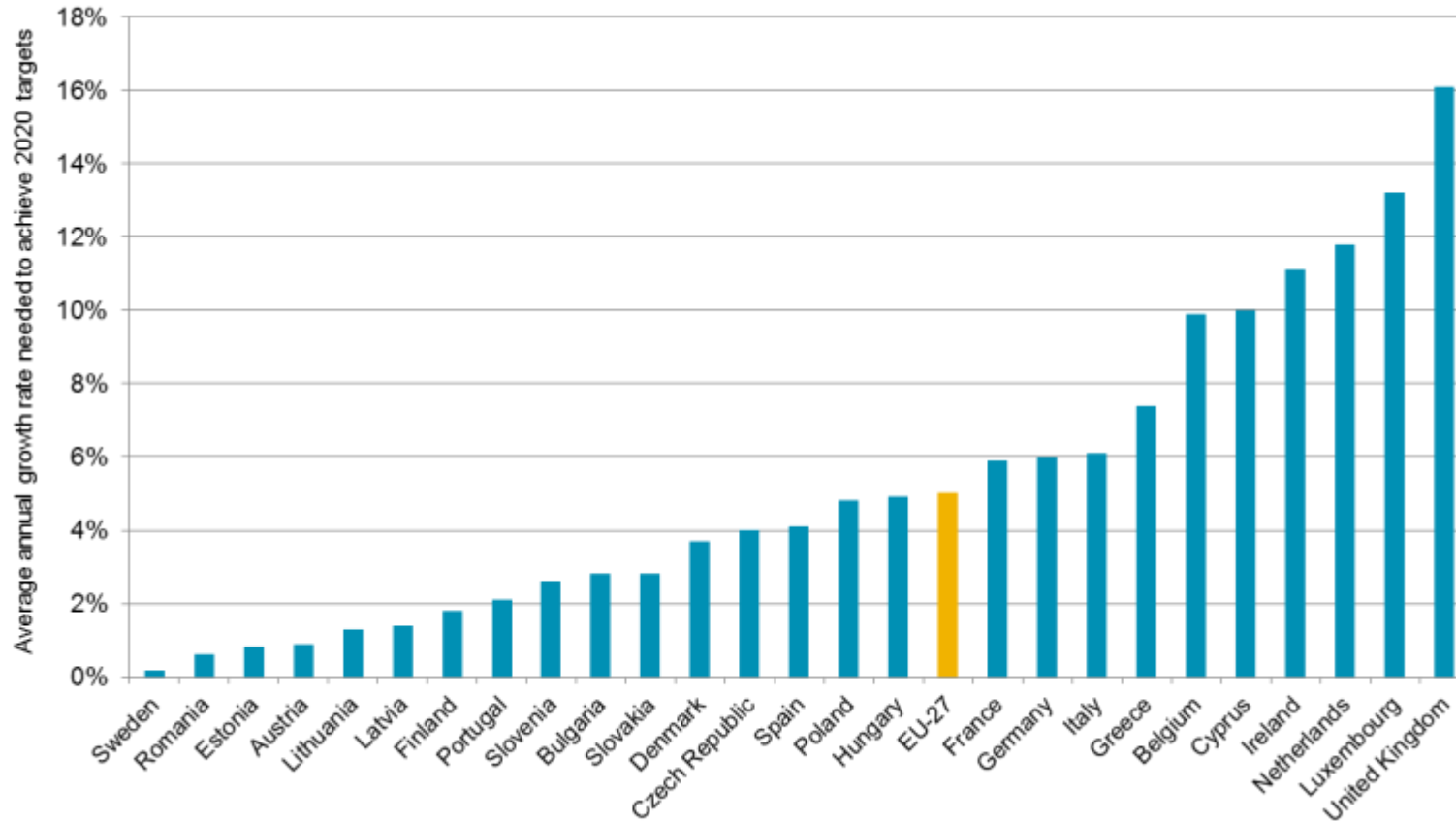


21 MS are above their 2011/2012 interim target, including Denmark, Germany, Italy, Lithuania, Sweden or Finland

6 MS are below their 2011/2012 interim target: