Monthly Progress Update

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Part of the project “Assessment of climate change policies in the context of the EU Semester”

02 July 2013
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Austria

Renewable Energy

Household PV installations exempt from VAT

On 20 June 2013, the European Court of Justice, situated in Luxembourg ruled that the operation of private PV installations connected to the network entitle its operator to deduct input VAT. The main impetus behind this development occurred after an Austrian homeowner successfully appealed against the local tax office’s ruling. Mr. Fuchs, a resident from the Linz district in Austria has been operating his PV installation since 2005 and supplies electricity to Ökostrom Solarpartner on a monthly basis under a contract for an indefinite duration. As is common for most domestic PV installations, the generated electricity is less than required for his households’ needs, so Mr. Fuchs’ monthly payment for electricity is higher than the received payment for the energy he produces. First, Mr. Fuchs requested that his local tax office refund the VAT he paid on his installation, however, the request was denied on the grounds that he was not engaged in “economic activity”. Mr. Fuchs then contacted the Independent Finance Tribunal of Linz, which upheld the appeal and asked the EU Court of Justice to provide guidance. The final verdict found that the operation of a PV installation does qualify as “economic activity” if it is used for obtaining income on a regular basis. The European Court of Justice defined “income” as “remuneration received as consideration for the activity carried out.” As a result, the upfront costs of PV systems under EU law are now exempt from VAT where the electricity generated by the system is regularly fed into the grid, regardless of the amount of energy generated.


Energy Efficiency

Federal Ministry launches an “information offensive” on energy saving potential in households

The Federal Ministry of Agriculture, Forestry, Environment and Water Management has launched an information offensive called “Österreich spart Energie – Punkt für Punkt zum Klimaziel”. The impetus for the Ministry’s awareness raising campaign follows the publication of a study from SORA Institute that found remaining opportunities for significant energy savings in Austrian households. The significance of the report filled a noticeable knowledge gap in relation to the field of saving energy and improving environmental efficiency. One of the measures suggested in the report is guidance provided by a digital energy savings coach available for smartphones, tablets and computers. The digital energy coaching includes useful guidance in the fields of fuel saving, transportation (e.g. cycling & public transport), purchase and implementation of energy efficient products (e.g. electronic devices, lighting, heating and cooling), as well as guidance on construction (e.g. building, refurbishing and insulating). In addition to the digital version there is also an analog alternative called “Energiespar-Guide”, which is a printed booklet with selected guidance tools. The initiative is
going to be active for 6 weeks and is supported by the cooperation of around 30 partners of klima:aktiv, the Austrian climate protection initiative.

Read more (in German): http://www.lebensministerium.at/presse/umwelt/130612klimaaktiv.html
Read More (in German): http://www.klimaaktiv.at/dms/klimaaktiv/initiative/aktuelles/energiesparen2013/SORA-Umfrage_Executive-Summary_Oekologiewissen/SORA-Umfrage_Executive-Summary.pdf

Adaptation

First Regional adaptation strategy presented

The Upper Austrian adaptation strategy is currently in the final stage of development and was presented at a press conference in Linz in June 2013. It is the first adaptation strategy on regional level and was developed on the basis of the FAMOUS project (Factory for Adaptation Measures Operated by Users at different Scales), a project financed by Climate and Energy Fund and operated by the Environment Agency Austria. The strategy focuses on multiple sectors including tourism, agriculture, forestry, conservation, health, transport, buildings, disaster management and insurance industry, as well as energy and water management. According to regional councilor, Rudi Anschober, a draft of the strategy will be sent to the regional government before summer.

Read more (in German): http://www.umweltbundesamt.at/aktuell/presse/lastnews/news2013/news_130612/
Belgium

Horizontal Measures

Belgian regions receive financial reward for CO2 emission reduction success

Knack.be reported on 8 June 2013 that the Belgium State Reform Committee reached an agreement on the sixth state reform package containing new climate and financial-related distribution regulations between the regions. Accordingly, regions that overperform with regards to their CO2 emission reduction targets will be financially rewarded and thus receive further incentives to strengthen their emission reduction efforts. The reward is financed from carbon emission trading scheme.

Read more (in French): http://www.rtbf.be/info/belgique/detail_reforme-de-l-etat-accord-au-comori-sur-la-politique-climatique?id=8013873

Energy Efficiency

Energy bonus of the Brussels-Capital Region to be suspended from 2 July 2013

As a consequence of the great success of the Energy Bonus (primes énergie), the budget of € 19 million for the year 2013 has almost been exhausted. Therefore, the Environment and Energy Administration Bruxelles Environnement has announced on 17 June that only applications submitted until 1 July 2013 will be considered. The Energy Bonus will be available again as of 2014. The technical and financial conditions of the Energy Bonus 2014 are expected to be published in autumn 2013.


Renewable Energy

New: Feasibility tool for micro-CHP

Commissioned by the Flemish Energy Agency (VEA), Cogen Vlaanderen designed a feasibility tool for micro-CHP in non-residential buildings in order to determine the ecological and economic feasibility of a planned investment. The rationale behind the tool is to stimulate investments in micro-CHP technology.

Read more (in Dutch): http://www.energiesparen.be/nieuws/3688

Publication of the final assessment of "Qualiwatt" by the Walloon Regulatory Authority

On 20 June 2013, the Walloon Regulatory Authority (CWaPE) released its final assessment of future support mechanism for the installation of photovoltaic panels, called "Qualiwatt". The CWaPE agrees with the Walloon government’s intention to put an end to the green certificate system and replace it with a system of flexible premium tariffs, with a revaluation
every two years. Yet according to the CWaPE, some elements would still need to be modified. The Regulatory Authority thus proposes the implementation of fixed premiums, regardless of the income, with a special bonus for economically fragile households. According to the CWaPE, these adjustments would allow the support mechanism to be much more simple and flexible. Provided an agreement is quickly reached by the Walloon government, the first premium Qualiwatt could be issued on 1 January 2014.


**Transport**

*Free advisors for company logistics*

With the ambition to reduce pollution in the Flemish transport sector, the Flemish government decided to introduce free advisors to help to reform company logistics and thus, increase the efficiency of transport. Concrete measures to reduce CO2 emissions are the collaboration of companies in transport of goods, the stronger use of rail and inland waterways, better route planning and the improvement of packaging.

Read more (in Dutch): http://www.flanderslogisticsconsulten.be/
Bulgaria

Horizontal Measures

*New Prime Minister suffers rapid loss of reputation, public protests continue*

During the month of June, thousands of demonstrators gathered every day in Sofia to demand the resignation of newly elected Prime Minister (PM) Plamen Oresharski who has only been in office for three weeks. One reason for the continuing protests is the fact that Oresharski abandoned many of his campaign pledges directly after being elected by the Parliament. Among others, this included raising the country’s minimum wage, subsidies for school children and a higher maternity allowance. Oresharski declared that there was no financial scope for these measures. Furthermore, the new PM appointed Delyan Peevski, a “media tycoon with supposedly close ties to organised crime”, as new chief of the Bulgarian secret service. Even though Peevski yielded to public pressure and stood down from his post on 19 June, the protestors accuse the newly elected government of being corrupt and reliant on oligarchs. Sergey Stanishev, chairman of the ruling Socialist party, and other highly positioned politicians are also struggling with a rapid loss of reputation and trust. In general, the political future of Bulgaria remains highly unclear.


Energy Generation

*Russia sues Bulgaria over construction of Belene Nuclear Power Plant*

On 7 June 2013, Russian nuclear power company Atomstroyexport submitted documents to the International Court of Arbitration in Paris to file a new €1 billion claim against Bulgaria over the supposedly “illegal termination of the Belene NPP construction project”. After the former Bulgarian government had declared its intention to stop the Belene project in March 2012, a series of court proceedings followed involving Russian companies Atomstroyexport and Rosatom as well as Bulgaria’s National Electricity Company (NEK). Subsequently, the Bulgarian Socialist Party, which is believed to have close ties with Moscow, launched a petition for a referendum which took place on 27 January 2013 (MPU Issue 1/2013). Even though the majority of the voters (61%) supported the construction of new nuclear power units, the voter turnout was insufficient for the referendum to succeed. Therefore, the Bulgarian Parliament decided on 27 February 2013 to abandon the Belene project. However, new Prime Minister Plamen Oresharski, who was elected on a Socialist mandate, declared at the end of May that Belene could be revived stressing that it was an economic rather than political decision. Therefore, it is still possible that the Socialist backed government could yield to Russian pressure and resume the construction project.

Renewable Energy

Renewable producers demand meeting with Minister of Energy

After continuing disputes with the Electricity System Operator (ESO) (see previous MPU issues), operators of renewable power plants demanded a meeting with the new Bulgarian Minister of Economy and Energy, Dragomir Stoynev, to “present their side of the story”. The new government had recently ordered ESO to stop imposing restrictions on the production of renewable energy plants (MPU Issue 2/2013). However, representatives of the renewable sector still fear that Stoynev “might be misled by some actors in the field of energy production”. This fear can be explained by the fact that many Bulgarian politicians hold the renewable sector responsible for the sharp increase of electricity prices, a development that eventually became the initial impulse for protests that led to the resignation of PM Borisov in February 2013.

Read more (in English): http://www.novinite.com/view_news.php?id=151113

Bulgarian Parliament passes amendments to Renewable Energy Sources Act

On 21 June, Members of the Bulgarian Parliament approved an amendment to the Renewable Energy Sources Act (Закон за енергията от възобновяеми източници). The amendment abolishes the so-called „green surcharge for transit“ (зелената добавка от такса пренос) and gives state authorities the permission to use the funds from the sale of green certificates for the period 1 December 2012 to 30 June 2014 to offset costs for the support of renewable energy sources through the feed-in tariff scheme. The bill was passed in absence of the strongest parliamentary faction, the GERB party, which in view of the continuing mass demonstrations decided to boycott all parliamentary meetings.

Read more (in Bulgarian): http://www.dnevnik.bg/zelen/2013/06/21/2086939_parlamentut_glasuva_otpadane_na_zelena_dobavka_ot/

Energy Efficiency

Overachievement of energy efficiency targets expected for 2016

According to a report on the implementation of the Second National Energy Efficiency Action Plan (NEEAP – Втори национален план за действие по енергийна ефективност), which was adopted by the Council of Ministers on 12 June, Bulgaria “may overachieve its energy efficiency targets by 2016”. The Second NEEAP covers the period 2011-2013 and foresees savings in fuel and energy consumption of at least 9% compared to the period 2001-2005.

Read more (in Bulgarian): http://www.government.bg/cgi-bin/e-cms/vis/vis.pl?s=001&p=0228&n=4903&g= Second National
Read more (in Bulgarian): http://www.mi.government.bg/library/index/download/lang/bg/fileId/412
Read more (in English): http://www.seea.government.bg/documents/Second_Energy_Efficiency_Action_Plan_EN.pdf
Croatia

Energy Efficiency

“A New Face for Šibenik”

The Department for Business, Enterprise and Development of the city of Šibenik, in cooperation with the Fund for Environmental Protection and Energy Efficiency, is providing 1.5 million HRK (€ 200,185) for projects increasing energy efficiency in private homes and residential buildings through the project "A New Face for Šibenik". Public calls for ten projects will be made and the grants will be awarded based on a point system.

The project forms part of the development strategy of Šibenik, the “center of green industry on the Adriatic Sea”, whose goal is to save significant amounts of energy through encouraging the installation and use of new energy efficient exterior woodwork, as well as increasing the insulation of the outer wall. The estimated potential of energy savings by installing energy efficient wood panelling is 10 to 15%, while the insulation of the outer walls extends the life of the materials and contributes to total energy savings of 40 to 60%.


Energy Certificates needed for nearly all flats

In Croatia, the energy certification of buildings has been carried out since 2010 for all new buildings (in total 4208 residential and 2862 non-residential). These certificates are issued in accordance with the Regulation on Energy Certification of Buildings (Pravilnik o energetskom certificiranju zgrada, Official Gazette 113/08) and provide relevant information on the energy performance of the building to owners, customers and tenants.

From 1st July 2013 onwards, no flat can be sold without acquiring an energy certificate (class A + is the highest rating that guarantees energy-efficient living space and class G is the lowest rating). Flats not larger than 50m² are exempt from this rule.

The Ministry of Construction has calculated that the certification of one flat costs between 1,500 – 2,700 HRK (€ 200 – 360) and of a hotel with a size of 10,000m² to be about 9,500 HRK (€ 1,270).

The regulation also foresees, that beginning 1 January 2016, landlords who want to rent out flats larger than 50m² will also need an energy certificate in order to put it on the market.

