



The Cooperation Mechanisms in the RES Directive

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- ✓ 150 Direct employees
- ✓ 20 External employees
- ✓ 500 M€ Budget
- ✓ 60 M€ share in others entities

What is IDAE?

The Institute for the Diversification and Saving of Energy (IDAE) is a public business entity reporting to the Ministry of Industry, Energy and Tourism through the State Secretariat for Energy

Mission

- Promote energy efficiency and the rational use of energy in Spain
- Promote the diversification of energy sources and the increasing use of renewable energies
- Foster these activities through technical consultancy and implementation of innovative projects

Activities

- Development, implementation and monitoring of national renewables and energy efficiency plans
- Technical consultancy to the public administration
- Technical and financial support for renewables and energy efficiency projects
- Actions to introduce new and more efficient technologies and for deploying mature technologies into the Spanish market
- Training, information and raising awareness activities
- Participation in EU programmes and activities and in international institutions and networks
- Dissemination of Spanish technologies abroad



INTERNATIONAL ACTIVITIES

- ✓ EU energy policy and working-groups and committees: [FP7](#) , IEE, SET Plan , HORIZON 2020...
- ✓ Energy Agencies in the European Energy Network (EnR)
- ✓ OLADE
- ✓ Mediterranean Solar Plan , MEDENER
- ✓ IRENA, CEM, IEA, ARE, GBEP, REN21...
- ✓ Collaboration with several countries, including China , India and Korea (MoUs)
- ✓ Regional Centre for Renewable Energy and Energy Efficiency (ECREEE) of the ECOWAS region
- ✓ AECID
- ✓ Economic and Commercial Offices of the Spain Embassies

The Renewables Directive (Directive 2009/28/EC)

- Sets binding targets for all EU Member States to reach the European target of 20% RES share in EU gross final energy consumption by 2020, including 10% renewables in transport
- MS obliged to develop a sustainable and effective national renewable energy policy, taking into account energy efficiency:
 - Art. 4 requires MSs to submit National Renewable Energy Action Plans (**NREAPs**)
 - No sectorial targets set, no technology-specific requirements
 - Art.22 requires MSs to submit a report on progress in RES by 31 December 2011, and every 2 years thereafter
 - All the documents available through the [Transparency Platform](#) (Art. 24)
- Requires reduction of administrative and regulatory barriers, provision of information and training and improves renewables' access to the electricity grid
- Creates a sustainability regime for biofuels
- Creates flexibility by facilitating “cooperation mechanisms” (CoopMex) for Member States to help reach targets cost effectively (the only option for MSs to achieve their targets outside their territory)
 - Statistical transfers (Art. 6)
 - Joint support schemes (Art. 11)
 - Joint projects between MS (Art. 7) or between MS and third countries (Art. 9)
- European Economic Area and Energy Community Treaty Countries could participate in the CoopMex following the adoption of the Directive

The Cooperation Mechanisms in the RES Directive

- **Statistical transfers (Art. 6):** MSs may agree to statistically transfer a specified quantity of renewable energy produced from one MS (deducted) to another (added). Quantity & price must be notified to the EC
- **Joint support schemes (Art. 11):** two or more MSs agree to coordinate their national support schemes (e.g. Swedish-Norwegian market for electricity certificates)
- **Joint projects between MSs (Art. 7):** two or more MSs may agree to finance a new RES project jointly thus sharing the costs and benefits of a “new project”
- **Joint projects between MSs and third countries (Art. 9):** Two or more MSs may agree a new project to physically import RES electricity from a 3rd country outside de EU . Cooperation may involve private operators:
 - Newly constructed installation that became operational after 25 June 2009 or increased capacity of an installation refurbished after that date
 - Electricity must be proven to be consumed in the EU
 - Electricity produced may only received investment aid (i.e. not production support) in the 3rd country
 - The “EU consumption” condition may be relaxed if the inter-connection capacity between a MS and a 3rd country is to be build (construction beginning by 2016, operational by 2022)

CoopMex cannot substitute the national support schemes:

- ✓ Cross-border support of energy from RES shall not affect national support schemes (recital 25)
- ✓ CoopMex are an opportunity to reduce costs of achieving the targets and shall remain under the control of MSs in order not to affect their ability to reach their national targets (recital 36)

Steps towards implementation of RES Directive: national plans

- Most MSs has planned to achieve their targets domestically. According to their forecast documents:
 - 10 MSs expect to exceed their national targets
 - 5 MSs expect to need to use the CoopMex (2-3mtoe)
 - **The forecast total production of renewable energy would reach 20.3%**
- Progress report of the EC on the achievement of the RES targets soon available (based on 2011 MSs Progress reports): considerable number of MS achieved or even over-achieved their RES targets, but it does not mean that all MSs will be able to achieve their 2020 targets

ktoe	2011-2012	2013-2014	2015-2016	2017-2018	2020	2020 target
Austria	0	0	0	0	0	34%
Belgium	675	857	812	521	-279	deficit (12.3% Vs 13%)
Bulgaria	1-144	186-346	231-481	53-375	-140 to +289	surplus (18.7% Vs 16%)
Cyprus	0	0	0	0	0	13%
Czech Rep.	0	0	0	0	0	13%
Denmark	613-809	769-784	473-657	333-366	-337	deficit (28% Vs 30%)
Finland	0	0	0	0	0	38%
France	0	0	0	0	0	23%
Estonia	47-69	78-96	79-88	52-67	3	surplus (25.1% Vs 25%)
Germany	5930-7058	5866-6997	4657-5917	3842-5088	1387	surplus (18.7% Vs 18%)
Greece			70.9 ² (0.3%)	239.4 ² (1%)	488 ² (2%)	surplus (20% Vs 18%)
Hungary	0	0	0	0	0	13%
Ireland	251-259	255-272	403-430	138-148	0	16%
Italy		-86	-860	-1170	-1170	deficit (16% ² Vs 17%)
Latvia	0	0	0	0	0	40%
Lithuania	96.3 ² (1.8%)	93.9 ² (1.7%)	79.7 ² (1.4%)	52.9 ² (0.9%)	18.3	23.3% Vs 23%
Luxemburg					-43 to -300	deficit (5-10% ² Vs 11%)
Malta	2.8	6.2	7.1	14.1	-43,5	deficit (9.2% Vs 10%)
Netherlands	0	0	0	0	0	14%
Poland	519-866	705-1032	647-1162	613-1129	333	surplus (15.5% Vs 15%)
Portugal	0	0	0	0	>0	surplus (result still 31%)
Romania	0	0	0	0	0	24%
Slovenia	0	0	0	0	0	25%
Slovak rep.	56	112	134	167	143	surplus (15.2% Vs 14%)
Spain	4200		4791		2700	surplus (22.7% Vs 20%)
Sweden	1074	1273	1286	1105	486	surplus (50.2% Vs 49%)
UK	-119	-210	-254	40		15%
• surplus	13465-15309	10201-11869	13671-15916	7130-9272	5558-5847	
• deficit	-119	-296	-1114	-1170	-1873 to -2173	
net surplus	13346-15190	9905-11573	12557-14802	6270-8102	3546-3718	20.3%

BLUE - Member State expecting to need a transfer in its favour

GREEN - Member State expecting to have a surplus available to transfer to another Member State

WHITE - Member State not expecting to produce a surplus or require a transfer to meet its target.