Latvia, Malta, Ireland, Luxembourg, the Netherlands, UK



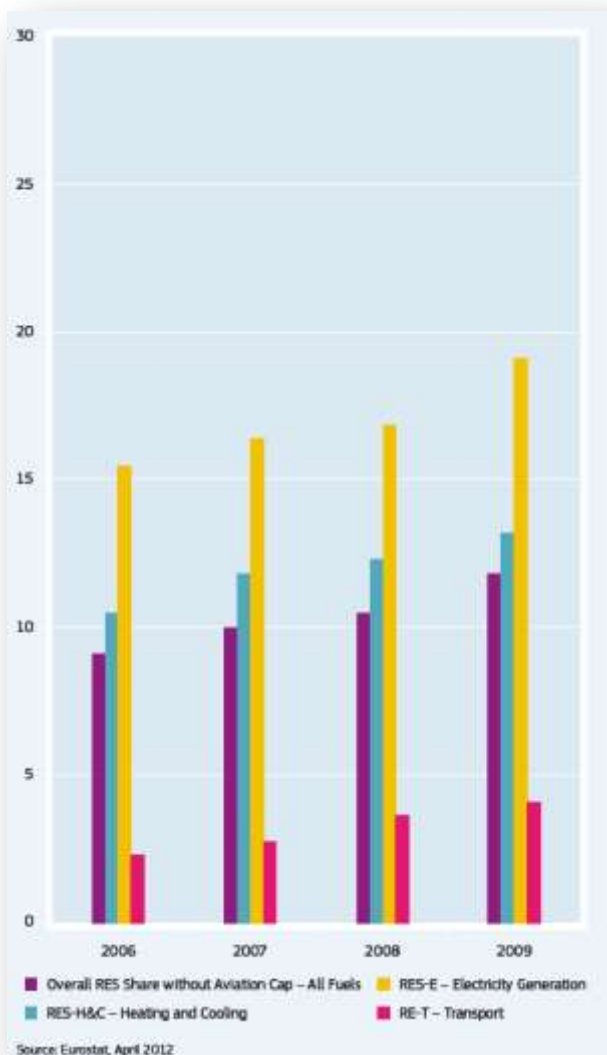
AAGR needed to achieve 2020 targets



Source: EREC based on 2010 Eurostat data



Share of RES by sectors (%)



