

European Forum for Renewable **Energy Sources**

Declaration of Edinburgh 2005



We, Members of the National Parliaments of the EU Member States and of the European Parliament. call for

A comprehensive and coherent European renewable energy and energy efficiency strategy (REEES) with the aim of a 100% energy supply from renewable energy sources in a few decades.

Our reasons

Security of energy supply

Oil, gas, coal and uranium will all run out. More and more countries, including EU member states, are increasingly dependent on imported energy sources. This will inevitably lead to price increases - of particular concern to developing countries. Shortages will bring about increasing political and military conflicts.

Environmental problems

All fossil fuels emit CO₂, a major contributor to global warming, which is leading to increasingly serious natural catastrophes with all their economic and societal consequences. Nuclear energy, too, has serious environmental implications such as the as yet unsolved question of radioactive waste and the risk of accidents.

Both fossil fuel and nuclear energy systems are heavy users of water - a scarce resource.

Distorted energy markets

Conventional energy sources continue, after many years, to receive subsidies and do not pay for the external costs they bring about. Publicly-funded infrastructure such as grid systems are designed and developed for conventional sources. The current structures of the European power markets are a barrier to new entrants.

The advantages of renewable energy sources

By definition, renewable energy sources will not run out! They are available everywhere and will contribute to stable energy prices.

The impacts of renewable energy sources on the environment and human health are negligible.

The costs of renewable energy have been steadily decreasing, become more and more competitive and will continue to do so. Apart from biomass, they are completely free of fuel costs and of the heavy external costs of other energy sources.

The dispersed nature of renewable energy sources makes them accessible and affordable, in particular for developing countries.

Both renewable energy and energy efficiency increase employment in a new fast-growing industrial sector. Over 300 000 people work in the renewable energy sector in the EU and the industry has an annual turnover of more than 15 billion Euros. The EU industry is a world leader in most of the related technologies, with very successful export markets.

For all these reasons it is clear that renewable energy sources and energy efficiency meet the objectives of the EU as laid out in the various treaties:

"Environmental protection requirements must be integrated into the definition and implementation of the Community policies and activities"

"to achieve balanced and sustainable development"

as well, of course, as meeting the Lisbon agenda's aims.

Our strategy (REEES)

- In the field of renewable energy our strategy covers the fields of electricity, heating, cooling and transport.
- In the field of energy efficiency our strategy covers electrical appliances, buildings (including housing), industrial processes and the transport sector.
- We take a four-step approach:
 - 1. To strengthen the implementation and monitoring process of all relevant EU Directives already in place, thereby enhancing our scrutiny responsibilities.
 - 2. To promote the coherent further development of measures already in place.
 - 3. To take initiatives in areas not currently covered by European legislation, such as the heating and cooling sectors, or calling for the creation of very large Europewide renewable energy or infrastructure projects such as a new grid connecting wind and wave energy projects and other necessary infrastructure.
 - 4. To strengthen the follow-up and monitoring of such new initiatives, both nationally and at European level.

We ask EUFORES to spell out the details of the REEES strategy as soon as possible, to circulate it widely, including of course to the participants, members of EUFORES and the World Parliamentary Network for Renewable Energy.

Further discussions and amendments to the strategy can be made at the 2nd International Parliamentary Forum on Renewable Energy of the World Parliamentary Network for Renewable Energy in Bonn. The results will be the focus of the 7th Inter-Parliamentary meeting of EU-FORES.

Edinburgh, 8 October 2005

REEES Annex A: Renewable energy and energy efficiency – sectorial measures

The following should become an integral part of the REEES.

Renewable Energy

We call

for a **mandatory target of 25% renewable energy** consumption by 2020 in the European Union, which is achievable in combination with energy efficiency measures.