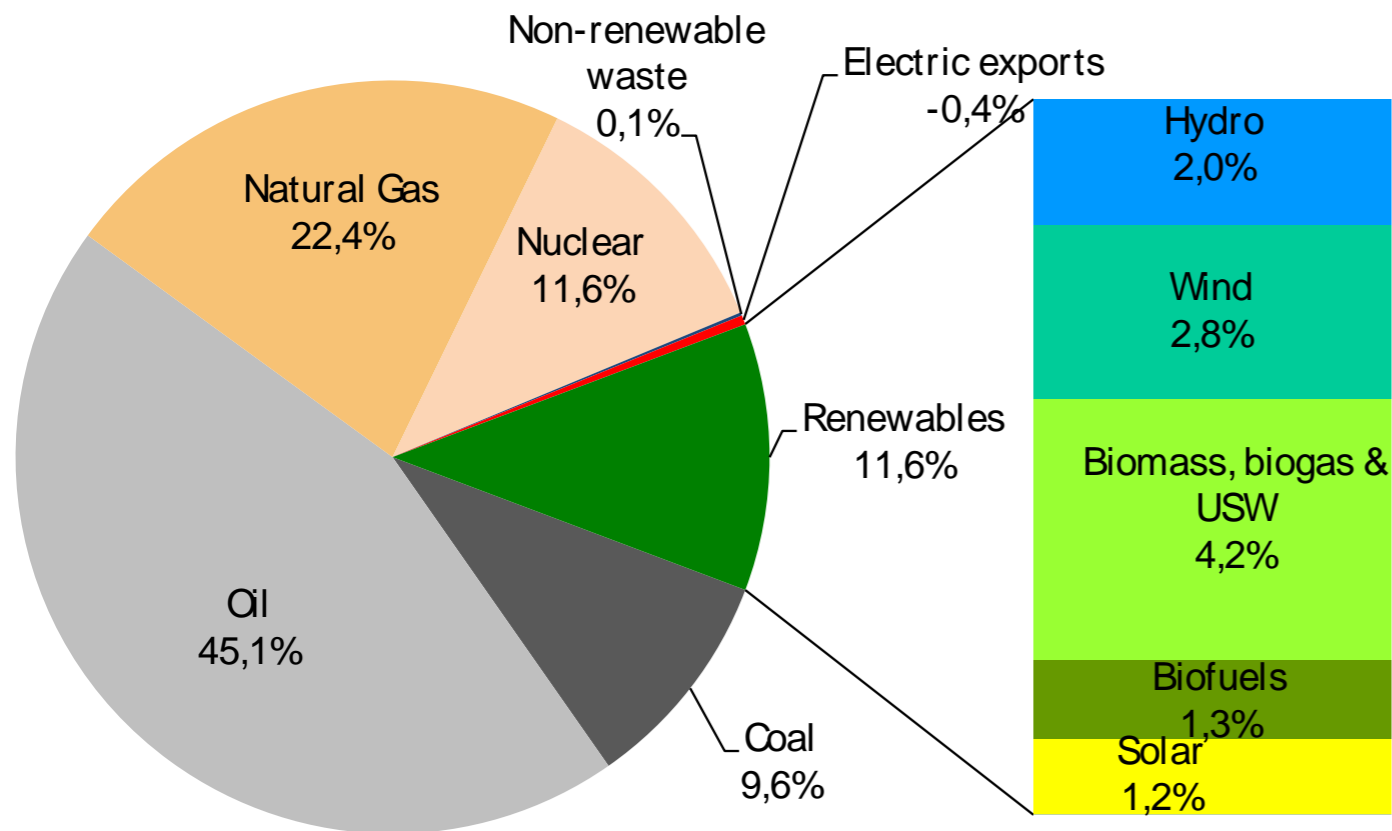
Source: European Commission

How to implement the CoopMex?

- Issues related to the different cooperation mechanisms:
 - Selling? Buying?
 - Prices?
 - Long term? Short term?
 - Beyond 2020? Climate policy?
 - Which type? Technology?
 - Public acceptance? What's the incentive?
 - International agreement model? Selling out best resources?
 - Grid/interconnection projects? Internal market? (role of transit Member States)
 - Costs covered? State aid?
 - Who bears the risk?
 - Private sector involvement?
 - Role of support schemes?
 - ...
- Work on progress:
 - EU Commission's guidance on CoopMex (expected in June)
 - Concerted Action of the RES Directive ([CA-RES](#)): WG on CoopMex and Support Schemes
 - [Nordic Coop-Mex Testing Ground](#) (Denmark, Finland, Iceland, Norway and Sweden)
 - Norwegian-Swedish market for electricity certificates
 - [RES4LESS](#) (Intelligent Energy Europe Project)
 - Discussions within the framework of the drafting of the MSP Master Plan