%	Overall RES Share*				RES-H&C - Heating and Cooling				RES-E - Electricity Generation				RE-T - Transport			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
EU-27	9.0	9.9	10.5	11.7	10.5	11.7	12.2	13.4	15.3	16.2	16.9	19.1	2.1	2.8	3.6	4.2
BE	2.7	3.0	3.3	4.6	3.8	3.7	4.1	5.2	3.1	3.6	4.6	6.2	0.2	1.3	1.3	3.3
BG	9.3	9.1	9.6	11.6	14.9	14.0	15.8	20.8	8.7	8.9	9.5	10.6	0.3	0.3	0.4	0.6
CZ	6.4	7.4	7.7	8.5	9.6	11.5	11.2	11.9	4.1	4.6	5.2	6.3	0.8	1.0	2.3	3.4
DK	16.5	18.0	18.7	19.9	24.5	27.8	28.9	30.1	24.1	25.2	26.1	28.2	0.3	0.3	0.3	0.4
DE	7.1	9.4	9.3	9.8	5.7	8.5	8.4	8.5	11.5	13.8	14.8	17.7	6.4	7.2	6.2	5.7
EE	16.1	17.1	18.9	22.8	30.7	32.7	35.5	41.3	1.3	1.3	1.9	5.8	0.2	0.2	0.2	0.2
IE	3.0	3.4	3.8	5.0	3.3	3.6	3.3	3.9	8.7	10.0	10.9	13.5	0.1	0.4	1.2	1.9
EL	7.2	8.2	8.0	8.2	12.6	14.6	14.5	16.1	8.9	9.3	9.6	10.5	0.7	1.2	1.0	1.1
ES	9.4	9.9	11.2	13.3	11.4	11.3	12.1	13.4	20.8	22.6	24.6	28.8	0.7	1.2	2.0	3.5
FR	9.8	10.5	11.4	12.3	12.3	12.9	13.4	15.1	14.7	14.9	14.8	15.5	2.0	3.5	5.6	6.0
IT	5.6	5.5	7.0	8.9	4.2	4.0	5.9	8.2	15.9	16.0	16.6	18.8	0.9	0.9	2.4	3.8
CY	2.5	3.1	4.1	4.6	9.3	11.7	12.7	14.6	0.0	0.1	0.3	0.6	0.1	1.9	1.9	2.0
LV	31.1	29.6	29.8	34.3	42.6	42.4	42.9	47.9	40.4	38.6	38.7	42.0	1.1	0.8	0.9	1.2
LT	14.6	14.2	15.3	17.0	25.7	25.5	28.0	29.5	4.0	4.7	4.9	5.9	1.7	3.6	4.1	4.2
LU	1.4	2.5	2.6	2.7	3.6	3.9	4.2	4.1	3.2	3.3	3.6	4.1	0.1	2.1	2.1	2.1
HU	5.2	6.0	6.6	7.7	7.6	9.0	8.4	10.4	3.5	4.2	5.3	7.0	0.6	1.0	4.1	3.1
MT	0.2	0.2	0.2	0.2	4.2	4.2	4.1	2.0								
NL	2.7	3.2	3.5	4.1	2.5	2.7	2.9	3.1	6.6	6.0	7.5	9.1	0.5	2.9	2.6	4.2
AT	25.1	27.2	27.9	29.7	24.4	27.2	27.5	29.6	60.5	63.0	63.2	66.7	4.3	5.3	6.1	6.5
PL	7.0	7.0	7.9	8.9	10.4	10.6	11.2	12.0	3.1	3.5	4.4	5.9	1.0	0.9	3.5	4.8
PT	20.8	22.3	23.2	24.5	34.1	35.5	37.6	37.8	30.0	32.7	34.6	38.4	1.3	2.3	2.2	3.6
RO	17.2	18.4	20.5	22.4	17.7	19.6	23.5	26.7	28.0	28.1	28.0	30.7	0.8	1.7	1.7	1.6
SI	15.5	15.6	15.0	16.9	18.6	20.4	19.2	20.4	28.2	27.7	30.0	33.8	0.4	1.0	1.4	1.9
SK	6.6	8.1	8.3	10.3	4.6	6.5	6.3	8.5	15.9	16.4	17.1	17.8	2.7	4.6	6.0	8.6
FI	29.2	28.9	30.6	30.3	40.1	40.8	42.5	41.7	26.4	25.4	27.2	27.2	0.4	0.4	2.1	2.3
SE	42.4	43.9	44.9	47.3	58.1	61.1	63.5	64.8	51.8	53.2	53.6	58.2	4.9	5.9	6.6	7.3
UK	1.5	1.8	2.3	2.9	1.0	1.1	1.4	1.7	4.5	4.8	5.4	6.6	0.6	1.1	2.2	2.7

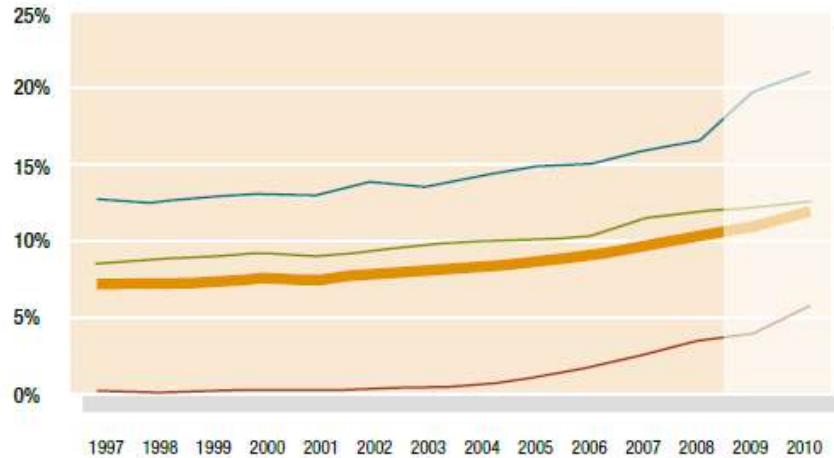


Figure 4
Renewable Energy Share in Final Energy Consumption 1997-2010 (%)

