

COUNCIL OF EUROPEAN MUNICIPALITIES AND REGIONS CONSEIL DES COMMUNES ET REGIONS D'EUROPE

CEMR position paper

on the directive on the promotion of the use of energy from renewable sources COM (2008) 30 final

Brussels, June 2008

Key points

CEMR

- ⇒ Welcomes that the European Union supports a greater use of renewable energy and recognizes its potential for protecting the climate, reducing pollution and the dependence on fossil fuels.
- ⇒ Considers that the active role of local and regional authorities in the promotion and the use of renewable energy should be further strengthened in the directive, given the relevance of their competences in this field.
- ⇒ Stresses that the 20% target could not be achieved without a strong partnership between the different levels of government.
- ⇒ Calls for the inclusion of provisions in the directive recommending the effective involvement of local and regional authorities in the drawing up and implementation of national action plans.
- ⇒ Underlines that the directive would have an impact on regulations, laws and administrative procedures. Buildings and cooling, heating and electricity equipments and systems would have to be adapted as well. This should not result in a disproportionate financial overload and a reduction of the room for manoeuvre of local and regional government.
- ⇒ Believes that local and regional authorities have a relevant role to play to inform citizens of the opportunities and implications of the development of energy from renewable sources.
- ⇒ Asks the European Union and national governments to encourage and facilitate the development of decentralised renewable energy production.
- ⇒ Advocates that the grid suppliers should be obliged to make, and bear the costs, of adjustments to give priority access to electricity from renewable sources.
- ⇒ Believes that the introduction of stringent sustainable criteria for second generation biofuels from European or non-European origin should be a prerequisite.

- 1. CEMR welcomes the adoption of the renewable energy directive and supports the European Commission and the European Council's commitments to achieve a sustainable and efficient production and use of renewable energy.
- 2. CEMR is the umbrella organisation gathering 51 national associations representing local and regional government of 37 countries. Local and regional authorities are becoming more aware of climate change and the contribution of energy use. They realise the potential of renewable energy and are increasingly implementing sustainable energy measures based on renewables.
- 3. CEMR has a network on energy which has been working on the issue of sustainable energy for a long time. In cooperation with Energie-Cités and Climate Alliance, CEMR published in 2006 a guidebook for local and regional authorities on how to develop sustainable energy policies that also protect the climate¹. CEMR also developed the Aalborg Commitments that set local sustainability targets, including on energy and climate change, and promotes recent initiatives in favour of energy efficiency, such as the Covenant of Mayors.
- 4. In its policy statement on EU Energy policy adopted in September 2007, CEMR welcomes the roadmap on renewable energy leading to the present directive and the proposed binding renewable energy target. CEMR believes renewable energy is a key tool for climate protection, less pollution and less dependence on fossil fuels.

ROLE OF LOCAL AND REGIONAL GOVERNMENT IN THE PROMOTION OF RENEWABLE ENERGY

- 5. Local and regional authorities are key players to promote the use of renewable energy and many are already doing so. However, CEMR considers that the active role and competences of local and regional government in energy policy are generally not sufficiently recognised by the European Union initiatives and should be strengthened further in the renewable energy directive.
- 6. In the field of energy, regions and municipalities have to respect potentially conflicting laws and to balance different priorities (e.g. environmental and economic). Nevertheless, they do already have an impact on the use of renewable energy through public procurement and in providing public services, in particular for heating, cooling, lighting, building and public transport. They can also influence energy demand through the management of their own energy use.
- 7. Local and regional government's competencies can mean that they are responsible for local regulations, spatial planning, approval of planning applications and provision of grants. As such, they can act on the use of renewable energy by influencing the orientation of local and regional development and the choices of other actors, such as enterprises and operators.
- 8. Moreover, as the public bodies closest to citizens, they can influence the energy decisions of members of the public, promote sustainable consumption and, through information and awareness raising, a better understanding of the potential of renewable energy.

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¹ "Save energy, save the climate, save money – guide for local and regional governments", available at: http://www.ccre.org/bases/T_599_34_3524.pdf

TARGETS AND NATIONAL ACTION PLANS (articles 3 and 4)

- Generally, CEMR considers mandatory targets with caution. However, it believes that some level of binding objective is indispensable to achieve the required major shift in our energy habits and management. This shift is needed to
 tackle climate change, pollution and energy dependency.
- 10. CEMR welcomes the proposed objective of a 20% share of renewable energy sources in energy consumption by 2020, accompanied with nationally differentiated targets, and also appreciates the flexibility left to Member States to choose their own sectoral targets.
- 11. Some local authorities already achieve significant levels concerning the use of renewable energy and the implementation of energy-efficiency measures. Therefore, CEMR stresses that they should not be constrained by national targets but encouraged to set targets in excess of national targets.
- 12. CEMR is convinced that partnership between the different levels of government is a prerequisite to reach these targets and to promote the use of renewable energy. CEMR calls for the constructive use of subsidiarity in this field. The higher levels of government (EU, national) must provide the regulatory context and the financial incentives and implement their own actions, while the local and regional levels will take the necessary implementing and regulatory measures within the scope of their competences.
- 13. In this sense, CEMR considers that the directive should require Member States to actively involve, at an early stage, the regional and local levels in the preparation and implementation of the national action plans that governments have to establish.
- 14. CEMR believes that the EU should provide guidelines for developing the action plans. The guidelines should set out examples of the use of renewable energy based on existing best practices and describe the active role of local and regional authorities in drawing up and implementing the action plans.
- ⇒ CEMR suggests amending article 3 on targets, as well as recital 11 and article 4 on national action plans to ensure that Member States involve local and regional authorities when they draft and implement national action plans (CEMR amendment proposals 1, 2, 3 and 4)