Read more (in Croatian): http://energetski-certifikat.net/Obveza_certificiranja.html
Cyprus

Renewable Energy

Implementation of a Net-Metering Programme

On 26 June 2013, the Minister of Commerce, Industry and Tourism, Mr. Lakkotripis, presented in a press conference the plans to introduce a Net-Metering Programme, aimed at funding the installation of roof-mounted PV, with a capacity of max. 3kW, on 2,000 households. The eligibility and selection process for the programme will be based on income criteria. The programme has a budget of € 5 million and it will be financed by the Special Fund for Renewable Energy Sources and Energy Efficiency of the Ministry of Commerce, Industry and Tourism. In aggregate, 6MW are planned to be installed, which corresponds to a contribution of € 900/ KW. In addition, two further programmes were announced. The first one is also a Net-Metering Programme that targets the installation of PV installations until 3kW (in aggregate 9MW), however without financing its purchase and its installation. The second Programme concerned the installation of PV, with a capacity until 1MW (in aggregate 10MW) not connected to the grid for industrial and commercial producers.

While the relevant decree and the relevant technical details are expected to be issued soon by the Ministry and the Cypriot Energy Regulatory Authority (CERA), the first results of the pilot implementation of the net metering programme in a small number of households, initiated in 2013, have been very encouraging. In general, a household in the capital of the country, Larnaca, succeeded in reducing its energy demand from the public grid from 1836 KWh (April-May 2012) to 34 KWh (April-May 2013). This is why it is estimated that the implementation of the programme can result in an 80% reduction in electricity demand from public grid. However, there are some technical problems such as the stability of the grid that should be tackled in order to make net-metering available to all residents of the country.

The Budget of the Special Fund for Renewable Energy Sources and Energy Efficiency approved

The budget of the Special Fund for Renewable Energy Sources and Energy Efficiency has been finally approved by the House of Representatives in Cyprus on 20 June 2013. The Fund finances all renewable energy and energy efficiency related projects in Cyprus. The estimated revenues of the Fund (from electricity bill charges, mainly a special tax imposed on electricity consumption) amount to € 20,476,020 while its expenses are estimated at € 25,474,338.
Czech Republic

Horizontal Measures

*Prime Minister and cabinet forced to resign, political future remains unclear*

On 17 June 2013, a corruption scandal involving several highly positioned state officers and politicians, as well as influential lobbyists led to the resignation of Prime Minister, Petr Nečas and his cabinet. Several days before, the Unit for Combating Organised Crime (*Útvar pro odhalování organizovaného zločinu, ÚOOZ*) and the Chief Public Prosecutor’s Office (*Vrchní státní zastupitelství*) had organised a raid and arrested among others the Prime Minister’s chief of staff, Jana Nagyová, as well as the head of the Military Intelligence Service and his predecessor and accused them of abuse of power and corruption.

On 25 June, Czech President Miloš Zeman appointed his own economic advisor, Jiří Rusnok, for the post of Prime Minister ignoring the parliamentary majority of the centre-right coalition. According to observers this step is “likely to prolong political turmoil by weeks or even months”. At the moment it is still unclear if Rusnok is supposed to stay in office until the next regular elections in May 2014 or if the parliament will decide to hold early elections in September 2013.

Read more (in English): http://www.bbc.co.uk/news/world-europe-22903570
Read more (in English): http://www.nytimes.com/2013/06/14/world/europe/czech-police-raid-government.html
Read more (in English): http://ca.reuters.com/article/topNews/idCABRE95O0R320130625

Renewable Energy

*Recycling of solar panels raises concerns*

Every operator of a solar power plant is now obliged to sign a contract for the compulsory collection and disposal of discarded solar panels before the end of June 2013. This obligation was introduced by section 37p of the Act on Promoted Energy Sources (*Zákon č. 165/2012 Sb. o podporovaných zdrojích energie*) which came into force on 1 January 2013 and affects more than 22,000 license holders. Those operators that fail to sign the contract on time may face fines up to CZK 50 million (approx. € 2 million). There is a relatively big market at stake. The fee for recycling a typical solar power plant with a capacity of 1 MW amounts to roughly CZK 500,000 (approx. € 20,000). With the new measure in place, all operators of existing solar power plants will have to pay a total amount of more than CZK 1 billion (approx. € 40 million) for the disposal of their discarded solar panels to the recycling companies. However by the end of May, the Ministry of Environment had granted this collection service only to two companies – Asekol Solar and REMA PV System. The anti-corruption fund (*Protikorupční fond*) therefore raised concerns that “some people in the Ministry of Environment have particularly close ties to Asekol”. In a similar case in March 2012, the fund had already stated that the use of funds for the collection and disposal of old televisions, washing machines or refrigerators was not transparent.

Energy Efficiency

**Subsidies for ecological boilers extended to entire country**

The successful subsidy programme for the replacement of old boilers with more ecological ones (Společný program kraje a MŽP na podporu výměny stávajících ručně plněných kotlů na tuhá paliva), which until now was only available in the region of Moravian-Silesia, will be extended to the whole country. On 30 May 2013, the Minister of Environment, Tomáš Chalupa, announced that all inhabitants of the Czech Republic will be eligible to apply for subsidies for the purchase of new boilers, provided that their region will join the programme. The aim of the programme is to reduce air pollution from heat sources. High levels of pollution in Moravian-Silesia mean that the region will still remain a priority. The first call under this programme should commence in summer and the grant allocated from the Ministry amounts to CZK 80 million (approx. € 3.4 million). The programme is also expected to replace a wider range of boilers. In addition to coal boilers, subsidies will also apply to boilers using pellets or gas.

**ArcelorMittal to further reduce nitrogen oxide emissions**

The steel company ArcelorMittal Ostrava (AMO) has launched an environmental project amounting to more than a billion crowns (approx. € 40 million) in the Moravian-Silesia region. On 30 May 2013, AMO signed a supply contract with ČKD Praha DIZ to install technologies for the reduction of nitrogen oxide emissions. Despite that AMO reduced its dust emissions by two thirds in 2012 compared to 2003, the company remains one of the biggest polluters in the region. The new technologies shall ensure nitrogen oxide emission reductions of at least 600 tons per year. Based on emissions in 2012, 600 tons would reduce total average emissions by one quarter annually. The development of new technologies is scheduled to begin in July 2013 and the installation of those technologies will be launched in 2015.
Denmark

Renewable Energy

Change in PV support scheme

On 11 June 2013, the parties behind the Energy Agreement of 22 March 2012 (Social Democrats, the Social Liberals, the Socialist Party, the Left, Danish People's Party, the Alliance and the Conservative Party) set a limit on the size of photovoltaic (PV) installations eligible for a higher premium tariff given to renewable electricity generation. PV installations receive a tariff of DKK 0.60 per kWh for the first ten years of operation and DKK 0.40 per kWh for the subsequent ten years — but small installations are eligible for a premium tariff of DKK 1.30 per kWh. However, expansion of PV systems in Denmark has been larger and faster than anticipated, such that the government wants to restrict the premium support only to the smallest installations: the premium tariff will now only apply to PV installations generating 20 MW or less per year, will only be valid for the years 2013-2017, and will phase out altogether in 2018. Also, the premium tariff recipient must be a home installation connected to the owner’s consumption. The total installed capacity of the home PV system may not exceed 6 kW. Shared solar cells, where several households use electricity together but installed capacity per individual household does not exceed 6 kW, can still receive the premium support.

The aim of the modification to the tariff requirements is to limit the cost of the continued expansion of solar.

The agreement to modify the tariff structure will take the form of an amendment to L199 (Law amending the Law on the promotion of renewable energy – lov om ændring af lov om fremme af vedvarende energi). The law is expected to be adopted before parliament goes on summer vacation, but the new rules on aid to photovoltaic will take effect immediately (11 June 2013).

Read more (in Danish): http://www.kemin.dk/da-dk/nyhederogpresse/pressemeddelelser/2013/sider/kunboligervilfaastoettetilsolceller.aspx
Read more (in Danish): http://www.kemin.dk/da-DK/NyhederOgPresse/pressemeddelelser/2013/Documents/Aftaletekst%20solceller%20kl%2013%20%2011%20%20juni%202013%20ren.pdf
Estonia

Horizontal Measures

**New Development Plan for the Energy Sector under public consultation**

In the beginning of June, the Ministry of Economic Affairs and Communications opened a new development plan for the energy sector it has been working on for public consultations. Activities and programs under the current development plan leading to 2020 are underway or already completed, and the new plan will present strategies up to 2030 with a perspective to the year 2050. The plan is based on guaranteeing Estonian national energy security, which demands diversification of energy sources and valorization of domestic energy resources. The plan also emphasizes the need to increase energy efficiency and reduce the environmental impact of the energy sector. This will be accompanied by policies, providing training and research capacities to support the technologies produced and developed in Estonia. The public consultation took place through an online platform and remained open for 11 days, during which all the stakeholders and wider public could make proposals and amendments to the new plan.

Read more (in Estonian): http://www.mkm.ee/mkm-ootab-ettepanekuid-energiamajanduse-arengukavale/

**EEA Integrated marine and inland water management conference**

On 20 June 2013, the European Economic Area (EEA) integrated marine and inland water management conference was hosted in Tallinn. Presentations given by top specialists from Estonia also covered climate change and included a presentation by the Ministry of Environment of the project on Estonia’s climate change adaption strategy.

Read more (in Estonian): http://www.envir.ee/1198927

**Environment Investment Centre Yearbook 2012 published**

Environmental Investment Centre (EIC) is the financial institution channelling state budget allocations (environmental fees) as well as money from different European funds and other foreign aid programs toward environmental projects. The Centre’s annual report was published in the beginning of June and gives an overview of what money was spent (and on what) in 2012. It reveals that EIC payments for environmental projects were larger than during three previous years combined. The largest amounts went to water management projects, which collectively received investments in the amount of € 155 million. This was followed by € 23 million in energy investments.

Renewable Energy

*Eesti Energia opened the first waste-fired CHP station in Estonia*

On 18 June 2013, Eesti Energia (the state owned energy group holding about 70% of the electricity market in Estonia) opened its first combined heat and power (CHP) station using mixed municipal waste as fuel. The Iru production block, which cost €105 million uses waste that previously ended up in landfills. The new plant has a positive impact on the price of heat: it is 25% cheaper than heat produced by burning natural gas. The station’s heat generation capacity is 50 MW and power generation capacity 17 MW. Working at full capacity the new station will burn an average of 27.5 tonnes of garbage an hour. The electricity from Iru waste station will supply the nearby cities of Tallinn and Maardu, the heat produced by the new CHP units will satisfy approximately 20% of the district’s heating demand.

Read more (in Estonian): https://www.energia.ee/et/uudised/-/news/2013/06/18/eesti-energia-avas-jaatmetel-tootava-koostootmisjaama#2013/5

Transport

*Island of Saaremaa to introduce free electric buses by 2020*

The largest island of Estonia, Saaremaa, is planning to develop a free public transportation system where electric buses would run on electricity produced from local renewable sources. The county governor, Mr Kaido Kaasik explained that the basis of this idea lays in the Europe 20-20-20 strategy, according to which by 2020 10% the energy used in the transport sector needs to come from renewable energy sources. The project for free renewable public transport forms a part of the Saaremaa renewable energy action plan. The implementation of this project, however, is quite complex as it includes a regional policy reform and requires restructuring the existing counties to form a larger entity capable of administrating the large-scale project. In addition, the project would need to attract significant private and public investments.

Read more (in Estonian): http://uudised.err.ee/index.php?06281618

Agriculture

*The Rural Development Plan for 2014-2020 under ministeries’ consultation*

On 6 June the Ministry of Agriculture sent the Rural Development Plan for 2014-2020 for consultations to other ministries. The development plan lays out focus areas in agriculture and rural development for the coming seven years and includes 21 measures that together will cost €936 million. With a strong focus on promotion of sustainable agriculture, the plan’s implementation has a bearing on GHG reduction from the agriculture sector. Most of the proposed measures concentrate on protecting the environment and raising competitiveness. The approval of the development plan by the government is foreseen for October 2013.

Read more (in Estonian): http://www.agri.ee/pollumajandusministeerium-saatlis-koosklastamisele-maaelu-arengukava-20142020-eelnou/
Adaptation

Policy forum focuses on adaption to climate change in the Baltic Sea region

In the last days of May, Tallinn hosted a policy forum focusing on adaption to climate change in the Baltic Sea region. An agreement under The Baltic Sea strategy foresees the adoption of a climate change adaptation strategy and action plan for the Baltic Sea macro region. The main topics at this forum, which followed two earlier events this year in Berlin and Stockholm, included financing adaption to climate change and raising awareness of climate change in agriculture. The final proposal for the climate change adaptation strategy and the integrated action for the Baltic Sea region will be published in September in Riga.