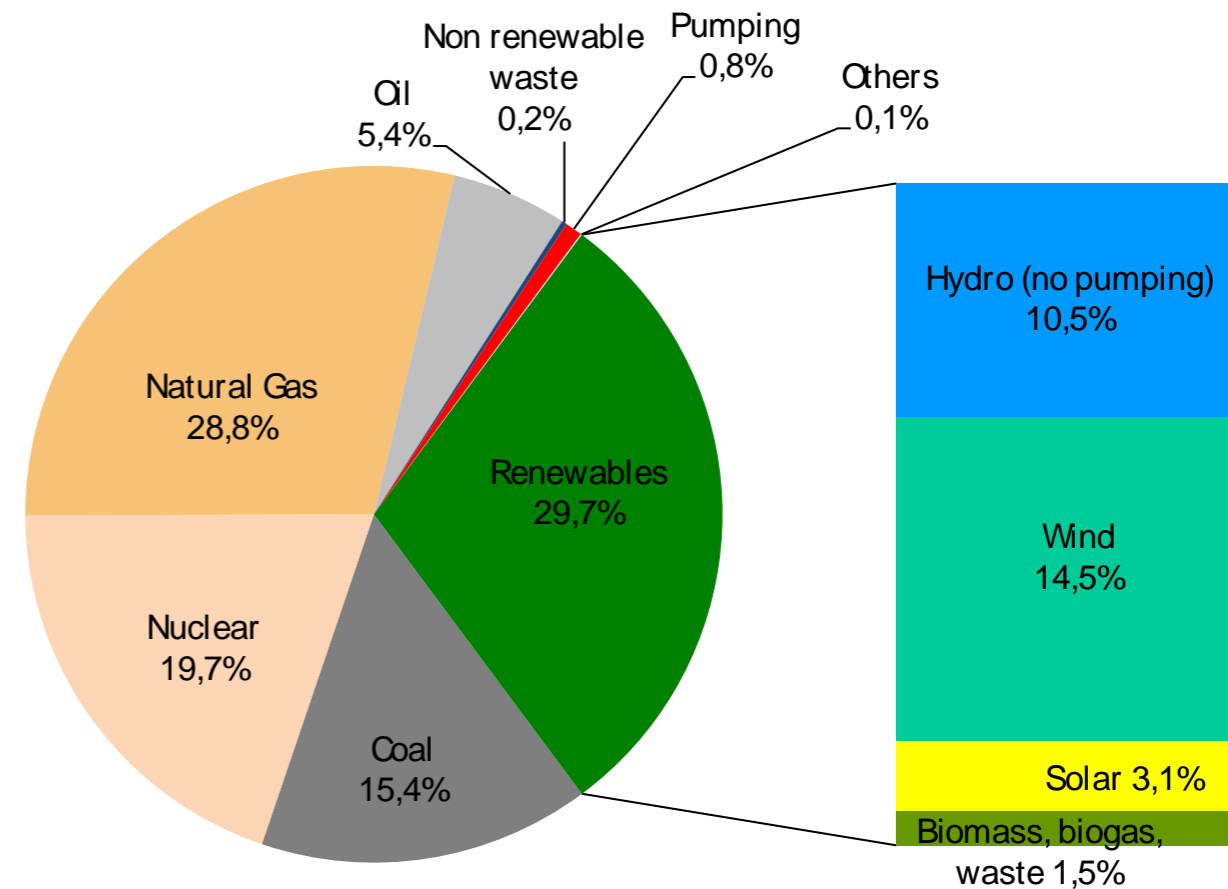
The Spanish case: where are we?