We call

for a **Directive promoting renewable heating and cooling with mandatory national targets and an ambitious framework**. Heat is the largest energy market in Europe, larger than electricity and transport. Over 40% of the EU's primary energy consumption is used for heating or cooling in buildings, for domestic water supply, for industrial processes in the service sector. The majority of heat and cooling is currently produced from imported and polluting fossil fuels or from electricity largely generated by fossil fuels or nuclear power. The energy consumption for cooling is dramatically increasing. For the first time in history, the peak electricity demand in several countries is no longer in winter, but in summer.

We call

for coordinated actions in order to **overcome significant existing barriers** to the further development of RES - electricity:

- **administrative barriers** have to be removed further, especially through the adoption of straightforward and transparent land-use and territorial protection plans, which give clear priority to the harnessing of RES.
- **access to the grids** has to be prioritized and the share of the associated costs has to be fair and non discriminatory. Actions should be undertaken for the extension and/or reinforcement of local grids in isolated areas with high RES potential as well as for the distribution and transmission grid where necessary to integrate renewables. Grid operators should be obliged to take over related costs taking into account that in former decades grid regimes were built up mainly by public money.
- The grid management should be fair and transparent, also as it concerns related prices.
- **Fair market conditions** have to be created, distortions on the conventional power market have to be removed, including the introduction of a polluter-pays principle
- **The role of government policies** in the promotion of renewable energy and energy efficiency is fundamental and the most effective policies should be closely examined.

We insist on the fact that **market liberalization** does not imply just deregulation, but requires a regulatory framework that recognises the best options available, especially renewables and efficiency.

We call for the **analysis of the overall environmental impacts of fossil and nuclear energy** and of related external costs.

We await with interest the **Biomass Action Plan** from the European Commission and expect an ambitious strategy to synchronize the related areas.

We recognise that **biomass for fuel will contribute to boosting agricultural areas in the EU** and making good use of agricultural raw materials; considers that in relation to recent reforms and cuts in financial support (CAP, sugar), promoting the use and production of biomass for fuel could offer this sector a new outlet and prompt further CAP reform.

We recognise the **importance of Common Agricultural Policies for the Biomass** energy sector.

We call for exploiting the potential of bioenergy and biofuels in conjunction with **sustainable agriculture and forestry and sustainable management of waste** within the CAP and the EU waste strategy

We emphasise, that **storage technologies used for renewable energy** could contribute to a sustainable future.

We actively support the **foundation of an International Agency for Renewable Energy** as an institutional home of Renewable Energy promotion to create a levelling playing field with fossil energy and nuclear energy which are represented by the International Energy Agency (IEA), respectively by the International Atomic Energy Agency (IAEA). Such an agency for renewable energy should be a main facilitator of international capacity building and the transfer of technology and policies in the field of Renewable Energy.

We recognise that the Euratom Treaty still provides many advantages for the nuclear energy sector. A **RES-specific treaty or similar instrument, called for instance EURENEW**, should be adopted.

Energy Efficiency

We call **for binding national energy efficiency targets** within the framework of the proposal for a Directive on energy efficiency and energy services.

We call for **efficiency gains through new measures** in all Member States and in all relevant areas and to foster an energy efficiency services market.

We express our hope that the **implementation of the buildings directive** will lead to a better energy performance of buildings and that necessary proposals for strengthening and broadening the scope of the directive will be put forward by the Commission.

We are pleased to recognise the **Green Paper on Energy Efficiency** by the European Commission and encourage the European Commission to come up with a strong action plan.

We call on the electronics industry to produce low energy consuming appliances.

Research Policies

We strongly call for an **increase of the research budgets for renewable energy and energy efficiency**. We consider it as unacceptable that only 8.2% of the overall energy research budget of the OECD counties is allocated to renewable energy.