Read more (in Estonian): http://uudised.err.ee/index.php?06280220
Finland

Horizontal Measures

*Sustainable extractive industries working group operational*

The Ministry of Employment and Economy has established a working group to coordinate the action plan for sustainable Finnish extractive industries that was set up in late 2012 and early 2013. The steering group will be led by Mr. Erkki Virtanen, from the Ministry of Employment and Economy, seconded by the deputy chairman Ms. Hannele Pokka from the Ministry of Environment. The steering group brings together the representatives of extractive industries, government departments, tourism industry and environmental organizations to build a common understanding of key policy issues. The Steering Group reports regularly on its progress to the Government's Economic Policy Committee. In addition, the steering group follows the general development of the extractive industries at home and in the global market and makes proposals for new initiatives for national measures. The steering group will also regularly organize discussions on the state of the industry.

Read more (in Finnish): http://www.tem.fi/yritykset/tiedotteet_yritykset?89508_m=110907

*Government decision on sustainable housing, transport and food consumption*

In the middle of June, the Government announced a policy decision entitled “More for less”. This framework decision is based on three underlying pillars – wise energy use and smart housing, sustainable food production, and smooth and low-environmental impact transport. As a part of the decision the Government intends to reform the work traffic related tax measures (i.e. free parking, use of company car, travel expenses) and to promote energy efficient renovations and the use of renewable energies in housing. Additionally, the Government aims to develop a food accountability system, under which information about the origin of food and its production chain would become more visible. Furthermore, public kitchens will be encouraged to produce more eco friendly meals and reduce food-waste. “With our resolution we want to promote the improvement in energy efficiency for products, services and materials. The framework decision will help consumers to become more involved in the development and tailoring of new sustainable practices,” explained the Minister for Environment, Ville Niinistö. The Ministry of Environment will fund eight projects, which will test eco-efficient solutions for mobility, housing and meals and will include municipalities, businesses and research organizations. Some of the projects are also carried out in the so-called Carbon Neutral Municipalities (HINKU), aiming to reduce greenhouse gas emissions by 80 percent by 2030.

Read more (in Finnish): http://www.ym.fi/fi-FI/Ymparisto/Kestavammasta_asumisesta_liikkumisesta_ji(16697)
Read more (in Finnish): http://www.ym.fi/download/noname/%7B6D0D1A56-907E-427A-B1E6-4CEC97DD0DE1%7D/56419

*Government decision commits the state and municipalities to promote clean-tech solutions*

On 13 June 2013, the Finnish Government announced a policy decision according to which the state and municipalities have a duty to promote environmentally friendly and green
technology solutions through public procurements. Approximately € 350 million from the € 35 billion annually spent on public procurements will be directed to the promotion and purchase of clean-tech solution in waste management, transport, energy production and building energy efficiency. Since public procurement accounts for 20% of Finland’s gross domestic product, devoting a significant portion of it to ‘green’ products is meant to reflect the government’s strategic aims, according to the Environment Ministry. Using its exemplary role in procurement, the government says it will create incentives for state and municipalities – it will set up an advisory service to support the wider use of clean-tech solutions. The decision is a part of Finland’s clean-tech strategy, in force since 2012. The strategic plan aims at creating 40,000 new clean-tech jobs and more than doubling Finnish clean-tech companies’ combined turnover from the current € 20 million to € 50 million by 2020.


Finland mapped for the first times subsidies that are harmful for the environment

The Ministry of Environment has for the first time published a report on environmentally harmful subsidies. According to the report, the amount of environmentally harmful subsidies in Finland amounts to € 3 billion and is mainly in the form of indirect subsidies. The subsidies are principally directed to the energy, transport and agriculture sectors, result in an increase of fossil fuels and have a negative impact on climate. The report shows that for example the energy sector subsidies are significantly higher than those for climate measures. The report also reveals that some transport and housing measures result in greater car dependency. Mapping the environmentally harmful subsidies is a part of the Government’s program aimed at promoting ecologically sustainable growth and employment. According to the program, future economic growth and well-being must be achieved with a much lower use of natural resources and environmental impact.

Read more (in Finnish): http://www.ym.fi/fi-FI/Ymparisto/Suomessa_on_ymparistolle_haitallisia_tuk(10553)
Read more (in Finnish): http://ymnc.edelkey.net/fi-Fi/Ajankohtaista/Julkaisut/YMra132013_Ympariston_kannalta_haitallis(10428)

Environmental plan for peat production enhances the protection of water

Peat drainage and production results in growing CO₂ emissions and thereby contributes to climate change. The Ministry of Environment’s new environmental guidelines for peat production aim at reducing the environmental impact and improving water conservation. The guidelines are directed at the peat production environmental permits control and primarily deal with water conservation solutions. They also contain information about noise and dust pollution reduction and other environmental issues, such as biodiversity. The guidelines are designed for economic, transport and environment experts engaged in peat extradition activities. Instructions also provide information on operators and licensing authorities, the central legislation, as well as on the authorization process and monitoring linked to peat extradition.

Read more (in Finnish): http://www.ym.fi/fi-FI/Ajankohtaista/Tiedotteet/Turvetuotannon_uusi_ymparistoohje_tehost(16895)
Energy Efficiency

**Potential adoption of more energy efficient street lighting with LED technology**

On 6 June 2013, the US Embassy together with the Ministry of Employment and Economic Affairs and the Ministry of Environment organized a seminar at which American towns and companies presented their experiences with the use of LED technology street lighting. The transition to LED technology in street lighting saves 50% of electricity compared to the traditional street lighting. The topic is very timely, as according to EU legislation by 2015 the traditional mercury vapor lamps will have to be disposed and LED street lamps offer one way of replacing them. In his speech, the Minister of Environment, Mr Niinistö, underlined that even though Finland is a leader in energy efficiency technologies, in the reduction of the overall energy consumption the country still has a long way to go.


Transport

**Gains in competitiveness through new mass and dimension regulations for heavy traffic vehicles**

On 6 June 2013, the Government issued a new decree aiming at boosting the competitiveness of logistics in Finland through raising the maximum permissible masses and dimensions for heavy-weight vehicles. These measures will decrease the amount of vehicles on roads and will therefore lead to a reduction of carbon dioxide emissions estimated at around two per cent annually. According to the press release of the Ministry of Transport and Communications, the maximum permitted height of a vehicle will increase from 4.2 meters to 4.4 meters and mass from 60 tonnes to 76 tonnes. Transport costs in Finland are currently higher than in many other European countries, the reform therefore aims at reducing transport costs and bringing them to a level comparable to other EU countries. According to the calculations made by the Finnish Transport Agency, as a result of the reform savings up to € 1.6 - 3.2 billion in logistics costs are expected to occur over a period of 20 years. The decree will enter into force on 1 October 2013.


**Second generation strategy for intelligent transport published**

On 5 June 2013, the Ministry of Transport and Communications published the second generation strategy for intelligent transport. As a follow-up to Finland’s first intelligent transport strategy, published in 2009, the new one aims to increase transport information services, improve the productivity and efficiency of the transport system, and promote development of Information and Communications Technology innovations. The strategy will be implemented through projects over the years 2013-2017 that the Ministry estimates will cost € 300 million. Such projects include creating a snapshot of and control systems for the transport system, as well as building a unified public transportation system. Better information services for transport will be put to place. Other key projects will concentrate on intelligent traffic monitoring, development of safety systems and ensuring interoperability of
the logistic delivery chain. The strategy encourages the cooperation of the public and private sector: the former is responsible for the transportation system and the latter commercializes and implements projects. This provides an opportunity for Finnish companies that already possess significant know-how in the area of intelligent transport to further develop their role and simultaneously boost employment as well as development of new businesses.

Read more (in English): http://www.lvm.fi/tiedote/4149848/second-generation-intelligent-strategy-for-transport-published
France

Taxation

Disagreement of the Committee for environmental taxation

Following its meeting on 13 June 2013, the Committee for environmental taxation has failed to reach an agreement on the implementation of a carbon tax (assiette carbone) and the reduction of the tax gap between diesel and petrol for the period 2014-2020. Consequently, no common opinion has been submitted to the Government for the preparation of the draft Finance Act 2014. In the absence of consensus, the president of the Committee, Christian de Perthuis, will hand in by the end of the month a report to the Minister of Ecology containing his own proposals as well as an alternative scenario presented by the Nicolas Hulot Foundation (NHF). The latter is more ambitious than the scenario proposed by Mr de Perthuis, since it recommends a greater yearly increase of the price of diesel oil (at least €ct2 cents per litre instead of €ct1 per litre as suggested by Mr. de Perthuis). Moreover, it foresees a higher cost per ton of CO₂ (€ 40 per ton in 2020 - against € 20 in the proposal of Mr de Perthuis). The scenario of the NHF is supported by representatives of family associations, consumer groups and trade unions. The report of Christian de Perthuis includes an introduction scenario of the carbon tax over the period 2014-2020. Moreover, it defines the conditions required to effectively carry out the transition to green taxation.

Read more (in French): http://www.lemonde.fr/politique/article/2013/06/14/desaccords-autour-de-la-fiscalite-verte_3430268_823448.html

Energy Generation

Report of the Energy Regulatory Commission on electricity costs

On 5 June 2011, the Energy Regulatory Commission (CRE) has submitted to the Government a report on the evolution of electricity costs since 2008. According to the CRE, electricity tariffs are too low compared to the costs incurred by the French electric utility company EDF, resulting in a difference amounting to € 1.47 billion for the period 2007-2012. This difference can be partly explained by insufficient rise of electricity price which failed to cover the estimated costs of the utility. In addition, maintenance programs for nuclear power plants, the implementation of post-Fukushima measures as well as new nuclear generation technologies are also expensive. However, given the current situation of purchasing power, the government does not plan to adjust electricity prices for the moment. The tariff decision for 2013 will be made in July after a detailed analysis of evolutionary factors and possible corrective measures.

The structural increase in electricity costs confirms the need to hasten the implementation of energy efficiency measures to reduce energy expenditure.

Read more (in French): http://www.developpement-durable.gouv.fr/Rapport-de-la-Commission-de.html
Energy Efficiency

Launch of a call for proposals for energy renovation

On 30 May 2013, the ministers responsible for housing and energy, Cecile Duflot and Delphine Batho, launched a call for proposals addressed to regional authorities (regions, departments or municipalities) which are pioneers in the field of energy refurbishment. This call for proposals aims at supporting all initiatives and actions promoting energy renovation of housing. Projects may relate to information and public awareness, the development of tools for innovative financing or the mobilization of professionals. Regional authorities are invited to file an application until 30 September 2013.


Restriction of night lighting of offices and shops from 1 July 2013

A decree of 25 January 2013 provides that from 1 July onwards, interior lights of business premises must be switched off one hour after closing time. Lighting of shop windows will be suspended between 1am and 7am. According to the Ministry of Ecology, this measure will save the equivalent of the annual electricity consumption of 750,000 households, avoiding the emission of 250,000 tons of CO2 and saving € 200 million. In case of non-compliance with these measures, the storekeeper or owner of a non-residential building will be fined up to € 750.


Transport

Publication of the order on the retrofitting of trucks

A Decree of 15 May 2013 establishing the retrofit conditions for trucks, buses and coaches was published on 7 June 2013 in the Official Journal under the provisions of the Emergency Plan for Air Quality (Plan d'urgence pour la qualité de l'air), adopted on 6 February 2013. The decree specifies the installation and reception conditions of retrofit devices on vehicles in service, including diesel particulate filter, to reduce air pollution. Moreover, this order allows regional authorities to restrict access to some areas only to the most environmentally friendly vehicles.

Germany

Horizontal Measures

Coalition party CDU/CSU decided not to submit draft law on fracking to the parliament before elections

According to information from Süddeutsche.de on 4 June 2013, the coalition did not reach an agreement on a legal framework for fracking. The CDU/CSU fraction decided not to submit a draft law for parliamentary vote before parliamentary elections in September.

Read more (in German): http://www.sueddeutsche.de/wirtschaft/umstrittenes-fracking-gesetz-gescheitert-giftspritze-fuer-den-boden-1.1688444

Transport

Cabinet of Ministers passes mobility and fuel strategy

On 12 June 2013, the Cabinet of Ministers passed the mobility and fuel strategy that has been prepared by the Federal Ministry of Transport, Building and Urban Development. After various consultation rounds and with a wide range of stakeholder recommendations several measures and actions have been identified as necessary, such as the need for a clear biofuel strategy as well as the further stimulation of e-mobility. The Federal Minister Ramsauer emphasized that the strategy considers all alternative technologies as well as energy sources.

Read more (in German): http://www.bmvbs.de/SharedDocs/DE/Pressemitteilungen/2013/112-ramsauer-mks.html
Greece

Horizontal Measures

*Project “Helios” remains at a “standstill”*

The “Helios” project, initiated by the Ministry of Environment, Energy and Climate Change in the last year (April 2012), seems to not be progressing as it was initially planned due to a number of obstacles. The ambitious project aimed at generating electricity by PV plants in Greece that could be “exported” to Northern Europe and mainly to Germany.