- % RES in FEC
- % RES-E
- % RES-H&C
- % RES-T

Source: 1997-2008 Eurostat;
2009 preliminary data; 2010 EU targets

Decarbonising the Energy Supply (2010)

880 Mt of energy related CO₂ emissions avoided

➡ -22% of energy related CO₂ emissions

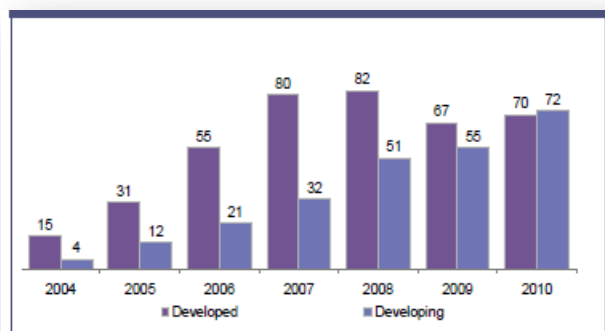
Investing in Renewable Energy:

Financial transactions/investments were €55 billion (2008)

and €62 billion (2009)

and according to GSR 2012: USD 101 billion (i.e. €80 billion) in 2011, up 10% from 2010.

New renewable energy investments



New investment volume adjusts for re-invested equity. Total values include estimates for undisclosed deals

Source: Bloomberg New Energy Finance, UNEP

In 2010 developing countries overtook for the first time developed countries in terms on new RES investments (reversed in 2011 despite continued growth)

After several years of increases, developing countries saw their relative share of total global investment slip back in 2011



Source: REN21_GSR2012

Recent negative developments in EU27

Examples:

- ❑ Stopping biofuels blending after only recently having introduced it
- ❑ A moratorium on support for new RES production, which has an obvious direct & crushing impact on local RES investment
- ❑ Retroactive changes: i.e. Modifications of FiT for existing installations without producers' consent, cutting expected returns to investors significantly

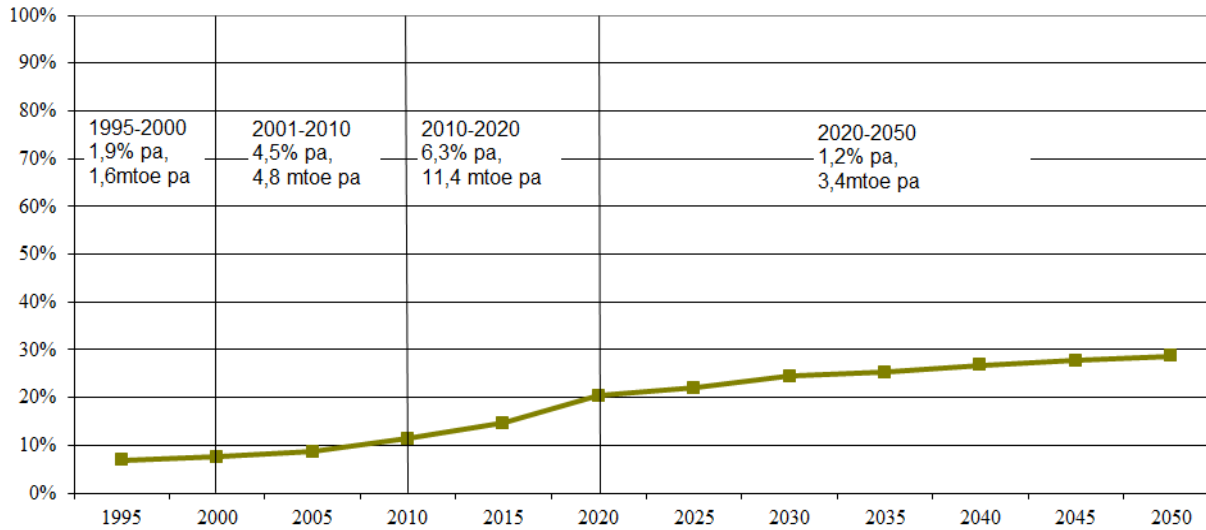
➔ 17 infringement procedures on internal electricity market