Primary Energy Consumption in 2011



- Total primary energy consumption: 129,340 ktoe (-0,6% compared with 2010)
- RES consumption: 14,962 ktoe (11,6%, as in 2010)

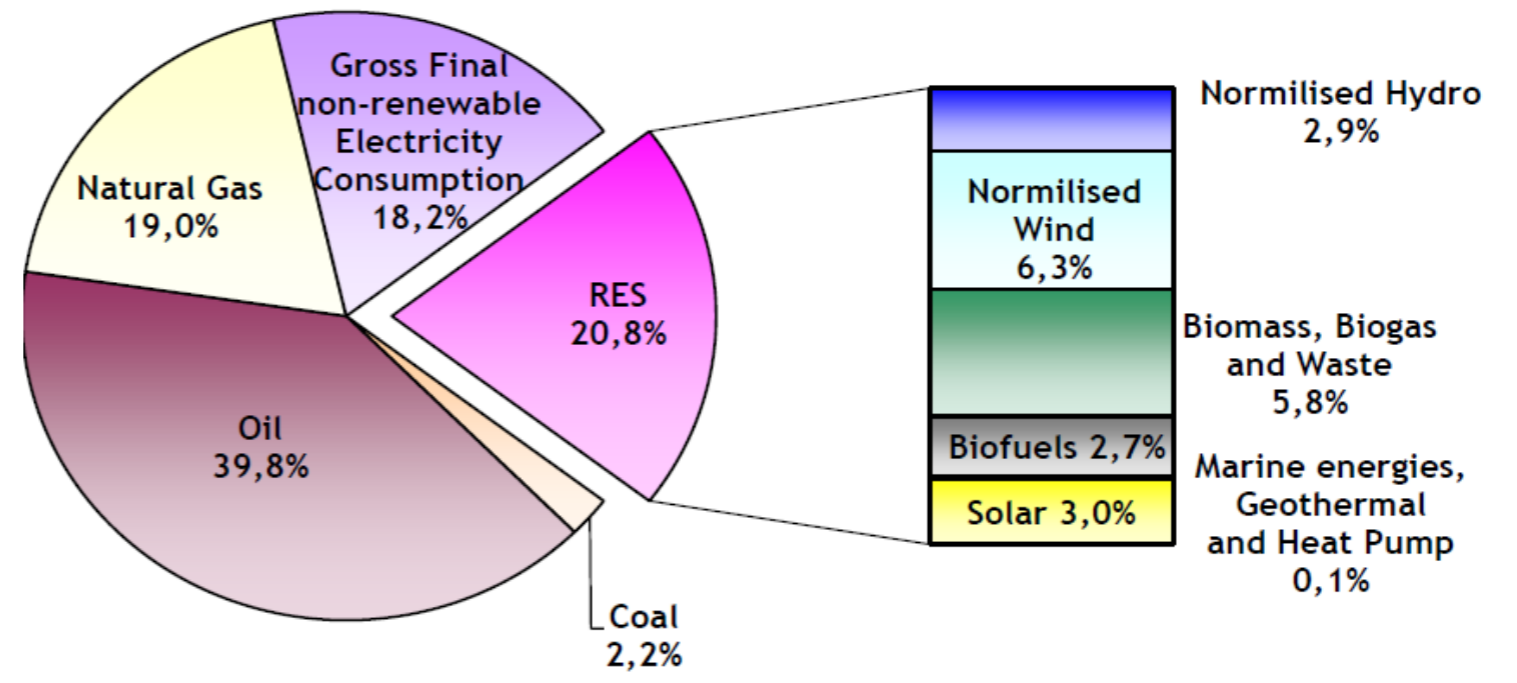
Electricity production in 2011



- Total electricity production: 292,051GWh (-3.6% compared with 2010). RES production: 86,600 GWh
- RES contribution: 29.7 % (32.1% in 2010)
- 2011 has been specially dry and less windy