The first extremely ambitious target of the former Minister of Environment, Energy and Climate Change, Georgios Papakonstantinou, cannot be considered realistic anymore and this is why “Helios” project was revised and finally stipulates the realization of a Pilot Programme (installation of 500MW of PV plants) in Greece. The realization of a feasibility study for that Pilot Programme has been decided, however, it has not yet been published. In addition, the correlation of the current situation with other existing problems is rendering the realization of the “Helios” project impossible. The most significant one was the necessity of upgrading the transmission grid of the countries, through which the generating electricity would be transferred (Bulgaria, Rumania, Hungary and Austria), as none of them was willing to provide necessary investment funds. Jörg Mayer, managing director of the German Solar Industry Association (BSW-Solar), underlines that the interested parties have likely overestimated the prospects of exporting electricity to Northern Europe, as the current capacity of transmission grid is not sufficient and upgrade requires funds as well as is a long lasting process.


Energy Consumption and Efficiency

*Slight increase of electricity demand in May*

According to LAGIE (Greek Electricity Market Operator), electricity demand increased by 4% on average during May 2013 in comparison to the same period last year. This is mainly the result of increased electricity demand for domestic use - low voltage (increase by 6.94%) and for small and medium enterprises (SMEs) use - medium voltage (increase by 7.49%). However, electricity demand for industry use (high voltage) has decreased by 11.85%. For the period January-May 2013, there has been an increase of electricity demand by 3.22% for domestic use and by 2.45% for SMEs use, while there has been a decrease by 5.3% for industry use.

Renewable Energy

**RES installed capacity reaches 4,160 MW**

According to LAGIE (Greek Electricity Market Operator), the cumulative installed capacity of renewable energy sources (RES) in Greece has reached 4,160MW at the end of May 2013. More specifically, 1,964.5 MW come from PV plants (without taking into consideration 348 MW of roof-mounted plants), 1,494.7 MW from wind energy, 217.9 MW from small hydro, 45.6 MW from biomass and 90.1 MW from CHP (Combined Heat and Power). RES, together with the big hydroelectric plants, account for 7,178.5 MW, while the installed capacity of the thermal plants is 10,060 MW.

Read more (in Greek): http://www.lagie.gr/fileadmin/groups/EDRETH/RES/2013_05_GR_MONTHLY_RES.pdf

**New Bill on Renewable Energy Sources introduced in the legislative drafting committee**

The new Bill on Renewable Energy Sources (“Regulation of Issues concerning Renewable Energy Sources and other provisions”) was finally submitted to the Legislative Drafting Committee on 5 June 2013. The Bill includes the rest of the provisions that were not included in the amendment of Law No. 3468/2006 at the end of April 2013 (see MPU 02/2013).

More specifically, it foresees that Feed-in Tariffs (FiTs) can be revised by Ministerial Decree, in contrast with the current situation, where a revision can be realized only by introducing a new law. This specific process has already been in force, but only for PV installations. In addition, RES plants will receive FiT in force at the time of connection, not prior to the connection. The Bill also contains provisions aiming at temporarily halting the licensing the installation of new windfarms, as the Ministry of Environment, Energy and Climate Change is currently designing a Special programme for the support of small windparks due to enter into force in the coming months. Finally, there will be provisions concerning the support of large hydroelectric power plants. The provision concerning annual FiTs increase by 25% of Consumer Price Index is expected to be abolished.

Wind power industry representatives have expressed their concern about the new Bill. They allege that the Bill will halt any new investments as well as worsen the already negative investment environment.


**Two new wind power plants connected to the grid during the first five months of 2013**

Only two new wind parks, with an aggregate capacity of 45.05 MW, were connected to the electricity grid in Greece during the first 5 months of 2013. This means increase in capacity by 2.8% as compared to the year 2012. The cumulative capacity of wind power plants in Greece has reached 1,793.4 MW (1506.5 MW in the interconnected continental grid and 286.9 MW on non-interconnected islands). Based on the existing situation, the Hellenic Greek Energy Association estimates that concerning increase in capacity this will be the worst year since 2004.

Read more (in Greek): http://www.imerisia.gr/article.asp?catid=26515&subid=2&pubid=113057813
Transport

*Issue of the Ministerial Decision on Biofuel Quota Distribution Scheme*

With the Joint Ministerial Decree of 14 June 2013 the beneficiaries of Biofuels Quota Distribution Scheme were announced. In aggregate, 20 enterprises take part in the distribution of 92,000 kiloliters of biofuels for 2013. And after the issue of the Joint Ministerial Decree they are invited to submit a letter of guarantee.

Read more (in Greek): [http://www.ypeka.gr/LinkClick.aspx?fileticket=mwAwRJUmxpw%3d&tabid=292&language=el-GR](http://www.ypeka.gr/LinkClick.aspx?fileticket=mwAwRJUmxpw%3d&tabid=292&language=el-GR)
Hungary

Taxation

Hungarian Government intends further reduction of energy prices by autumn 2013

On 21 June 2013, the Minister of State for National Development Dr. János Fónagy announced that the Hungarian government had decided to further reduce final consumer prices for electricity and gas by at least 10%. The price reduction should be implemented by autumn 2013, before the start of the heating season. In January 2013, final consumer prices for electricity, gas and district heating had already been reduced by 10%. The Minister of State argued that the reduction of energy prices is necessary due to the high energy expenses of Hungarian households compared to their income. This development is part of a larger governmental project reducing various charges and levies. From 1 July 2013, wastewater levy and prices for butane and propane gas will be reduced by 10% and waste disposal charges will be reduced to price level as of April 2013. On 28 June 2013 after the European Council meeting, Viktor Orban stressed that he rejects any recommendations by the EU to stop reduction of various additional charges. The costs for these price reductions will be felt by the utility companies.

Read more (in Hungarian): http://www.hirado.hu/Hirek/2013/06/04/11/Kozzeteszti_az_energiahivatal_a_PB_gaz_atlagarakat_.aspx

Energy Generation

Electricity market integration is advancing in Central Eastern Europe

During the Central Eastern European Forum for Electricity Market Integration (CEEE Forum), held on 18 June 2013, the Hungarian presidency confirmed the next step of the Czech-Slovakian-Hungarian electricity market integration. The Visegrad countries (Czech Republic, Hungary, Poland, and Slovakia) committed to extend the coupled day-ahead electricity market between Hungary, the Czech Republic and Slovakia to Poland. However, a time schedule for this next step of market integration has not been announced. The CEEE Forum is a platform on ministerial level for the Central and Eastern European countries for enhancing the regional electricity market integration and has been in operation since 2009.


Ministry for Rural Development announced new subsidy programme for farm development

On 12 June 2013, the Ministry for Rural Development announced that the Programme for Farm Development (Tanyafejlesztési Program) would be launched in June, but contrary to this government announcement the programme has not yet been launched. The programme aims at modernizing Hungarian farms and focuses amongst others on electrification of farms.
In total, the subsidy programme will allocate HUF 150 million (approx. € 500,000) for electrification of Hungarian farms. Funds can be accessed by local authorities and by single farms as well. The government’s objective is to electrify all Hungarian farms by 2020.


**Transport**

*Hungarian cities extend local bus services*

The Ministry of National Development and the local Administration of the region of Székesfehérvár concluded an agreement for extending public bus services in Székesfehérvár. Starting on 1 July 2013, passengers will have the possibility to also use the Volánbusz regional bus lines for travelling within Székesfehérvár. Ticket prices will be the same as for local bus lines. A sign in the window of the regional buses will indicate which ones offer local stops. This way, passengers may benefit from 30 additional bus stops and a wider range of bus connections including some express connections within the town, while increases in price for the local public transport could be avoided. The Volánbusz Ltd. offers local bus stops on their regional bus lines in five other Hungarian towns.

Ireland

Energy Efficiency

**€ 55 million to support 22 energy efficiency projects**

On 19 June 2013, the Sustainable Energy Authority of Ireland (SEAI) delivered the initial funding of energy efficiency programs under the National Action Plan for Jobs. Investments in energy saving measures amount to € 55 million, which should bring about annual savings of € 7 million and create some 500 jobs. According to the press release, “many of these projects will be eligible to avail of loan finance under the Government’s National Energy Efficiency Fund”.

Read more: [http://www.seai.ie/News_Events/Press_Releases/2013/Minister-Pat-Rabbitte-announces-exemplar-energy-projects-.html](http://www.seai.ie/News_Events/Press_Releases/2013/Minister-Pat-Rabbitte-announces-exemplar-energy-projects-.html)

Energy Networks

**Electricity interconnector between Ireland and France under consideration**

On 4 June 2013, the state-owned electric power transmission operator in Ireland EirGrid has signed a memorandum of understanding with French electric power transmission operator Réseau de Transport d’Électricité “to commission further studies on the feasibility of constructing a submarine electricity interconnector between the two countries”. If the interconnector is developed it will span approximately 600km and will go from the south coast of Ireland to the northwest coast of France.


Transport

**Agreement on CO₂ emission reductions for cars welcomed by the Irish Government**

In June 2013, the Irish Government welcomed the agreement between the European Parliament and the Council with regards to a more stringent CO₂ emission target for vehicles by 2020 (i.e. 95g/CO₂/Km). A few particularities of the agreement deserve specific mention, including: the continuation of the use of “supercredits”, which encourage car manufacturers to develop innovative technologies; the need for a post 2020 target in order to give the car industry time to prepare for new targets; as well as changes in the test cycle moving from the New European Driving Cycle (NEDC) to a Worldwide Harmonized Light-duty Test Procedures (WLTP).

Italy

Renewable Energy

Cap reached for the 5th Conto Energia

The support scheme called 5th Conto Energia (Premium tariff for PV) has reached its cap of €6.7 billion. Its legal source, Ministerial Decree 05/07/12, establishes in article 1 that the support scheme will cease once the cap of 6.7 billion has been reached.

Read more (in Italian): http://www.qualenergia.it/articoli/20130623-questioni-in-sospeso-con-fine-quito-conto-energia-fotovoltaico

Applications open for heat pump and biomass incentives

The applications for support schemes for renewable heating (“Conto Termico”) have been opened and can be accessed until 1 August 2013. For this call, a budget of €7 million is available for public entities and of €23 million for private ones. Plants must have a capacity between 500 kW and 1 MW. The incentive is granted for a period of 2 to 5 years, depending on the location, type of plant and capacity.


Simpler conditions for installing renewable plants in buildings

Law 220/2012 entered into force on 18 June 2013. The relevant modifications introduced in the national legal system refer to the lower quorum needed to approve a renewable energy installation on common areas of a building (in other words, this means that it will be less demanding to obtain approval for renewable installations on common areas of a building).

Read more (in Italian): http://leg16.camera.it/561?appro=503

Energy Efficiency

Tax deduction for energy efficiency works in buildings

On 5 June 2013, legislative decree 63/2013 has entered into force. This decree transposes directive 2010/31/UE into national legislation. Among the changes, a tax deduction for interventions related to energy efficiency has been confirmed. This will be up to 65% for works carried out before 31 December 2013, including the installation of solar thermal plants.

Lithuania

Renewable Energy

Amendments to the Law on Energy from Renewable Sources

On 30 May 2013, the Lithuanian Parliament approved amendments to the Law on Energy from Renewable Sources (Atsinaujinančių išteklių energetikos įstatymas). The amendments resulted from the recent claims in relation to small solar power generators. Claimants argue that the amendments to the Law on Energy from Renewable Sources of 17 January 2013 cause damages resulting from reduced payments of the feed-in tariff (FiT) (see MPU Issues 1/2013 and 2/2013).

The Law on Energy from Renewable Sources came into effect in May 2011. Initially, the law established that small solar power generators become eligible for the FiT rates at the moment they obtain permission for expanding generation capacity. The provision was changed, however, on 17 January 2013. According to the new rules, the FiT for small solar power generators is based on the rate applicable at the date of issuance of the permission for generation, which is obtained in a second step after the permission for expanding capacity has already been issued. According to the amendments of 30 May 2013, the new rules will apply only to small solar generators submitting their applications for issuance of the permission for generation after 1 July 2013. The latter amendments will come into effect on 1 July 2013.

