



ISLENET

European Islands Network on Energy & Environment



NEWSLETTER

19 February 2007



Dear colleagues,



This is a newsletter dedicated to the new energy policy context, "Energy Policy for Europe" (EPE), in which we are all going to operate for the years to come. It will give a short summary of recent developments, including the FP7, with main emphasis to renewable energy sources. These developments are leading to the Spring European Council, 8-9 March 2007, under the German Presidency where a Common Energy Policy will be a key point of discussion.

FP7 background

On 18 December 2006, the Council adopted decisions establishing the Seventh Framework Programme of the European Community for research and technological development for the period 2007 to 2013, and the FP7 for nuclear research activities (Euratom) for 2007 to 2011.

The Council also adopted a regulation laying down the rules for the participation of undertakings, research centres and universities in actions under FP7-EC and for the dissemination of research results.

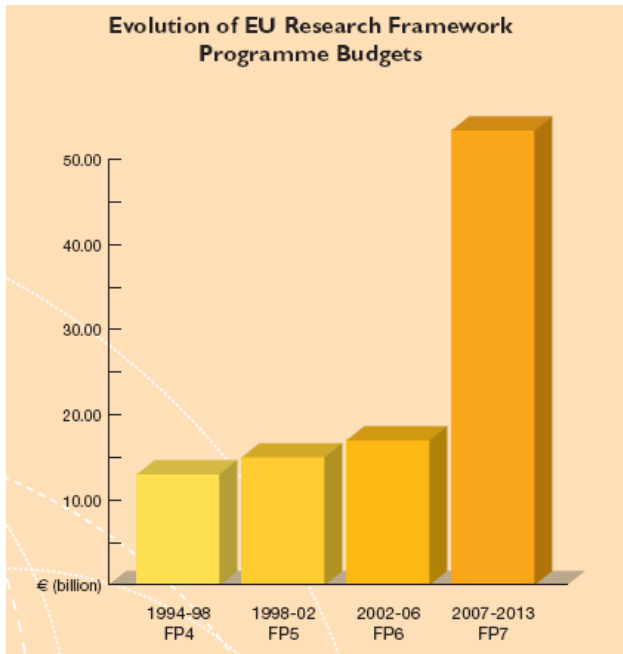
Background

On 6 April 2006 the European Commission adopted a proposal for a new EU programme for Research. **The proposal provides new impetus to increase Europe's growth and competitiveness, recognising that knowledge is Europe's greatest resource.** The programme places greater emphasis than in the past on research that is relevant to the needs of European industry, to help it compete internationally, and develop its role as a world leader in certain sectors. The programme will also for the first time provide support for the best in European investigator-driven research, with the creation of a European Research Council. Focus will be on excellence throughout the programme, a requirement if it is to play its role in developing Europe's global competitiveness. Another priority will be to make participation in the programme simpler and easier, through measures addressing the procedures, plus a rationalisation of instruments. In spite of this new approach, there are many elements of continuity: in practice, for the majority of participants, the programme itself will not change, but participation will become simpler.

FP7 in a nutshell:

The Seventh Framework Programme includes several specific programmes:

- **Cooperation** – fostering collaboration between industry and academia to gain leadership in key technology areas.
- **Ideas** – supporting basic research at the scientific frontiers (implemented by the European Research Council).
- **People** – supporting mobility and career development for researchers both within and outside Europe.
- **Capacities** – helping develop the capacities that Europe needs to be a thriving knowledge-based economy.
- **Nuclear research** (Euratom programme) – developing Europe's nuclear fission and fusion capabilities.



For more information:

http://ec.europa.eu/research/fp7/home_en.html

The Commission's view is that the increased budgets for energy research and innovation of the 7th Framework Programmes (50%, from €574M/year to €886M/year), as well as of the Intelligent Energy-Europe Programme (100%, from €50M/year to €100M/year) for the period 2007-2013, are a first step in the right direction that Member States and industry should at least match.

FP7 ENERGY info days 13-14 February 2007 Brussels 2007 Call for Proposals – The context

Energy Package – An Energy policy for Europe (EPE)

1. **Energy for a changing world**
 - Limiting climate change to 2 °C, Green paper Energy, Action Plan 2007-9
2. **The European three challenges**
 - Competitiveness "Lisbon", Security of Supply "Moscow", Sustainable development "Kyoto"
3. **Sustainable development**
4. **Security of supply at risk**

Towards a European Strategic Energy Plan (SEP)