We consider it as unacceptable that the research budget for renewable energies under the FP6 research programme by the EU was decreased in comparison to the previous programmes. This tendency has to be changed. Therefore, we call for a clearly identified budget of at least 300 Million Euro per year for renewables and a budget of at least 200 Million Euro per year for renewables and a budget of at least 200 Million Euro per year for renewables and a budget of at least 200 Million Euro per year for energy efficiency under the FP7 programme. There must be a more equitable distribution of energy research funds. Furthermore renewable energy and energy efficiency should get single budget lines for a better monitoring of the allocation process. Moreover we call on the European Commission to facilitate the establishment of Technology Platforms for Solar Thermal and Wind Power within the Framework of FP7.

We recognise the fact that RES technologies are the **most cost-effective choice** in the short and medium term.

Finally

The joint implementation of renewables and energy efficiency is the only way to meet the international EU commitments resulting from Kyoto. However, to effectively combat climate change, to decrease the dependency on conventional energy, to avoid increasing energy costs and to secure a fair energy access for all mankind, Europe and the world needs to go far beyond the Kyoto targets.

Finally, the participants call upon all the relevant EU, regional and local elected bodies, institutions and actors throughout Europe, to promote and develop jointly the measures contained in this declaration, and agree to review, at a further high level Inter-Parliamentary Meeting, the progress made and to promote further initiatives.

EUFORES and the World Parliamentary Network for Renewable Energy are called upon to enlarge the network of parliamentarians promoting renewable energy and energy efficiency worldwide.

REEES Annex B: Renewable energy and energy efficiency - related policy fields

RES Policies have to be horizontally integrated in other EU Policies.

The following, amongst other policies, should become an integral part of the REEES.

Development policies

We call for a better **integration of renewable energies and energy efficiency activities or projects in development policies**, as energy supply is a precondition for development and particular state budgets of developing countries suffer from the necessity to import energy products. 2 billion people are still without electricity.

Financing policies

We ask the financing sector to spend more money on energy efficiency and renewable energy projects.

In particular, public banks should take their responsibility for smaller projects. Measures such as micro credits, pooling and energy contracting have to be evaluated and applied more frequently.

We call for a **report on the financing practice** of the public banks at EU and international level. Also the private financing sector should focus on renewable energy and energy efficiency projects.

Particularly in the buildings sector there are manifold options such as **third party financing and contracting** to improve the standard of energy efficiency in buildings.

Agricultural policies

We are looking forward to the Biomass Action Plan from the European Commission.

We recognise that the importance of **Common Agricultural Policies** for the Biomass energy sector.

We recognise that cultivation of energy plants on set aside land is integrated into the CAP.

We have to ensure that biomass, whether it is imported or domestically imported has been produced in a **sustainable way**.

We call for using the Structural and Cohesion Funds to promote the use of biomass.

We call for using the enormous potential of the **second pillar of the common agricultural policy** (rural development) to promote the sustainable use of biomass.

Human capacity building

There is strong need for specialists in all fields related to renewable energy and energy efficiency, particularly with regard to development policies. An International Renewable Energy Agency (IRENA) could be a main driving force of supporting regions and states to develop effective strategies.

Awareness building initiatives

We welcome the Awareness campaign for renewable energy and energy efficiency measures from the European Commission and the manifold campaigns at national and regional level. We encourage an increase in the efforts in this area.

In particular professions such as engineers, architects etc. should be addressed and integrated in awareness building programmes.

We commit ourselves to support communication and information policies, which are essential for increasing public awareness and securing public support.

We commit ourselves to increase effective networking between Members of elected bodies EU-wide and to study best practice.

Educational policies

We call for the integration of renewable energy in the **school and university** curriculum and in related textbooks. Physics or economics could, for example, be explained by renewable energy technologies and energy systems.

We call for the integration of renewable energy and energy efficiency in **other forms of academic and professional education** where relevant.

Industry's responsibility

We recognise that the European renewable energy and energy efficiency industry is the world leader in most of the related technologies. However, we consider it as essential that the renewable energy industry makes strong efforts to bring down the costs for the production of renewable energy at all levels.

REEES Annex C: Approach

I. First step of REEES Implementing and monitoring

We call for the proper implementation and monitoring of the legal framework in place with regards to renewable energy and energy efficiency.