Read more (in Lithuanian): http://www.lrv.lt/Posedmedz/2013/130522/35.pdf

Amendments to the Rules on Centralized Trading in Biofuels and Rules on Fuel Procurement by Energy Companies

The Ministry of Energy approved amendments to the Rules on Centralized Trading in Biofuels (Centralizuotos prekybos biokurų taisyklės) approved by Order No 1-182 of the Minister of Energy on 20 September 2012. These new rules aim at increasing competition and reducing price differences in the market of biofuels. As disclosed by the Biofuels Market Monitoring Report published by the National Control Commission for Prices and Energy (NCC) (VKEKK – Valstybinė Kainų ir Energetikos Kontrolės Komisija) in June 2013, lack of competition and enormous price differences are the key factors distorting the biofuels market. The report shows that the market share of the largest supplier amounts to nearly 50%. Moreover, the difference between biofuels acquisition costs is enormous in Lithuania (cost difference of up to 70% was detected), without any objective reason for such a disparity. According to the Vice-Minister of Energy, Renata Cytacka, the results of the NCC report demonstrate an inefficient market and therefore it is important to encourage the heat producing companies to purchase biofuels on the biofuels exchange in order to stimulate competition among suppliers participating in the exchange.

In addition, Government Resolution No 277 of 3 March 2003, regulating fuel procurement by energy companies was amended on 5 June 2013 (by Government Resolution No 508).
These amendments require heat producing companies to give priority to the purchase of biofuels on the biofuels exchange.

Read more (in Lithuanian): http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_i?p_id=450532&p_query=&p_tr2=2

**Amendments to the Procedure on the Purchase of Heat from Independent Heat Producers**

The National Control Commission for Prices and Energy (NCC) (VKEKK – Valstybinė Kainų ir Energetikos Kontrolės Komisija) amended the Procedure on the Purchase of Heat from independent heat producers (Šilumos supirkimo iš nepriklausomy šilumos gamintojų tvarkos ir sąlygų aprašas), approved by Resolution No O3-202 of 4 October 2010. The amendments mark the start of procedures to calculate comparative costs for independent unregulated heat producers who have received financing from European Union's structural funds, subsidies, grants or that have received other financial support for the purchase of heat production facilities and construction of thermal boilers or cogeneration power plants.

The new rules are expected to significantly reduce the price of the heat produced by independent heat producers, which will lead to a reduction in price for the consumer.


**Tendering procedure for biogas plants with total installed capacity from 1000 kW to 2000 kW announced**

On 20 June 2013, the National Control Commission for Prices and Energy (NCC) (VKEKK – Valstybinė Kainų ir Energetikos Kontrolės Komisija) announced the tendering procedure for electricity generating plants using biogas derived from anaerobic digestion or other biodegradable organic waste or substrates, with the total installed capacity ranging from 1000 kW to 2000 kW. The maximum feed-in rate proposed by bidders may not exceed 46 ct/kWh (approx. 0.13 €ct/kWh). The tender documents can be submitted from 19 July to 2 August, 2013. More information on tendering terms and conditions in Lithuanian can be found on the NCC website.

Read more (in Lithuanian): www.regula.lt

**Energy Efficiency**

*Meeting with representatives from construction sector to accelerate renovation of multifamily buildings organized by the Ministry of Environment*

On 5 June 2013, the Ministry of Environment organised a meeting between the construction managers, the Lithuanian Builders Association, and other representatives from the national construction sector to discuss renovation of multifamily buildings. As indicated by the Vice-minister of Environment, Daiva Matonienė, this was the first large-scale meeting attended by the majority of country's construction organizations. The main goal was to gather all relevant
stakeholders for further collaboration and to identify the best tools for accelerating the renovation process.

Read more (in Lithuanian): http://www.am.lt/VI/article.php3?article_id=13166

Amendments to the Law on State Support for the Acquisition or Rent of Housing and for the Renovation of Multifamily Buildings

On 1 June 2013, the amendments to the Law on State Support for the Acquisition or Rent of Housing and for the Renovation of Multifamily Buildings of the Republic of Lithuania (Valstybės paramos būstui įsigyti ar išsinuomoti ir daugiabučiams namams atnaujinti (modernizuoti) įstatymas) approved by the Parliament on 16 May 2013 came into effect (see MPU Issue 1/2013). According to the amendments, the funds for the modernization project, which include preparation, administration, and technical supervision, will be provided for by the state. All costs will be reimbursed after the completion of the renovation process (as indicated in the Law currently in effect), but also by directly paying these costs.

Read more: http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_i?p_id=449274&p_query=&p_tr2=2

Energy Networks

Court ruling concerning LitPol Link project

After two years of lasting proceedings the Supreme Administrative Court of Lithuania issued a final decision concerning LitPol Link’s 400 kV power line. The claim was filed by the Rudamina Community Association, which claimed the EIA procedure for power line construction had been violated. The Supreme Administrative Court ruled that the claim by the Rudamina Community Association was ungrounded and that the EIA was carried out in line with the law.


Transport

LTL 90 million funding for environment-friendly buses

Part of the money – LTL 90 million (approx. €26 million) – that Lithuania received for the greenhouse gas emission allowances traded in the EU Emission Trading Scheme sold to Spain, will be allocated for the purchase of environment-friendly buses. It is expected that the allocated funds will enable Lithuania to purchase approximately one hundred buses that will use either compressed natural gas (CNG) or operate as hybrid buses (powered by electricity and CNG). Currently, the public procurement procedures for the purchase of environment-friendly buses are ongoing.

€ 50 million funding from the European Investment Bank to JSC "Lithuanian Railways" for rolling stock renewal

On 3 June 2013, a long-term € 50 million loan agreement was signed by Werner Hoyer (President of the European Investment Bank (EIB)) and Stasys Dallydka (Chief Executive Officer of the JSC "Lithuanian Railways" (AB „Lietuvos geležinkeliai“)). The EIB funds will supplement the JSC’s own investment in the renewal of old trains and railway equipment with more energy efficient ones, (diesel and electric trains). One aspect of the renewal programme, is that by 2015, new electric trains will run from Vilnius to Minsk, Belorussia.

Read more (in Lithuanian): http://www.transp.lt/lt/naujienos/12578

Contract for the construction of European gauge signed

JSC "Lithuanian Railways" (AB „Lietuvos geležinkeliai“) signed a contract with JSC “Panevezys Roads” (AB „Panevėžio keliai”) under which the contractor will construct 24 km of standard European gauge (1,435 mm wide) and will renovate the existing 1,520 mm gauge. The construction work totaling LTL 165.7 million (excluding VAT) (approx. € 48 million) is scheduled to be completed in 18 months.

The construction work is part of the “Rail Baltica” project that is developing a Trans-European railway linking Finland (Helsinki), Estonia (Tallinn), Latvia (Riga), Lithuania (Vilnius), Poland (Warsaw) and continuing on to Germany (Berlin). Improving railway compatibility between countries will increase transportation options and streamline efficiency efforts.

Read more (in Lithuanian): http://www.transp.lt/lt/naujienos/12589
Read more (in Lithuanian): http://www.transp.lt/lt/naujienos/12590
Read more: http://www.rail-baltica.com/pub/

Waste

LEIF announces invitation to submit applications for grants

On 11 June 2013 the Lithuanian Environmental Investment Fund (LEIF) (LAAIF – Lietuvos Aplinkos Apsaugos Investicinis Fondas) invited applications to receive grants financing the development and operation of electrical and electronic equipment, taxable products and packaging waste management systems. Subsidies will not be granted to finance mixed municipal waste sorting installation. The applications may be submitted by legal entities operating in Lithuania or affiliates of legal entities operating in European Economic Area (EEA), which are registered and implementing projects in Lithuania at the point of application. 1.4 million LTL (approx. € 399,789) will be awarded to winning projects. The maximum amount of the subsidy per project may not exceed LTL 690,560 (approx. € 197,199) and 80% of eligible project costs. Application deadline is 12 August 2013, 3pm CET.

Latvia

Energy Generation

*Electricity production support fund approved by the Cabinet of Ministers*

On 4 June 2013, the Cabinet of Ministers decided to create the electricity production support fund to reduce the increase of renewable energy levy in total electricity costs. This fund would compensate the difference between the total electricity costs and the market price. The foreseen budget of the fund for 2014 is € 29 million.


Energy Efficiency

*Energy performance classification system introduced*

On 7 June 2013, the Ministry of Economics has developed building energy certification rules governing the energy efficiency of buildings in order to create a comparative evaluation and classification system. The energy audit results will be displayed in a comparative assessment scale, giving the building an appropriate energy efficiency class from A to F.

Luxemburg

Horizontal Measures

*Interview of the Minister of Housing and deputy Minister for Sustainable Development and Infrastructure*

In an interview published on 5 June 2013, the Minister of Housing and deputy Minister for Sustainable Development and Infrastructure, Marco Schank, underlines the importance of using renewable energies and improve energy efficiency in order to reduce GHG emissions. As far as electricity production in Luxembourg is concerned, the Minister points out that biomass and wind power generation represent the two energy sources with the most important potential for the country. In the heat sector, decentralized heat production is of great relevance, in addition to the development of a grid-connected heat supply based on biomass. Regarding households, solar thermal technologies as well biomass and heat pumps shall be increasingly used.

In autumn 2013, the Ministry of Sustainable Development and Infrastructure of Luxembourg is expected to launch a broad information and awareness campaign, focusing especially on the field of energy refurbishment.

Read more (in German): http://www.gouvernement.lu/salle_presse/interviews/2013/6-juin/05-schank-klimawandel/index.html

Energy Networks

*Pentalateral Energy Forum held in Luxembourg*

On 7 June 2013, the Luxembourgian Minister of Economy and Foreign Trade, Stephen Schneider, chaired the ministerial meeting of the Pentalateral Energy Forum which led to the signature of a common political declaration. The Pentalateral Energy Forum is an enhanced cooperation in the electricity sector between the three Benelux countries, Germany, France, Austria and Switzerland, founded in 2005. It aims at creating a regional electricity market in Northwestern Europe. The Forum has already enabled the linking of wholesale markets. While recalling the many challenges the energy sector will need to face in the coming years (such as security of supply, production capacity, grid access for renewable energy, grid development, as well as high energy costs), Minister Schneider said he is convinced that the Pentalateral Energy Forum is the right opportunity to coordinate these issues.

Malta

Transport

Fuel prices reduced

On 2 June 2013, the main provider of energy generation and distribution in Malta, Enemalta announced revised prices for fuel. The price of unleaded fuel decreased by 1 cent and diesel and kerosene both decreased by 2 cents. Gasoil for heating was decreased by 9 cents. As Enemalta states, the revised prices represent the prices Enemalta paid for the latest shipments of imported fuel. Currently, Malta ranks 15th highest out of the EU-27 countries regarding fuel prices and 19th highest regarding diesel prices, according to the latest Oil Prices Bulletin.

The Netherlands

Horizontal Measures

55% of municipalities are not on track to reach climate targets

Based on a survey conducted by the Association of Dutch Municipalities (Vereniging van Nederlandse Gemeenten) published on 5 June 2013, the majority of municipalities that have set up a climate roadmap (in total 80% of all municipalities) are not on track to reach their set emission reduction targets due to a lack of funding. While 5% of municipalities have committed to additional investments, one third watered down their targets or prolonged the timeframe for goal attainment. Two thirds opt to implement more incentives for citizens and business, such as subsidies and loans.

Read more (in Dutch): http://www.milieuloket.nl/9353000/1/j9vvhurbs7rzkq9/vja8i0xon9t4?ctx=vhurbs7pqdqy

Renewable Energy

New directive on risk determination of wind turbines

From June 2013 onwards a new directive from the Ministry for Economy is in place regulating the determination of risks in the surrounding of wind turbines. The new directive considers the most modern turbines from 1 to 5 MW as reference objects for risk calculation (before 0.5 to3 MW) accounting for the technology development on the market and the attributed risks. Moreover, a new calculation method for overhead and underground cables and pipes has been introduced. The Manual for Risk Zoning of Wind Turbines 2013 (Handboek Risicozonering windturbines 2013) was revised accordingly.

Read more (in Dutch): http://www.agentschapnl.nl/actueel/nieuws/nieuwe-richtlijn-bepaalt-de-risico%E2%80%99s-rondom-windturbines

Transport

New Green Deal ground-road water engineering

On 10 June 2013, a new Green Deal was signed by the Ministry of Infrastructure and the Environment and Public Works, the Ministry of Economic Affairs, the Ministry of Defence, ProRail and 17 other parties. This Green Deal aims to stimulate sustainable track, land, water and road construction and the implementation of civil engineering projects in matters such as energy saving or resource efficiency. The Dutch government uses green deals as a voluntary agreement between the government and private or sector parties to facilitate emission reduction measures.

E-mobility scores 7.8 out of 10

In March 2013, NL Agency conducted a nationwide survey on the satisfaction of e-vehicles among business users. According to the results published on 13 June 2013, e-vehicles scored 7.8 out of 10 in terms of satisfaction. Moreover, respondents also indicated they were in favour of further fiscal stimulation of e-mobility and thus, the expansion of the number of electric vehicles.