➔ 4 infringement procedures on renewable energy legislation (CY, IE, MT, SL)

Spain,
Portugal,
Czech
Republic,
Estonia...

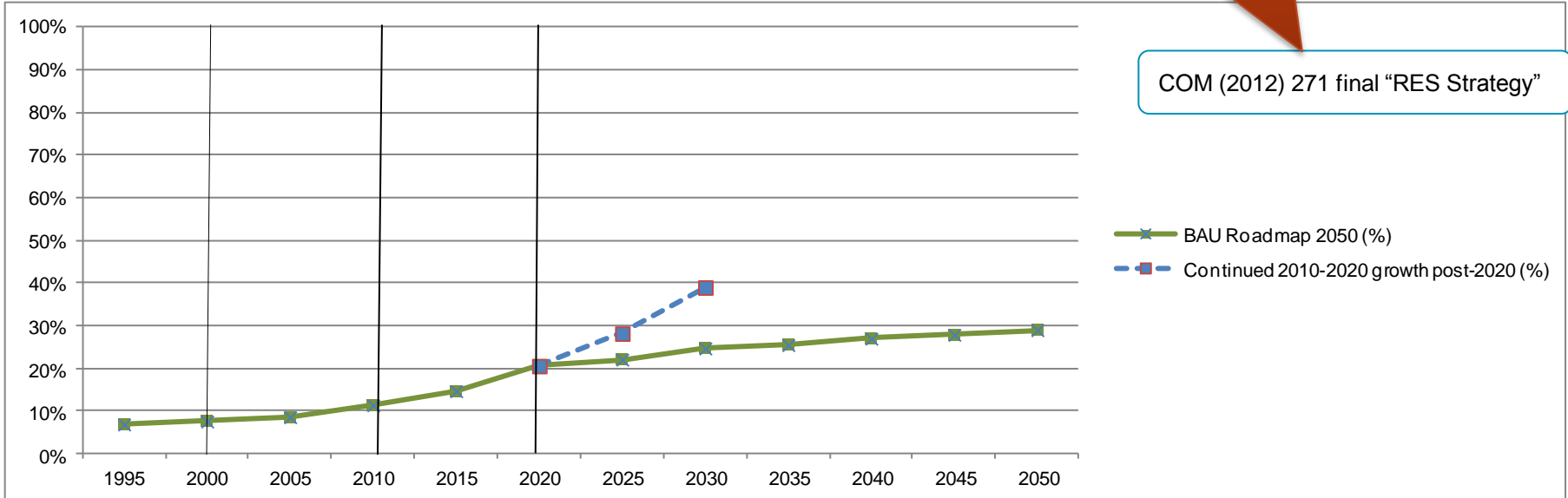


Historic and projected growth



„Clarity on long term policy is needed to ensure that the necessary investment is made.“

COM (2012) 271 final “RES Strategy”