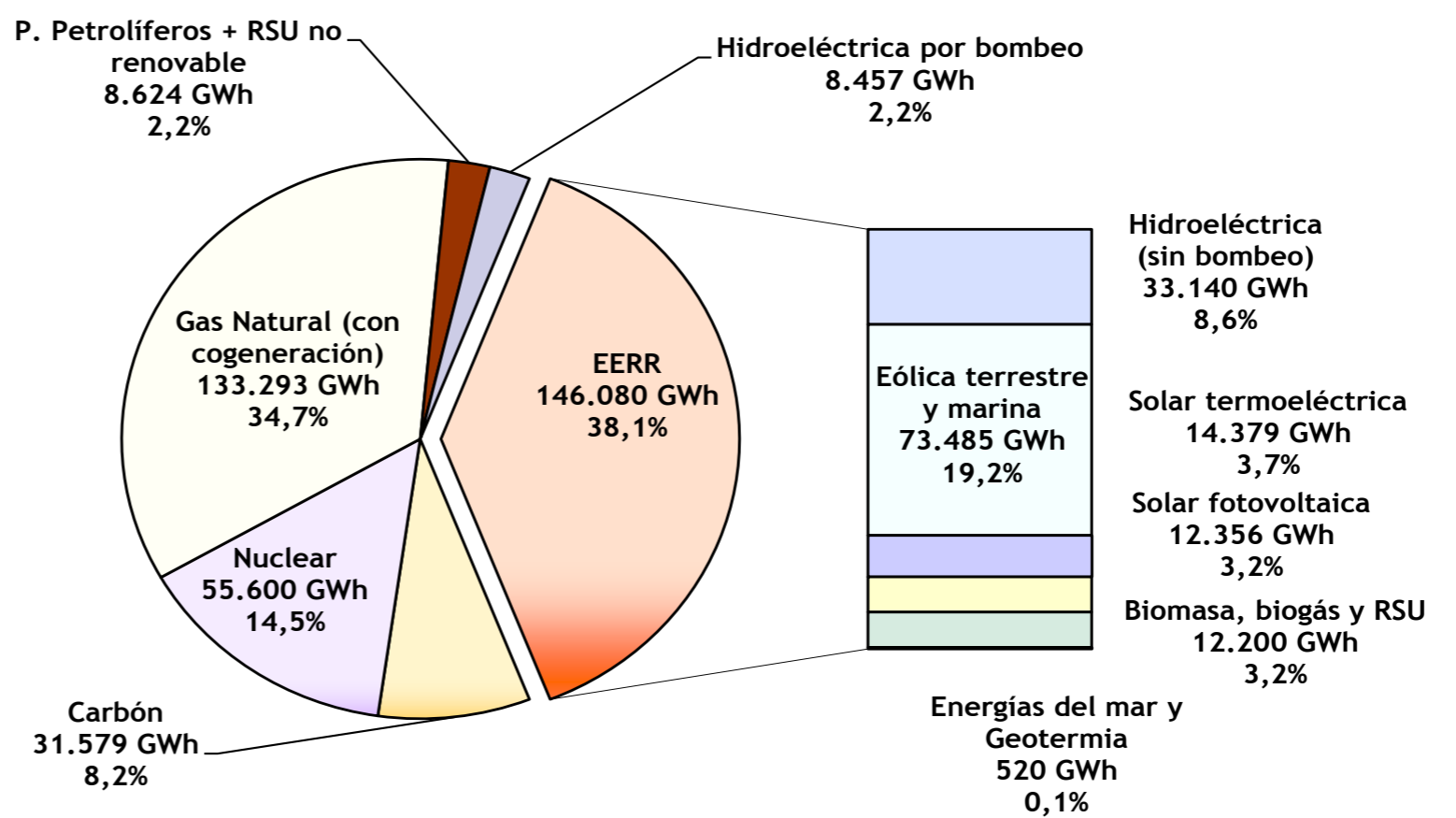
The Spanish case: where do we want to be?