Read more (in Dutch): http://www.agentschapnl.nl/actueel/nieuws/elektrisch-rijden-valt-de-smaak
Poland

Horizontal Measures

Polish political party’s signature-gathering effort to scrap EU climate law reaches 300,000 signatures

Since November 2012, Ludwik Dorn of the political party Solidary Poland (Solidarna Polska) has led a campaign to scrap the EU’s existing climate and energy package via a European Citizens’ Initiative. Citizens initiatives can overturn an EU law if signed by at least 1 million EU citizens in at least seven Member States within one year (so by November 2013). As of June 2013, Solidarity’s initiative has gathered 300,000 signatures in Poland and Lithuania. The initiative is supported by Poland’s three major trade unions, which are collecting signatures from their members. According to Dorn, trade unions in Hungary, Bulgaria and Romania have already announced they will join the action and trade unions in the Czech Republic and Slovakia are also discussing the initiative.

Signatories to the initiative demand that the greenhouse gas emission reduction and renewable energy components of the EU climate and energy package of 2009 be suspended until the signing of an international agreement on CO2 emissions by major emitters like China, USA and India. Dorn argues that the package disproportionately affects Member States like Poland whose power generation is based on coal, and that it eliminates 250 thousand of jobs in mining and energy-intensive industries such as cement and steel.

Read more (in Polish): http://energetyka.wnp.pl/300-tysiecy-podpisow-pod-inicjatywa-dot-pakietu-klimatycznego,199013_1_0_0.html

Department of Strategic Analysis of the Prime Minister’s Office prepared an analysis of Poland’s energy mix through 2060

On 28th May 2013, the Department of Strategic Analysis of the Prime Minister’s Office (Departament Analiz Strategicznych Kancelarii Prezesa Rady Ministrów) prepared a draft report on an optimal energy mix for Poland through 2060 (Optymalny miks energetyczny dla Polski do roku 2060 - model DAS), which finds that there is plenty of room for coal in the next few decades in the polish energy mix. The analysis prepared eight variants of the country’s energy mix, with e.g. different carbon price assumptions. All variants are based on a mix of coal and lignite in which natural gas-fired power plants are used exclusively as a reserve capacity. In the high carbon price scenario, coal plants are replaced by nuclear power starting around 2040.

Read more (in Polish): http://energetyka.wnp.pl/kancelaria-premiera-analizuje-miks-energetyczny-dla-polski,199978_1_0_1.html
Poland referred to EU Court of Justice for failing to comply with gas market laws

On 20 June 2013, the European Commission referred Poland to the Court of Justice of the European Union for failing to comply with the EU internal energy market rules. Poland’s Energy Regulatory Office (Urzęd Regulacji Energetyki) still sets certain gas prices for industrial customers – this violates the EU’s the Gas Directive (2009/73/EC), according to which prices must be set by supply and demand (not by state entities) to foster fair competition.

The Commission opened an infringement procedure on this issue in June 2009, but according to the EC, “despite numerous exchanges with the Polish authorities in the course of the procedure, Poland has failed to bring its price regulation system in conformity with EU law.”


New amendments to the Energy Act

On 21st June 2013, the lower house of Parliament accepted some amendments to the Energy Act (Ustawa Prawo Energetyczne), including ownership unbundling of gas transmission and trading, obligation to sell gas on exchanges, and cost relief for energy-intensive industries. Most of these amendments were requested by the European Commission, which took Poland to the EU Court of Justice for violating the gas Market directive.

One of the most important changes the amendment introduces is the requirement for exchange trading of gas contracts. From entry into force of the amended act by the end of 2013, the obligation will be to transact 30% of sales on exchanges; in the first half of 2014 this rises to 50%; and from 1 July 2014 it is 70%. The amendment also introduces some costs relief to industrial entities consuming large amounts of electricity to produce goods – more than 100 GWh per year. Depending on the share of energy costs in the production costs, they will partially be discharged from the obligation to confirm the purchase of energy from renewable sources. The law will now go to the Senate.

Read more (in Polish): http://www.wnp.pl/wiadomosci/200539.html

Draft regulation on ventures significantly affecting the environment

On 25 June, the Council of Ministers adopted a draft regulation amending the regulation on ventures significantly affecting the environment (Rozporządzenie w sprawie przedsięwzięć mogących znacząco oddziaływać na środowisko), presented by the Minister of the Environment. The aim of the changes is to adapt the current rules of the EU Directive on the assessment of the effects of certain public and private projects on the environment (2011/92/EU). The new rules shall also simplify undertakings with regard to shale gas.

Read more (in Polish):
http://www.mos.gov.pl/artykul/7_aktualnosci/20873_rada_ministrow_przyjela_projekt_rozporzadzenia_dot_przedsiewziecznaczenie_wplywajacych_na_srodowisko.html

Read more (in Polish):
http://legislacja.rcl.gov.pl/docs/3/141320/141355/141356/dokument77158.pdf?lastUpdateDay=26.06.13&lastUpdateHour=12%3A22&userLogged=false&date=%C5%9Broda%2C26+czerwiec+2013
Taxation

_Draft laws setting rules for hydrocarbon extraction and taxation published_

On 13 June 2013, Poland’s Ministry of Finance and Ministry of Environment published final drafts of a new law on taxing hydrocarbons and new amendments to the existing Geology and Mining Laws dealing with hydrocarbon extraction. The drafts were submitted to the Standing Committee of the Council of Ministers on 12 June 2013. Both draft laws were designed to be submitted to parliament together as a package – the latter addresses permitting, licensing procedures, and extraction concessions while the former sets various tax levels for mineral extraction as well as taxing the extracted fuel itself. The tax portion of the regulations is set to enter into force in 2015, but does not foresee taxes actually being levied until 2020 (see MPU 2/2013).

The draft law’s preamble states that clarifying rules around hydrocarbon extraction – particularly shale gas – is one of the government’s main objectives for the period 2011-2015. Companies and investors had complained of regulatory uncertainty.

The draft law in its final form differs from previous versions with respect to technical details such as the ratio of cumulative revenues to cumulative eligible expenditure used to calculate tax rates. Further changes include limitation on the power of the law’s newly-created National Energy Minerals Operator (NOKE) – a state-owned entity that is required to be a holder of all extraction licenses. NOKE’s share of profit in extraction projects is to be proportional to the share of the cost, and among other changes its veto rights of other extraction project participants have been curtailed compared to previous drafts of the law.

Read more (in Polish):
http://legislacja.rcl.gov.pl/docs//2/154867/154892/154893/dokument76442.pdf?lastUpdateDay=01.07.13&lastUpdateHour=09%3A57&userLogged=false&date=poniedzia%C5%82ek+1+lipiec+2013

Energy Efficiency

_280 million PLN for support of energy saving and renewable energy_

On 29 May 2013, the Minister of the Environment announced an open call for proposals for funding projects to improve energy efficiency in buildings and increase the production of energy from renewable sources. The budget of the programme is almost PLN 280 million. Applications for funding under the program "Saving energy and promoting renewable energy sources" ("Oszczędzanie energii i promowanie odnawialnych źródeł energii") can be submitted from 10 June 2013 to 12 August 2013, the financial support is intended for public sector entities and private entities performing public tasks.

Read more (in Polish): http://energetyka.wnp.pl/280-mln-zl-na-oszczedzanie-energii-i-wsparcie-oze,198916_1_0_0.html

_Small businesses will get money for energy saving and renewable energy measures_

In early June, Poland’s National Fund for Environmental Protection and Water Management (Narodowy Fundusz Ochrony Środowiska i Gospodarki Wodnej - NFOŚiGW) and the European Bank for Reconstruction and Development (EBRD) signed a cooperation agreement on a fund from which small and medium-sized companies will receive money for
energy efficiency measures and the use of renewable energy sources. The program will be implemented in the years 2013 - 2019 with a budget of PLN 100 million. Entities that choose to use the program can count on funding in the amount of 10 to 15% of a bank loan used to finance the eligible costs and a bonus of PLN 10 thousand for the implementation of the Energy Management System.

Read more (in Polish): http://energetyka.wnp.pl/male-firmy-dostana-pieniadze-na-oszczedzanie-energii-i-oze,199306_1_0_0.html

**Waste**

*New Infrastructure and Environment Programme calls for proposals for funding*

Poland’s Infrastructure and Environment Programme, financed by the European Union, launched new calls for proposals for funding on 24 June 2013. € 146 million will be made available. Eligible projects have to be related to one of the three priorities: Priority I - Water and Wastewater Management; Priority II - Waste management and protection of the earth or Priority III - Waste management and protection of the earth.

Read more (in Polish):
http://www.mos.gov.pl/artykul/7_aktualnosci/20855_146_mln_euro_z_programu_infrastruktura_i_srodowisko_ruszyly_nowe_na_bory_wniosków_na_dofinansowanie.html
Portugal

Energy Efficiency

New regulation on energy performance of buildings approved

The Council of Ministers approved in June 2013 a new decree-law on energy efficiency in buildings. The new regulation reviewed the Energy Certification of Buildings System - SCE (Sistema de Certificação Energética dos Edifícios), the Regulation of Energy Performance of Housing Buildings - REH (Regulamento de Desempenho Energético dos Edifícios de Habitação) and the Regulation of Energy Performance of Trade and Service Buildings - RECS (Regulamento de Desempenho Energético dos Edifícios de Comércio e Serviços), and merged them into one piece of legislation.


Read more (in Portuguese): http://www.destakes.com/redir/4255dc6ec905a778cc7637299c28ba65

Transport

Pressure on the government to review its position on CO₂ emission limits for light vehicles

A proposal to impose more stringent CO₂ emission limits for light vehicles has been discussed and has been formally agreed by the EU Commission and the European Council and Parliament. According to the Portuguese NGO Quercus, the government's position has been in favour of the European Commission's proposal of stricter regulation. However, this position could change due to strong pressure and lobbying from representatives of the automotive industry. Greenpeace European Unit and Quercus released a study last year estimating that over € 400 on fuel could be saved by the average Portuguese driver in 2020 if the Commission's proposal, which imposes emission limits of 95 gCO₂/km, is approved. The savings could be as high as € 800 in 2030.

Read more (in Portuguese): http://www.quercus.pt/comunicados/2013/junho/2641-posicao-de-portugal-sobre-limites-de-emissao-de-novos-veiculos-alvo-de-pressoes-da-industria-automovel-alema


Romania

Horizontal Measures

*First step taken in developing a national strategy on green public procurement*

On 20th June 2013, the Minister for Environment and Climate Change, Rovana Plumb, and the president of the centre for sustainable policies ecopolis (*Centrul pentru Politici Durabile Ecopolis*), Costel Popa, signed a protocol for collaboration on green public procurement. By signing the protocol, the involved parties aim at creating a platform for preparing, implementing and monitoring the National Plan for Green Public Procurement (*Planul National privind Achizitiile Publice Verzi*). The National Plan should be elaborated within the next 90 days after the signing of the protocol. In the end, this plan should culminate in a legal act on green public procurement. In Romania, the share of public procurement amounts to 20 percent of Romania’s GDP. According to Costel Popa, president of Ecopolis, prescribing a share of ten percent of green public procurement of overall public procurement would lead to investments of RON 10 billion (approx. € 2.2 billion) per year.


Taxation

*Romanian gas prices to increase by 1st July 2013*

On 28 June 2013, the Romanian Energy Regulation Authority (ANRE) approved an Ordinance no. 46/2013 on approval of delivery prices for natural gas (*Ordinul nr. 46 /2013 privind aprobarea preturilor pentru furnizarea reglementata a gazelor naturale*). In connection with deregulation of Romanian energy prices, gas prices for households will increase by 8% and for all other consumers by 3%. The new gas prices will come into force 1 July 2013. The next step of gas prices deregulation is expected in October 2013. According to governmental plans, gas prices will then increase by 2% for households and by 3% for all other consumers.


Energy Generation

*Romania’s shale gas resources estimated at 1,440 billion m³*

In June 2013, the U.S. Energy Information Administration published a report assessing the technically recoverable shale oil and shale gas resources in 41 countries around the world. According to the report, Romania’s shale gas resources amount to 1,440 billion m³, not taking into account the resources in the Black Sea. This amount would cover Romania’s yearly gas consumption of 14 billion m³ for approximately 100 years. Furthermore, the report
estimates the country’s shale oil resources at 300 million barrel. In comparison, Romania’s conventional oil resources amount to 600 million barrel. According to these findings, Romania possesses the third largest shale gas resource reserves in Europe after Poland and France. Information issued by the U.S. Energy Information Administration in May 2013 estimated shale gas resources in Bulgaria, Hungary and Romania to amount to 538 billion m³.