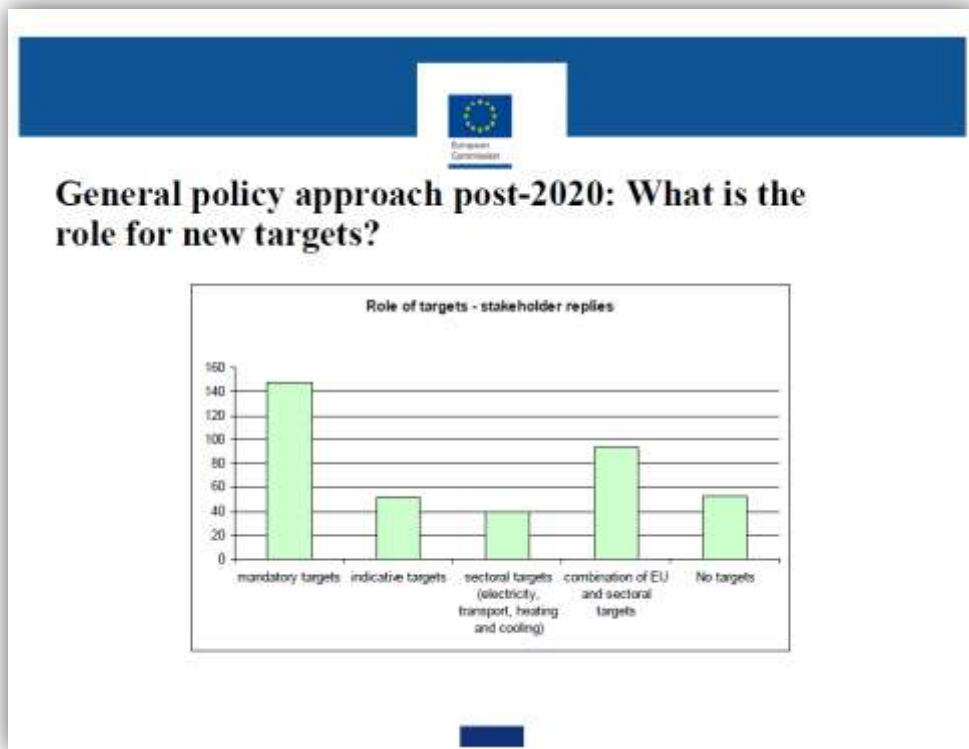
45% by

2030

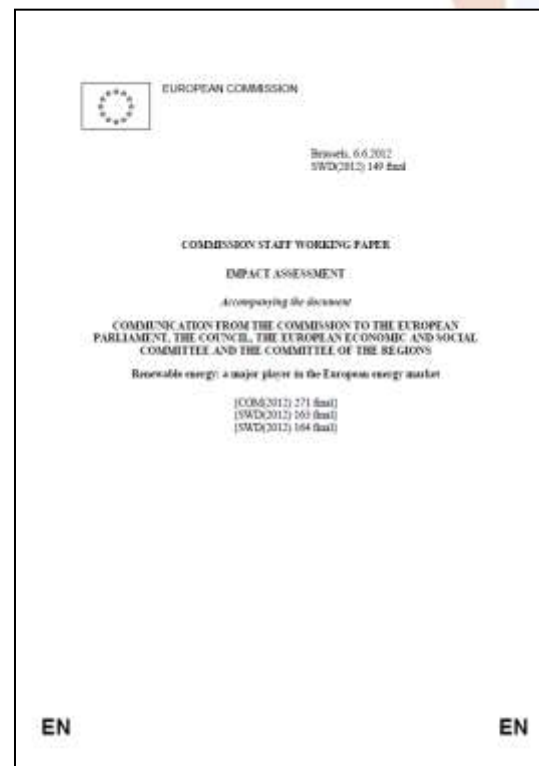
Towards a truly sustainable energy system in the EU



Public consultation and Impact Assessment



Source: Philip Lowe (Director-General): Stakeholder Conference on the Renewable Energy Strategy, 24/02/2012



Majority of stakeholders want a dedicated 2030 target



IA favours “*Binding renewable energy targets post-2020 and coordinated support*”

Needed policy support



Strong support for „no-regrets“ options

- Energy Efficiency
- Infrastructure
- Renewable Energy

- I. Action Plan for RES Heating and Cooling
- II. Stable and reliable RES-E support schemes & and policy framework (incl. guidelines to prevent retroactive changes)
- III. Flexibility-driven market design
- IV. A binding 2030 renewable energy target



EUROPEAN RENEWABLE
ENERGY COUNCIL



Thank you for your attention!

www.erec.org