1. **insufficient scale of current effort**
 - not doing enough in both Co2 and security of supply
 - market failure (Stern Report)
 - dominant actors and network connection failures
 - scattered and uncoordinated initiatives (e.g. innovation programmes)
 - reduction in energy research funds (OCDE report "halved since the 80s")
 - scattered and sub-critical capacities
 - strong international competition and weak cooperation
2. **Transforming energy technology innovation : a SET-plan**
 - EU vision + Results oriented actions + International cooperation
 - Priorities could include:
 - Energy efficient demand
 - Second generation biofuels
 - Offshore wind
 - Photovoltaic
 - Hydrogen
 - Sustainable coal and gas technologies
 - Lead in fourth generation fission nuclear reactors and future fusion technology
3. **Process to arrive at a SET-plan**
 - Commission to adopt first SET-plan in spring 2008
 - Vision, SWOT of the innovation system, realistic assessment of technology avenues
 - Two stage consultation: till May 2007 (experts groups) around July 2007 (general public)

FP7 ENERGY – 2007 Call for Proposals – summary

- Twin calls (RTD research focus + TREN demonstration focus)
- Joined work programme
- Collaborative projects
 - Small medium in DG RTD Call: 1-3 M€
 - Large in DG RTD Call: 5-8 M€
 - DG TREN: not specified
- Coordination and Support Actions
 - CA type: 1-2 M€
 - SA type: <4 M€
- Single stage submission and evaluation in 2007
- Competition within and across all topics (not all topics may be funded, depending on quality of proposals)
- 9 activities + 1 horizontal activity
 1. Hydrogen and Fuel cells
 2. Renewable electricity production
 3. Renewable fuel production
 4. Renewables for heating and cooling
 5. CO2 capture and storage
 6. Clean Coal Technologies
 7. Smart Energy Networks
 8. Energy Efficiency and Savings
 9. Knowledge for energy policy making
 10. Horizontal: ERA net (International cooperation, coordination between national and EU Energy RTD programmes) + Cooperation among National Contact Points + Impact of FP7 energy projects
- **Electronic submission system only** (available 4 weeks prior to deadline)
- **Eligibility check** (deadline, partners, completeness, scope, other)
- **Three evaluation criteria** (Quality, Implementation, Impact)

DG RTD ENERGY 1st Call – Deadline 3 May 2007, 17:00

DG TREN ENERGY 1st Call – Deadline 28 June 2007, 17:00

RTD Timetable	Evaluation	till 15 June
	Hearing letters to applicants	20 June
	Hearings in Brussels	2&3 July
	Initial information letter	20 July
	Launch negotiations	mid August
	Letter to unsuccessful applicants	September
	Signature of first grant agreement	December 2007
DG TREN Timetable	Evaluation by experts	10-21 September
	Initial info by letter	end of September
	Launch negotiations	November
	Letter to unsuccessful applicants	November
	Signature of first grant agreements	Spring 2008

Note: DG TREN will hold all the evaluation steps in Brussels and will not have hearings with applicants.

<http://cordis.europa.eu/en/home.html>

Intelligent Energy continues

A second IEE programme with a budget of about € 730 million will start this year as part of the [European Competitiveness and Innovation Programme 2007-13](#). Full details of the IEE 2 programme are not available yet.

The next opportunity to apply for IEE funding is early 2007: The first call for proposals under the new IEE II programme is likely to be published in spring 2007, after adoption of the 2007 Work Programme.

10 January 2007 Commission's Energy package is adopted.

It comprises:

- **the first Strategic European Energy Review (SEER)**, complemented by:
 - in depth reports on all the main issues concerning energy policy including Renewable Energy, the Internal Gas and Electricity Market, Sustainable Power Generation from Fossil Fuels, Nuclear, Technology, and Infrastructures
 - the Commission's Communication "**Limiting Climate Change to 2° - Policy Options for the EU and the world for 2020 and beyond**" http://ec.europa.eu/environment/climat/pdf/future_action/com_2007_2_en.pdf
- **the Energy Efficiency Action Plan** which the Commission adopted on 19 October 2006

The core energy objective for Europe:

- EU should reduce greenhouse gas emissions from its energy consumption by 20% by 2020 in order to redirect the EU energy economy towards one that will fully meet the challenges of sustainability, competitiveness and security of supply.
- The new Energy Policy proposes a binding target of 20% of its overall energy mix to be sourced from renewable energy by 2020. A minimum target for biofuels of 10% will supplement this. **The Commission makes reference to a "new industrial revolution" and for renewable energy to account for 20% of all usage by 2020.**
- It also calls for improvements in energy efficiency by 20% and increasing the use of bio-fuels by 10% over the same period. Another practical step would be a dramatic increase in energy research of 50% over the next 7 years during the current EU budgetary cycle.

