

"National schemes best to meet 2020 targets"

(Montel Powernews) - National, technology-specific support schemes are still considered the most efficient method in reaching the EU target of 20% renewables in 2020, speakers said at the Green Power Marketing conference in Geneva on Thursday.

"Technology-specific instruments have been most successful in the past and have also good prospects in the future," said Mario Ragwitz of the Karlsruhe based Fraunhofer Institute for Systems and Innovation Research. Recent history showed that national feed-in tariff systems had been most efficient in boosting renewable power production in Europe, he said, adding that among others, the UK and Italy had introduced more technology specific support in their certificate systems to trigger investments in immature technologies such as offshore wind.

Europe had no time to wait for a perfect harmonised system, said Paolo Frankl of the International Energy Agency.

"The problem is time, and the cost for non-action or little action now is actually huge. Certificate markets were introduced ten years ago in UK and Italy and the results have been nothing," he told Montel Powernews.

"But the feed-in tariffs need to go down over time. Otherwise they would not be sustainable. It is also crucial that market players are exposed to market risk. This could be done through for example setting a cap where the support is removed if the market price goes above a certain level," he said.

Frankl did, however, support the initiative of a joint Norwegian-Swedish green certificate market.

"If the Nordic countries want to harmonise their markets that's fine. But the markets are not mature enough for a European harmonisation," he said.

Tom Howes of the European Commission said that a patchwork of national support schemes was likely to prevail, because member states had fiercely opposed more harmonisation in the political process leading up to the adoption of the renewables directive earlier this year.

But he also stressed that things could change in the years to come.

"Every year we see that national support schemes change. We need to revise continuously the best practices and encourage member states to adjust to them," he said, while adding that the issue would be addressed in an action plan for financing of renewables that the commission would publish next year.

Howe also said that the commission would continuously evaluate how each member state progressed in boosting their renewable share and stressed that it could start infringement proceedings against states that showed little progress.

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