Gross Final Energy Consumption in 2020



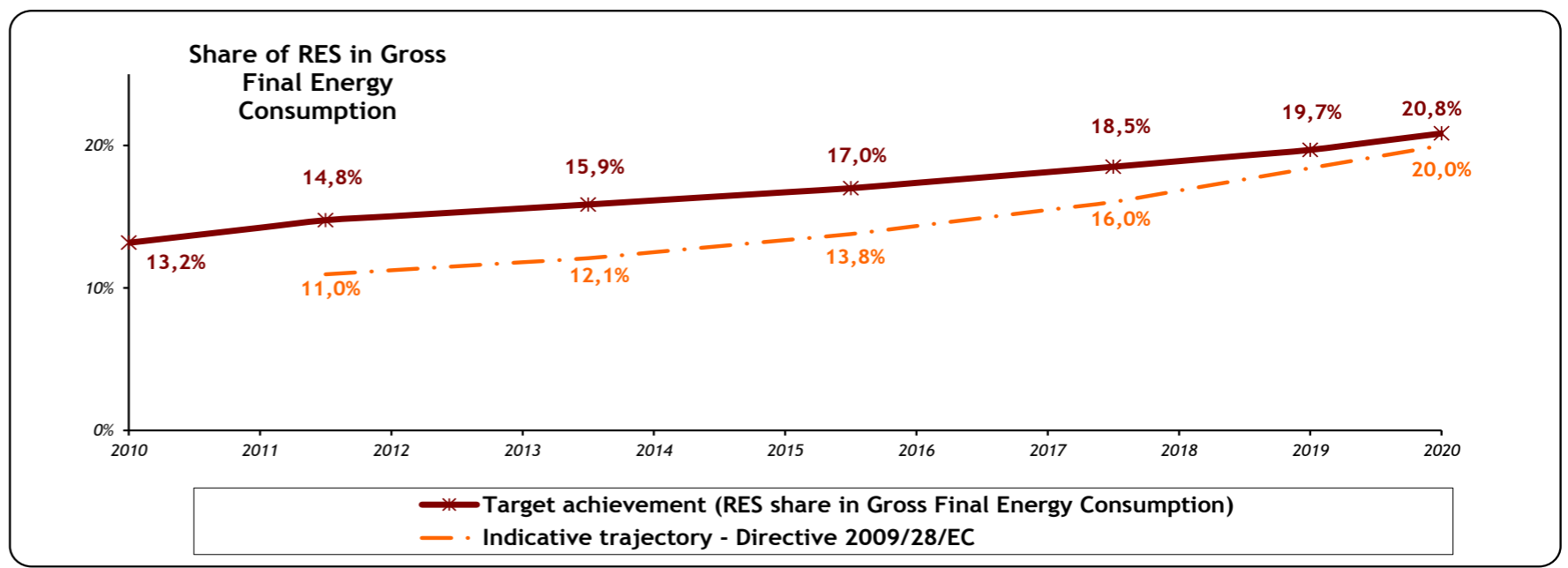
- OBJECTIVES 2020**
- 20,8 % RES share in gross final energy consumption
 - 11,3 % RES share in final consumption of energy in transport
 - 38,1 % Renewable electricity share in gross electricity consumption