The Review includes a ten-point energy Action Plan

1. **Use the new internal energy market better** in order to offer a fair deal for everyone, and all sources of energy.
2. **Make it easier for Member States to help one another in case an energy crisis arises.**
3. **Improve the EU Emissions Trading Scheme to turn it into a real catalyst for reducing CO2 and investments in clean energy.**
4. **Energy efficiency: everyone can make a difference.** Energy Efficiency Action Plan + international energy efficiency initiative.
5. **Increase the use of renewable energy – wind, solar, photovoltaic, biomass and biofuels, geothermal and heat pumps.** To encourage real, grass-roots change, the Commission believes that Europe should aim to triple the share of renewable energy – from under 7% today to 20% in 2020. To help achieve this, the Commission has also prepared a **Renewable Energy Roadmap** and will propose a new framework to promote renewable energy later in 2007.
6. **Technology.**
 - better use of existing technologies, such as low-energy light bulbs, solar panels for hot water, hybrid cars and insulation.
 - have to find ways of bringing the price of new technology down.
 - need to develop new technologies which will help us replace oil and gas when these become either scarce or too expensive for most people.
7. **Low carbon technology for fossil fuels.**
8. **Safety and security of nuclear power.**
9. **Agree to an international energy policy with common objectives, and for all Member States to pursue with a common voice.**
10. **Improve understanding of what is happening to Europe's energy supply and demand.** To achieve this, the Commission would provide a new service, an Office of the Energy Observatory, which would study likely energy trends and investment needs for the EU as a whole.

In two years' time, the Commission will review its policy proposals and report on how they are being implemented. More information on the Energy Policy for Europe:

http://ec.europa.eu/energy/energy_policy/index_en.htm

15 February 2007 Special Energy Council

This Special Energy Council was held on 15 February, in Brussels. This was the first occasion in which Energy Ministers discussed the content of the Energy Package at ministerial level. The conclusions of this Special Energy Council are the basis of the discussion at Head of State level in the European Council devoted to the energy policy, which will take place on 8-9 March in Brussels.

The Council

- welcomes the "Energy Policy for Europe" (EPE) plan tabled by the Commission
- welcomes the Commission's intention to put forward a new Strategic Energy Review every two years.
- takes due note of the resolution adopted on 14 December 2006 by the European Parliament on a European strategy for sustainable, competitive and secure energy
- reaffirms that the EPE should contribute in a balanced way to the following three objectives, while fully respecting Member States' choice of energy mix and sovereignty over primary energy sources:
 - increasing security of supply;
 - ensuring the competitiveness of European economies and the availability of affordable energy;
 - promoting environmental sustainability.

With respect to energy efficiency and renewable energies:

- The Council reaffirms the Community's long-term commitment to the EU-wide development of renewable energies beyond 2010, underlines that all types of renewable energies, when used in a cost-efficient way, contribute simultaneously to security of supply, competitiveness and sustainability, and is convinced of the paramount importance of giving a clear signal to industry, investors, innovators and researchers.

For these reasons, it endorses the following targets:

- a target of a 20 % share of renewable energies in overall EU energy consumption by 2020;
- a 10 % binding minimum target to be achieved by all Member States for the share of biofuels in overall EU transport petrol and diesel consumption by 2020, to be introduced in a cost-efficient way.

In order to meet these targets, the Council calls for

- an overall coherent framework for renewable energies which could be established on the basis of a Commission proposal in 2007 for a new comprehensive directive on the use of all renewable energy resources.
- a thorough and rapid implementation of the measures highlighted in the June 2006 Council conclusions on the Commission Biomass Action Plan, notably as regards demonstration projects for second-generation biofuels.

With respect to Energy Technologies, the Council

- welcomes the Commission's intention to table a European Strategic Energy Technology Plan during 2007 for consideration at the latest by the 2008 Spring European Council;
- underlines the importance of substantial improvements in generation efficiency and clean fossil fuel technologies;
- urges Member States and the Commission to work towards strengthening R & D and developing the necessary technical, economic and regulatory framework to bring environmentally safe carbon capture and storage (CCS) to markets, if possible by 2020;
- welcomes the Commission's intention to establish a mechanism to stimulate the construction and operation by 2015 of up to 12 demonstration plants of sustainable fossil fuel technologies in commercial power generation;
- notes the Commission's assessment of the contribution of nuclear energy;
- confirms that it is for each and every Member State to decide whether or not to rely on nuclear energy and stresses that this has to be done while further improving nuclear safety and the management of radioactive waste, and to that effect it:
 - supports R & D on waste management, particularly under the FP7;
 - can envisage the creation of a high-level group on nuclear safety and waste management.

For the full text:

http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/trans/92802.pdf

**16 February 2007,
Mechtild Rothe expresses disappointment with the Council's decision**

Vice-President of the European Parliament and President of EUFORES **Mechtild Rothe** expressed her deep disappointment about the decision of the Council of Ministers to renounce a binding target for renewables:

"This decision doesn't meet their responsibilities. The Ministers missed the great opportunity to assure a sustainable energy supply for Europe's future by an ambitious and binding target. This decision is not only irresponsible with regard to the fight against climate change. It also means a deceleration of investments for one of the most dynamic and innovative industries in the world.

EUFORES Press Release, 16 January 2007

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ISLENET is a Sustainable Energy for Europe Campaign Associate