We consider it important, that in case of non-compliance the European Commission has to take the appropriate infringement instruments. The credibility of the political incentives in place stands and falls with the proper implementation.

In the field of electricity¹ the focus should be on

- mandatory targets for 2010
- removal of administrative barriers
- fair and free access to the grid (if necessary ownership unbundling)
- non-discriminatory and transparent tariffs
- level playing field between all electricity producers
- evaluation of the external costs of the different energy sources

Transport²

- mandatory targets for 2010
- determination and evaluation of ways to achieve it, including resources, energy balances and availability of different Bio-fuels

Energy efficiency

We call for the proper implementation and monitoring of the implementation of the following Directives:

- 1992 Directive 92/42/EEC of 21 May 1992 on efficiency requirements for new hot-water boilers fired with liquid or gaseous fuels
- 1997 Directive 97/17/EC of 16 April 1997 implementing Council Directive 92/75/EEC with regard to energy labelling of household dishwashers
- 1998 Directive 98/11/EC of 27 January 1998 implementing Council Directive 92/75/EEC with regard to energy labelling of household lamps
- 2001 Regulation (EC) No 2422/2001 of the European Parliament and of the Council of 6 November 2001 on a Community energy efficiency labelling programme for office equipment
- 2004 Directive on the promotion of cogeneration based on a useful heat demand in the internal energy market

¹ Directive on the promotion on electricity produced from renewable energy sources

 $^{^2}$ Directive 2003/30/EC of the European Parliament and of the Council of 8 May 2003 on the promotion of the use of biofuels or other renewable fuels for transport (OJI L 123 , 17.05.2003, p. 42

II. Second step Continuation of measures in place

Electricity

We call

- for a 25% European target of renewable energy by the year 2020, which corresponds to more than 33% renewable electricity target by the year 2020.
- we call for a 50% renewable electricity target by the year 2030, a 80% electricity target by the year 2050 and a 100% electricity target by the year 2070.

We recognise that the industry, particular the European industry has proven to be capable to make it happen.

<u>Transport</u>

We call for

A mandatory and gradually rising obligation for fuel companies to mix biomass based fuels in their sales.

Energy efficiency

We call for

broadening the existing 'Buildings Directive' to all commercial buildings of more than 250 m².

III. Third step New initiatives have to be developed to close gaps

Electricity

We call for a clear strategy for the integration of RE technologies in existing grid systems and grid management, particularly for offshore wind electricity. Backup options such as electricity from hydro have to be taken into account as well as the decentralised characteristics of renewable energy sources.

Heating and Cooling

We call for a Directive promoting the application of renewable heating and cooling technologies.

Besides biofuels and electricity, the heating and cooling sector has to be integrated in the REEES as 40% of all primary energy is consumed therein.

<u>Transport</u>

We call for

efficiency gains through structural measures like better urban and regional planning, modal shifts in goods and passenger transport and the gradual raising of efficiency performance

standards for vehicles and airplanes are crucial and complementary to renewable fuel strategies.

We call for the analysis of the overall environmental impacts of fuels.

We recognise

that ethanol for fuel will contribute to boosting agricultural areas in the EU and making good use of agricultural raw materials; we consider that in relation to recent reforms and cuts in financial support (CAP, sugar), promoting the use and production of ethanol for fuel could offer this sector a new outlet.

We call for

exploiting the potential of bioenergy and biofuels in conjunction with sustainable agriculture and forestry and sustainable management of waste within the CAP and the EU waste strategy.

Energy Efficiency

We call for binding national energy efficiency targets.

We are pleased to recognise

the energy design of new buildings, where the integration of solar architecture, insulation and renewable energies is leading to low-energy, passive-energy and even plus-energy houses - which produce more energy over a year than they consume.

We are pleased to recognise

the Green Paper on Energy Efficiency by the European Commission and encourage the European Commission to come up with the conclusions.