Policy developments in relation to shale gas exploration are as follows. In mid-April 2013, the Romanian government ended the March 2012 moratorium regarding shale gas exploration and issued licenses for exploration measures in the Dobrogea region to the U.S. company Chevron. According to the Ministry of the Environment and Climate Change, the government justifies the end of the moratorium in relation to the decision of the European Parliament to refuse an EU-wide moratorium on shale gas exploration and with the results of a study by the European Commission attesting no severe environmental risks from shale gas exploration. Furthermore, the Ministry argues that Romanian shale gas resources will contribute to the energy independence of the country. The Minister for the Environment and Climate Change, Rovana Plumb, expects the exploration activities to last for the next five years. The Minister stressed that the issuance of exploration licenses does not automatically mean that exploitation licenses will be issued as well. Exploration activities do not encompass hydraulic fracking, so that no negative impacts on the environment are to be expected directly induced by current activities. Nevertheless, residents of the town of Bârlad demonstrated against Chevron’s plans to exploit shale gas by hydraulic fracking the next years.

Read more (in Romanian): http://www.cotidianul.ro/rovana-plumb-explorarea-gazelor-de-sist-nu-prezinta-niciun-risc-215122/
Read more (in Romanian): http://www.economica.net/chevron-vrea-sa-inceapa-explorarea-gazelor-de-sist-in-romania_52204.html

Renewable Energy

New legislative act cuts number of green certificates for hydro-, wind- and solarpower

The governmental plans to modify the Romanian Green Certificate Scheme by suspending the issuance of a share of green certificates (GC) have been realized (see MPU 1/2013). Emergency Ordinance No. 57/2013 on the modification and completion of Law No. 220/2008 Establishing a System for the Promotion of Electricity Generation from Renewable Sources (Ordonanta de urgent nr. 57/2013 privind modificarea si completarea Legii nr. 220/2008 pentru stabilirea sistemului de promovare a producerii energiei din surse regenerabile de energie) was published in the Romanian law gazette on 7 June 2013. According to this ordinance, the issuance of GCs will be suspended from 1 July 2013 to 31 March 2017 as follows:

- For new hydro power plants up to 10 MW: 1 GC out of 3 GC
- Photovoltaic installations: 2 GC out of 6 GC
- Wind power plants: 1 GC out of 2 GC

The suspended green certificates will be withheld and issued retroactively starting from 1 April 2017 for hydro power and photovoltaic installations and from 1 January 2018 for wind
power plants. The exact procedure will be regulated by secondary legislation. The renewable energy industry fears that those green certificates suspended and withheld by the Energy Regulator (ANRE) will not be recovered. This scheme applies to all plants eligible to obtain green certificates irrespective of the date of accreditation. The Emergency Ordinance will enter into force on 1st July 2013. However, the European Commission still has to be notified about these legislative modifications and it is unclear whether application of the ordinance will be suspended, because approval of the European Commission is required. The president of the Romanian Photovoltaic Industry Association (RPIA), Ciprian Glodeanu, stated that the reduction of green certificates occurring in the course of 2013 is contradicting all statements by the Energy regulator during the last months ensuring that there will be no cuts in the number of green certificates before 1 January 2014. Another modification that comes as part of Emergency Ordinance no. 57/2013 will limit the accreditation of new renewable power plants for participating in the Green Certificate Scheme according to the yearly target values outlined in the Romanian Renewable Energy Action Plan for the share of renewable energy sources foreseen for each year.

Read more:
http://www.pv-magazine.com/index.php?id=9&tx_ttnews[tt_news]=11636&cHash=d4ef7a5a72dab04e56eb1d0cfd1388b7#axzz2VpN8Fqu2
Read more (in Romanian):

Waste

Food waste in Romania should be reduced by 50 percent until 2020

On 13 June 2013, the Minister for the Environment and Climate Change, Rovana Plumb and the Minister for Agriculture and Rural Development, Daniel Constantin, discussed the problem of food waste in the distribution chains of the large retailers. In Romania, 5 million tons of food are dumped each year. The ministers decided to develop a strategy with concrete objectives for Romania in order to cut food waste by 50% until 2020, but no concrete time schedule has been published. One measure suggested is to introduce a 70% price reduction for products close to the date of expiry. Another measure discussed is the use of food waste as compost in biogas installations. Representatives of the Romanian food industry and the Romanian association for meat participated in the meeting as well.

Slovakia

Renewable Energy

*Fico: Government could introduce retroactive FiT-taxes*

According to Slovakia’s Prime Minister, Robert Fico, the Slovak Government is considering the introduction of retroactive taxes on feed-in tariffs for renewable energy. Fico argued that “in the past, the support for renewable energy producers has been too generous and has led to increasing electricity prices” (see article below). He referred to the neighboring Czech Republic as a cautionary example. The Czechs are currently facing an arbitration suit for levying a similar retroactive tax on the income of renewable power plant operators. Therefore, the Slovak Government intends to wait for the decision of the European Commission on this matter before taking further action.

Beyond that, in its latest electricity price decision the Slovak regulatory authority ÚRSO has lowered the feed-in tariff for PV installations from 1 July 2013 by about 17%.

Read more (in English): http://www.thedaily.sk/slovakia-to-tax-subsidised-renewable-energy-sources/

Energy Networks

*Regulators of the Visegrád Four to deepen cooperation*

On 19 June 2013, representatives of the regulatory authorities of Slovakia, Poland, Hungary and the Czech Republic (Visegrad Four (V4), decided at their first joint meeting to establish a permanent forum on energy regulation issues in order to strengthen the existing cooperation in several “projects of common interest”. This decision was initiated by the chairwoman of the Energy Regulator Office ERÚ in the Czech Republic.

Read more (in English): http://www.thedaily.sk/v4-energy-regulators-come-together/
Slovenia

Renewable Energy

Slovenia’s first wind power plant

Near the village of Senožeče the first wind power plant in Slovenia went into operation on 1 June 2013. The installed capacity amounts to 2.3 MW and the planned annual production is estimated to be about 4.5 million kWh. The path to starting operations was accompanied by a series of complications concerning the building permit (which was once revoked), consent of all co-landowners and receiving the operating license.

If this wind power plant proves the location and the wind conditions to be suitable, the investor Alpe Adria Energija plans to build up to three or four additional wind turbines nearby.

Read more (in Slovenian): http://www.pozitivnaenergija.si/slovenija-tudi-uradno-dobila-prvo-vetrno-elektarno

Hidroelektrarna Krško was opened

On 7 June 2013, a hydroelectric plant was opened in the town of Krško. Slovenia’s power utility HSE (Holding Slovenske Elektrarne) started the construction of this hydropower plant in November 2007 and the total cost amounted to € 93 million, which is 7 per cent less than planned (€ 102 million). The average annual production of the power plant is expected to be 144 GWh. Besides the benefits of power production, the municipality of Krško expects a better regulation of the Sava River, which has had numerous floods in the last 20 years, causing significant damage to the old town.

The opening ceremony was attended both by the Prime Minister of Slovenia, Alenka Bratušek, and the Minister for Economic Development and Technology, Stanko Stepišnik. He stated that the opening is an important milestone for the Sava Valley and that with good ideas and professional execution it is possible even in times of economic crisis to realize such projects and create added value.

Read more (in Slovenian): http://www.mgrt.gov.si/nc/si/medijsko_sredisce/novica/article/11987/9267
Spain

Renewable Energy

Petition of RES association to the European Parliament against the Spanish Government

The main renewable energy associations have presented a petition to the European Parliament to intervene and request Spain to revise its legislation in the electricity sector. The associations stated that the recent developments in the national electricity legislation constitute a violation of directives 2009/28/EC and 2009/72/EC and are having major effects on employment in the sector. In additions, the associations flagged that such legislation may put Spain’s achievement of its 2020 goals at risk.

Read more (in Spanish): http://unef.es/2013/06/el-gobierno-espanol-denunciado-ante-el-parlamento-europeo-por-incumplir-las-directivas-de-renovables/

New quality label for geothermal energy

The RES association APPA has created a code of good practice and a corresponding high quality label (named GEO+) for low-enthalpy geothermal. All members of the association are now required to comply with such code. With this intervention, the aim of the association is to promote the efficient and sustainable use of geothermal energy for air conditioning and to raise awareness in society on this renewable source.

Read more (in Spanish): http://www.appa.es/descargas/NdP_Appa_APPA_impulsa_la_geotermia.pdf

Energy Efficiency

Energy certification in buildings

On 1 June 2013, Royal Decree 235/2013 approving the basic procedure for energy certification in buildings entered into force. As of June 2013, owners of buildings are required to present an energy efficiency certificate to buyers or renters of flats. The certificate evaluates the efficiency level of the building in terms of energy consumption and CO2 emissions, and classifies the building through on a scale from A to G. The certificate is valid for 10 years.


New plan for emissions reductions in Hotels

The Government has approved the PIMA SOL plan, which intends to cut emissions of CO2 from hotels of 40 to 70%. The plan will count on a financing of about € 400 million, 50% of which coming from the European Investment Bank. The plan will cover around 500 hotels and is estimated to contribute to the creation of about 8000 jobs.

Read more (in Spanish): http://www.abc.es/agencias/noticia.asp?noticia=1443297
Transport

New software for efficient integration of electric vehicles

Red Eléctrica de España and Seat have developed an electric vehicle project focusing on designing and realising an electric car prototype together with a control and management software to allow for better integration into the electric system. The project called “Cenit Verde” ran from September 2009 to March 2013 and has been realised with the support of the Ministry of Economics and Competitiveness.

Read more (in Spanish): http://www.cenitverde.es/
Sweden

Horizontal Measures

Swedish Energy Agency gives SEK 150 million for a new research program in energy

In late June 2013, the Swedish Energy Agency committed SEK 150 million to fund new research in "Innovative and needs-driven R&D with relevance to energy" (Nydanande och behovsmotiverad FoU med energirelevans) taking place during 2013-2016.

The program takes a broad approach and supports research in the humanities, economics, engineering and natural sciences. A first call for proposals under the program is scheduled to open by summer.


Transport

Report: Use of second-generation biofuels rose sharply in 2012

The Swedish Energy Agency compiles an annual report about use of biofuels in the country; the assessment for 2012 was published in June. The data shows that the blending of second generation biofuels in petrol and diesel tripled in 2012 compared to 2011. This, in turn, decreased greenhouse gas emissions from road transport by nearly 250,000 tons.

United Kingdom

Horizontal Measures

The Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013 laid before Parliament

The Companies Act 2006 (Strategic Report and Directors’ Report) Regulations 2013, also known as Mandatory Carbon Reporting (MCR), has been laid before the UK Parliament. The regulations due to come into effect on 1 October 2013 require all annual reports prepared by London Stock Exchange Main Market UK companies on or after this date to inter alia disclose the data on company’s GHG emissions.

Read more: http://news.bis.gov.uk/Press-Releases/Better-and-simpler-company-reporting-68e0e.aspx

Decarbonisation target rejected in the House of Commons

On 4 June 2013, the Energy Bill 2012-2013 and 2013-2014 passed the House of Commons with a positive vote of 396 for and 8 against, and is now being considered in the House of Lords. The Energy Bill aims at reforming the electricity market to encourage low carbon electricity generation or ensuring security of supply

Earlier the same day, the House of Commons rejected an amendment to the Bill. The amendments proposed by Conservatives MP, Tim Yeo, suggested including a provision which would oblige the Secretary of State to set by April 2014 a 2030 decarbonisation target for electricity generation. The binding target would mean that electricity producers would have to reduce their carbon emissions to nearly zero by 2030. Accordingly, electricity generators would achieve this target by increasing deployment of renewable energy sources, through carbon capture and storage (CCS) as well as nuclear power. The proposal was in line with recommendations of the Climate Change Committee, but was opposed by the government so that it was rejected with 290 votes against 267.

Instead, the Bill now includes a mandate, but no obligation, for the Secretary of State to decide on a 2030 decarbonisation target at a later stage, in 2016, when the fifth carbon budget (for the years 2028-2032) will have been decided. The carbon budgets set economy-wide emission levels for five-year periods.

Read more: http://www.guardian.co.uk/environment/2013/jun/04/mps-back-decarbonisation-target-energy-bill
Read more: http://services.parliament.uk/bills/2013-14/energy.html
Read more: http://www.guardian.co.uk/environment/2013/jun/04/decarbonisation-target-defeated-energy-bill-vote
Read more: http://www.guardian.co.uk/environment/2013/jun/18/energy-bill-debate-climate-contrarians

Scotland misses annual carbon target for 2011

For the second year in a row, Scotland did not succeed in achieving its annual carbon target. It missed the 2011 target by 0.8 million tonnes of CO2e and the 2010 target by 1.1 million
tonnes of CO2e. The ministers now doubt that the ambitious 2020 target (to reduce GHG emissions by 42%) can be achieved. Environmental groups allege that in order to achieve the 2020 target more stringent actions reducing emissions from transport sector, coal production as well as increasing energy efficiency are needed.