Electricity Generation in 2020

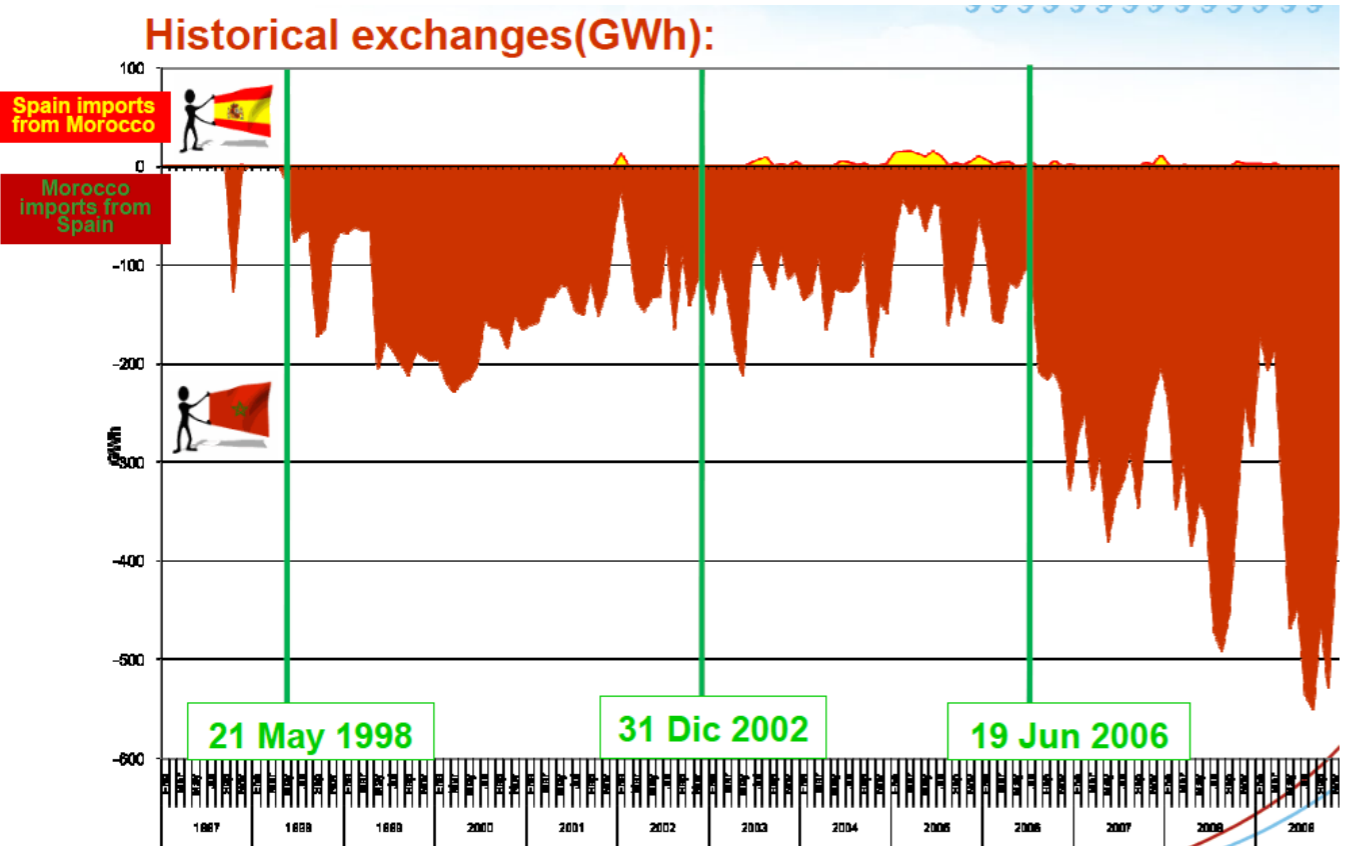


The Spanish case: use of CoopMex

Trajectories 2011 – 2020 for RES contributions



Source: REE



- Spain will be a potential “seller”
- Lack of capacity in the Spain-France interconnection (Iberian peninsula is an “electrical island” in the EU)
- Spain is an electricity exporter country: net balance 11,430 GWh in 2012 (source REE)
- Spain-Morocco is the only existing interconnection EU-Africa: role of Spain as *transit country* must always be taken into account under Art. 9 (no extra-costs must be passed on to the Iberian system/consumers)

Conclusions

- According to the current MS forecast documents, most countries prefer to rely on their national support schemes for target compliance (benefits of developing RES nationally) but recognize the uncertainty of their projections
 - The Cooperation Mechanisms enable a more cost-effective approach to fulfillment of RES-targets
- Additional transmission capacity is a necessity (e.g. interconnection between Spain and France)
- The Cooperation Mechanisms could stand alone or be gradually combined and could range from short-term to long-term commitments between Member States
- No experience from practical examples has been gained yet: will be a case by case scenario.
- The experience from Cooperation Mechanisms will have a significant relevance from the European policy perspective:
 - Could be a tool for facilitating the internal EU market
 - Might contribute to the discussion on a more coordinated EU RES support framework
 - Encourage a regional approach between MSs and with neighbor countries towards efficient RES investment
- Projects like BETTER and RES4LESS will help MSs to improve their understanding of the benefits and issues related to the Cooperation Mechanisms

Thanks for your attention



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