ADMINISTRATIVE PROCEDURES, REGULATIONS AND CODES (article 12)

- 15. The directive foresees that administrative bodies at local, regional and national level should adapt their approval procedures and planning rules related to the production and the use of renewable energy. Even if such an adaptation may be a necessity, CEMR would like to highlight its possible impact on local spatial planning competences, building codes and environmental laws. A certain level of flexibility should be ensured at local level, in accordance with the principles of proportionality and subsidiarity.
- 16. Considering their competences such as authorization or granting authorities, planners, owners of buildings and providers of social housing services, local

and regional authorities have the means to positively influence the use of renewable energy in equipment and buildings. However, they have to find a balance between their commitment to adapt buildings and systems for heating, cooling and electricity on the one hand, and the impacts and constraints, financial or otherwise, that this could create, on the other hand.

- 17. For instance, defining minimum levels of energy from renewable sources in new or refurbished buildings would be a central driver towards the enhanced use of such energy. However, it may imply higher rental fees or fewer private investments, and result in significant social and planning consequences.
- 18. Therefore, CEMR considers that Member States should involve local and regional authorities in the definition of ambition levels of energy from renewable sources in buildings and cooling, heating and electricity systems. They should also provide incentives in order to support local and regional authorities in the implementation of necessary adaptations measures.
- 19. CEMR stresses that local and regional government should have sufficient room for manoeuvre to decide on how to promote the use of renewable energy in their field of competences.
- ⇒ CEMR proposes to amend article 12 in order to stress this supporting role of Member States and guarantee flexibility for the local and regional choices regarding planning, investments and energy policies (CEMR amendment proposal 5).

INFORMATION AND AWARENESS RISING (article 13)

- 20. CEMR believes that good information is crucial to create greater awareness and active support from local communities. In particular, information should address the practical implications of developing renewable energies policies. Indeed, the planning of new renewable energy facilities like wind farms and biomass plants should be based in wide inclusive decision making processes. Local authorities often face strong opposition from citizens on the location of sustainable energy facilities which are planned, in many cases, at the national level.
- 21. CEMR therefore welcomes the intention of the directive that the Member States establish a systematic provision of information, but stresses that local and regional authorities have to be involved in the development of information, education and training, considering the role they play in the implementation and the promotion of renewable energy.
- ⇒ CEMR proposes to amend article 13 to reinforce the information to citizens and to stress the information role of local and regional authorities (CEMR amendment proposals 6 and 7).

DECENTRALISED PRODUCTION AND USE OF RENEWABLE ENERGY (articles 6 to 10 and article 14)

22. CEMR notes the establishment of Guarantees of Origin certifying the renewable origin of electricity, cooling and heating. These Guarantees of Origin may be transferred within the European Union; however CEMR wonders if this trade

- system might not imply more difficulties and costs than help in promoting renewable energy among small producers. Moreover, this should not prevent national support schemes for the development of locally produced renewable energy.
- 23. Indeed, decentralised energy supply operates at far higher efficiencies, as little energy is lost during the transmission and distribution processes. Decentralised energy using renewable technologies, particularly in combination with cogeneration, has the potential to deliver the greenest energy with the lowest emissions. It is generally better adapted to the local environmental conditions (for instance solar energy in sunny regions, biomass heating in forest areas etc.) and to local demand. Moreover, the development of such energy creates local employment.
- 24. CEMR considers that the EU and national governments must encourage and facilitate the development of decentralised renewable energy production, by removing regulatory obstacles that local and regional authorities may face, by providing adequate financial support and the right regulatory framework and guaranteeing its access to the general grid, so that surplus power can be sold on the energy market.
- 25. CEMR welcomes provisions supporting a priority access to the grid system for electricity produced from renewable energy sources and stresses that the grid suppliers themselves should meet the costs of reasonable adjustments. Furthermore, this should not result in reducing the grid access of highly efficient combined heat and power, which is also a relevant tool to reduce CO2 emissions, as acknowledged by directive 2004/8/EC.
- ⇒ CEMR suggests amending article 14 to ensure that the adjustments to give priority access to electricity from renewable sources are the responsibility of grid suppliers (CEMR amendment proposal 8)

BIOFUELS (articles 15 to 18)

- 26. CEMR stresses that some local and regional authorities already invest in biofuels in their own vehicles or their fleet of public transport. The EU has a major role to play to promote and support these good practices, in particular through its research policy, which should focus more on renewable energies with local application. Some good examples, such as the use of used cooking oil or waste to produce biofuels, demonstrate that biofuels could be a positive contribution to less pollution and more sustainability.
- 27. However, ethical issues related to renewable energy must also be addressed, such as the use of palm oil or wood coming from third world countries to produce energy in biomass plants and the use of food crops to feed biomass plants and to produce biofuels. The development of sustainable energy cannot be limited to technical transition from fossil to renewable sources but should assess the social, political, ethical, environmental, and economical implications.
- 28. Therefore, CEMR supports the introduction of stringent environmental sustainability criteria for second generation biofuels from European or non-European origin in the directive, and welcomes the intention of the European institutions to reinforce these criteria.