Read more: http://www.guardian.co.uk/environment/2013/jun/07/scotland-miss-carbon-target
Read more: http://www.guardian.co.uk/uk/scotland-blog/2013/jun/27/scotland-climate-targets

**UK’s carbon emission reduction targets at risk**

The UK government’s advisers on climate change allege that the country might miss its carbon targets in the 2020s, because its “efforts to cut emissions are not happening quickly enough”. Despite Government’s “carbon budgets” aiming at sharply reducing GHG emissions by 2027, in 2012 UK’s GHG emissions increased by 3.5% due to the cold winter and increased use of cheap coal.

The annual progress report of the Committee on Climate Change provides that the GHG increase in 2012 was a temporary one and that UK is likely to meet its carbon targets for 2017. However, without stringent measures in place, 2017-2027 targets would be at risk.

Read more: http://www.guardian.co.uk/environment/2013/jun/26/uk-miss-carbon-emissions-targets

**Energy Generation**

*Findings from the independent study on the potential volumes of shale gas published*

On 27 June 2013 the UK Government made public the findings from the first independent study on potential volume of shale gas in the Bowland Basin and beyond. The study was carried out by the British Geological Survey. According to the estimates of the scientists, “there is likely to be some 40 trillion cubic metres (1,300 trillion cubic feet) of shale gas in the ground in this area”.

Read more: https://www.gov.uk/government/publications/bowland-shale-gas-study
Read more: http://www.bgs.ac.uk/shalegas/#ad-image-0

**Renewable Energy**

*Details on Electricity Market Reform disclosed*

On 27 June 2013, the Cabinet Ministers announced new details of reforms aiming at keeping greenhouse gas emissions down. According to the Energy and Climate Change Secretary, Edward Davey, "reforms will renew electricity supply, attracting up to GBP 110 billion investment in a mix of clean, secure power and demand reduction, and will support up to 250,000 jobs up and down the supply-chain". The disclosed details concern the Capacity Market (CM), new subsidy levels for renewable energy (so called “strike prices”) as well as other details of Electricity Market Reform. Thus for example it was disclosed that CM will be initiated in 2014, for the delivery of electricity capacity from 2018-19. CM participants will have to bid in order to provide the total amount of electricity capacity projected to be required
through an auction. Successful bidders would then receive a stable payment in the year of the agreement for the available capacity. On the other side, however, they would be obliged to deliver electricity in periods of system stress. Otherwise they would have to pay financial penalties. The costs of capacity agreements shall be covered by suppliers. Nevertheless, the impact on bills will be partially compensated by reduced wholesale prices.

In addition, the strike prices for renewable energy have been disclosed. From 2014 the draft subsidy level for offshore wind power will be GBP 55/MWh and will be decreased to GBP 135/MWh in 2018. Due to cheaper construction and operation, for onshore wind power, the draft subsidy level will be GBP 100/MWh falling to GBP 95/MWh in 2018. Under the Renewables Obligation, which is due to run until 2017, current subsidy for onshore wind amounts to about GBP 90/MWh and for offshore wind to about GBP 130/MWh.

Read more: http://www.guardian.co.uk/environment/2013/jun/27/windfarms-renewable-energy-subsidies

**Amendments to the Feed-in Tariffs (Amendment) Order 2013 together with amendments to the Standard Conditions of Electricity Supply Licences before Parliament**

In its Open Letter of 24 June 2013, the Office of Gas and Electricity Markets (Ofgem) indicated that on 8 May 2013 the Department of Energy and Climate Change (DECC) laid the Feed-in Tariffs (Amendment) Order 2013 together with amendments to the Standard Conditions of Electricity Supply Licences before Parliament. These legislative modifications provide for new payment protections to FiT Generators (owners of accredited FiT installations) in cases when FiT Licensee (holder of an electricity supply licence to offer payments service under the FiT Scheme) loses its license or becomes insolvent, by providing smooth transition from one FiT Licensee to another.

The aforementioned amendments are due to come into force on 1 July 2013 and will affect the existing as well as new FiT Generators.


**GBP 15 million funding to rural communities across England**

On 28 June, the Department of Energy and Climate Change (DECC) announced a GBP 15 million funding available to rural communities across England willing to produce their own clean energy.

The Rural Community Energy Fund (RCEF), open for applications from 28 June, is providing money to rural communities for feasibility studies to be carried for renewable energy projects, as well as compensates the costs related to application for planning permission. Rural projects covering wide variety of renewable and low carbon energy including wind, solar, biomass, heat pumps, anaerobic digestion (AD), gas Combined Heat and Power (CHP) and hydro will be supported.

Read more: https://www.gov.uk/government/news/15m-fund-for-rural-energy-projects-opens-to-applications
**Wind energy industry concerned about new noise monitoring rules**

The UK wind energy industry is concerned about the planned new noise monitoring rules for windfarms. These require all windfarms to provide “real-time” noise monitoring in order to enable the residents living in the windfarms’ vicinity and worried about the alleged health impacts (e.g. headaches, sleeplessness, etc.) to compare the monitoring results with the permitted levels of noise.

The wind energy industry opposes the planned rules and claims that they would significantly increase their costs. Moreover, the industry says that the “real-time” noise monitoring results would not differentiate noise produced by a windfarm from background noise produced for example from nearby traffic. Therefore, industry suggests using existing monitoring, which compares average noise over a certain period of time with the average noise prior to the operation of a windfarm.

Read more: http://www.guardian.co.uk/world/2013/jun/11/windfarm-industry-coalition-turbine-noise

**Greater weight to local communities’ concerns over windfarms**

The UK government has announced that new planning guidance anticipating that renewable energy does not automatically have priority over environmental protection and the planning concerns of local communities (e.g. landscape, visual impact, etc.) will be published shortly. To assure communities engagement in onshore wind development at earlier stage, pre-application consultation with local communities shall be obligatory for major onshore wind applications. This rule is already applicable for national infrastructure applications. In addition, the Department of Energy and Climate Change (DECC) will provide best practice guidance to onshore wind developers, containing higher standards for engagement with communities. DECC also plans to increase local communities’ skills in dealing with onshore wind developers.

By the end of 2013, the wind energy industry is expected to revise its Community Benefit Protocol launched in February 2011 and increase the recommended minimum community benefit from GBP 1,000 (approx. € 1,177) per MW of installed capacity per year, to GBP 5,000 (approx. € 5,888) per MW of installed capacity per year for the lifetime of the windfarm. Communities and onshore wind developers will then jointly decide how best to make use of this money (e.g. reduce households’ energy bills or fund certain community initiatives such as energy efficiency initiatives, local training projects, etc.).

Read more: http://www.guardian.co.uk/environment/2013/jun/06/residents-get-more-say-wind-farm

**Creation of an Offshore Wind Investment Organisation (OWIO) announced**

Business and Energy Minister, Michael Fallon, announced the creation of an Offshore Wind Investment Organisation (OWIO). The newly created organisation - a partnership between industry and Government - will be vested with responsibility of increasing inward investment and creating more skilled jobs in the UK offshore wind industry.

Moreover, as part of the Offshore Wind Components Technologies Scheme, the Business and Energy Minister announced Government support for three offshore wind innovation projects totalling GBP 2,037,955 (approx. € 2.4 million).
Three British clean energy entrepreneurs awarded GBP 1.34 million

As provided in the 2012 Bioenergy strategy, “bioenergy can be an important part of the energy mix which will allow the UK to meet its energy and climate change objectives, including the 2020 renewables targets and 2050 carbon reductions targets.” As bioenergy has a potential to contribute to the UK’s total primary energy demand by around 11% by 2020, the strategy recognises the need in more innovation and investment in order to reduce the costs in this sector.

In line with these strategic goals, on 10 June 2013, three British companies - AB systems, AMW IBERS and Natural Synergies - have been awarded GBP 1.34 million (approx. € 1.58 million) to test innovative designs in bioenergy – production of bioenergy from wetland biomass.

Energy Efficiency

Green Deal scheme can increase property values by 38%

According to the study by the Department of Energy and Climate Change (DECC), installing energy efficiency measures in households through the Green Deal scheme may increase property value by up to 38%. As stated by the Energy and Climate Change Minister, Greg Barker, energy efficiency measures can protect households against rising prices of energy, but “they can also add real value to the property”.

The Green Deal scheme was launched in January 2013 and enables households to improve energy efficiency through paying back improvement costs through their energy bills. However, it is reported that the uptake of the scheme is quite low so far. According to The Guardian, British Gas being the biggest arrangers of green deal loans carried out about 11,000 loan assessments, but only approximately 200 people decided to take the Green Deal loans (under 2%). The Green Deal is criticised for high interest rates (of about 7%).

On 25 June 2013, the research on the Green Deal scheme carried out by DECC was published. According to DECC, the research disclosed that the scheme “is inspiring people across the UK to install energy saving home improvements”. The research shows that 47% of all households having received Green Deal advice report “had or were getting energy saving measures installed”, while 31% “would ‘definitely or probably’ install at least one measure”. In addition, the research found increasing awareness of the scheme; from 10% of households being aware of the scheme in November 2012 (prior to the launch of the scheme) to 22% in May 213.
GBP 19 million funding for energy entrepreneurs

On 13 June 2013 the UK Government announced GBP 19 million (approx. € 22.4 million) of funding available for entrepreneurs with innovative ideas and products in energy efficiency, storage and low carbon generation. The announced funding comes from the second stage of the Energy Entrepreneurs Fund.

The calls for applications will be open every four to six months, starting from June 2013. The deadline for the first call is 12 July 2013. Applicants have to register on the Energy Entrepreneurs registration website by 5 July 2013 latest. Calls will be open until the announced GBP 19 million funding is fully exhausted. The maximum support per project may not exceed GBP 1 million (approx. € 1.18 million). The project work has to be completed by 31 March 2015.

Read more: https://www.gov.uk/government/news/19m-available-for-energy-entrepreneurs
Read more: https://www.surveymonkey.com/s/EnergyEntrepreneurs

Transport

GBP 5 million funding to reduce emissions from local buses

On 5 June the Local Transport Minister, Norman Baker, announced GBP 5 million (approx. € 5.9 million) available to England’s towns and cities to equip their local bus fleets with pollution-reducing technologies (e.g. cleaner engines, exhaust after-treatment equipment) and thus reduce oxides of nitrogen (NOx) emissions.

Local authorities will be able to receive grants amounting to a maximum of GBP 1 million (approx. € 1.18 million) coming from the Department for Transport’s Clean Bus Technology Fund. The applications have to be submitted to the Department for Transport by 19 July 2013 latest.

Read more: https://www.gov.uk/government/organisations/department-for-transport/series/clean-bus-technology-fund
Read more: https://www.gov.uk/government/news/5-million-scheme-to-reduce-bus-emissions
Read more: https://www.gov.uk/government/publications/clean-bus-technology-fund-proforma-for-local-authorities
Read more: http://www.guardian.co.uk/environment/blog/2013/jun/07/cutting-energy-emissions-car

Waste

Wales to prevent sending food and garden waste to landfill and for incineration

As announced by ENDS Europe on 18 June 2013 Welsh government plans to establish a food waste collection service for 90% of the households in order to prevent sending food and garden waste to landfill and for incineration. In the near future residual household waste shall be collected just once a month. The white paper on these plans is due to be published by the Welsh government in autumn 2013.

Moreover, investments in anaerobic digestion (AD) plants totaling approx. € 60 million are planned by Wales. These plants will treat country’s food waste (150,000 tonnes per year) and are expected to produce 60 MW of renewable energy. Two new AD facilities – 11,000 tonnes plant and 22,500 tonnes plant - are planned to start their operation later this year and next spring respectively.
Adaptation

**PWC report on overseas climate change impacts on the UK**

As part of the National Adaptation Programme (NAP), which is due to be published in 2013, PricewaterhouseCoopers International Limited (PWC) assessed the overseas climate change impacts on diverse UK sectors. According to the report findings, the impacts of the overseas climate change on the UK might be even greater than the impacts from the locally experienced climate change. Under the key threats damages to assets (physical and financial) caused by extreme weather; need for more frequent and urgent humanitarian aid; greater food price volatility, etc. were identified. The report also indicated certain potential opportunities for the UK from overseas climate change. These include greater potential for the export of local adaptation goods and services or lower shipping costs as a result of Arctic opening.

The key aim of the report was to improve understanding of climate change impacts on the UK. However, it once again emphasized the imperative of reducing GHG emissions, because global costs of inaction are expected to significantly exceed the costs of adaptation to climate change.

Read more: http://www.pwc.co.uk/sustainability-climate-change/publications/international-threats-and-opportunities-of-climate-change-to-the-uk.jhtml