



Federal Ministry for the
Environment, Nature Conservation
and Nuclear Safety



IDA E Instituto para la
Diversificación y
Ahorro de la Energía



MINISTRSTVO ZA GOSPODARSTVO



8th Workshop of the International Feed-in Cooperation **Berlin 18/19 November, 2010** *Conclusions*

Approximately 60 representatives from 17 EU Member States, Norway and Ontario came together in Berlin on 18/19 November 2010 to share experiences with national Feed-In Schemes, discuss the role of the new cooperation mechanisms under the European RES Directive as well as aspects faced due to a rapid transition to an energy system with high RES shares. The following main conclusions were drawn from presentations and discussions:

Feed-in Systems are more popular than ever

Today 20 of the 27 EU Member States have implemented feed-in schemes as main support instrument, 3 more Member States as a supporting instrument for certain technologies. The number of countries using feed-in systems has increased steadily: In 2005, 18 Member States were using feed-in systems, in the year 2000 only 9 Member States. Recently, also Member States with quota systems have introduced feed-in tariffs as supplementary instrument (e.g. Italy and UK). Furthermore, Feed-in Systems are also applied outside of Europe, e.g. in Ontario, India, China and South Africa. During the workshop, representatives from several countries presented details on their Feed-in Systems.

Well designed Feed-In Schemes have proven to be the most effective instrument to deploy RES in the electricity sector

Well designed Feed-In Systems have proven to be the most effective support instrument for RES deployment in the electricity sector. For example, 85% of all new wind capacity and nearly 100% of the new PV capacity since 1997 were installed in countries using Feed-In Systems.

The cost-effectiveness of well-designed Feed-In Systems is high

Well-designed Feed-In Systems are the most cost-effective support schemes in Europe. This was acknowledged by the European Commission in its 2008 evaluation. With the increasing share of RES in the energy system, cost-effectiveness of support becomes more important. During the workshop, participants exchanged strategies how to manage growth rates and costs of successful Feed-in Systems.

Domestic Feed-in Systems remain the main instrument to reach the EU RES targets

Member States have presented National Renewable Energy Action Plans that show how they plan to reach their national RES targets. All Member States rely on their national support instruments, and all of them expect to reach their targets domestically or by the use of cooperation mechanisms. With regard to the European Commission's EU Energy Strategy 2020, workshop participants from different Member States pointed out that they want to focus on the implementation of the RES directive and see no reason to reopen the debate on pan-European trade and harmonization. Their view was supported by a scenario comparison of TU Vienna and Fraunhofer Institute, which showed that harmonized green certificate trade across Europe would lead to substantially higher policy costs for consumers in order to reach the 2020 target compared to adjusted national policies. Their analysis of the EWI study "RES-E policy analysis" of March 2010 lead to the conclusion that harmonization gains of an EU wide quota system are largely overestimated and, more importantly, are by far outrun by higher costs for consumers which range from 55 to 90 bn. € until 2020.

**Conclusions from the 8th workshop of the International Feed-in Cooperation
Berlin 18/19 December 2010**

Even though Member States mainly want to achieve their targets domestically, there is interest in the use of cooperation mechanisms in the coming years.

Attendants from various Member States see the cooperation mechanism as an interesting opportunity for cooperation and for further efficient RES deployment across Europe and beyond. The workshop explored some legal and technical issues of implementing the cooperation mechanisms without destabilizing national support instruments. There was a common understanding that even though the importance of cooperation mechanism might increase only later, developing proper solution for their implementation is already important.

The transition to an energy system with high RES shares requires special attention in system planning and management

The workshop explored technical and market challenges of moving to a system with high RES shares, but also highlighted new opportunities, e.g. improved interconnection of EU electricity markets. Experts acknowledged that the traditional power system and the regulatory framework need some adjustments to cope with high shares of RES in an optimal way. Focus should be put on grid adjustments towards a better interconnected and smart EU grid, flexible system operation, and facilitating the provision of ancillary services by RES. Participants also acknowledged that Feed-in Systems remain an effective and well-adjustable support instrument during this transition process.

How to proceed?

The next regular workshop of the IFIC will take place in approximately one year. Further countries were invited to join the IFIC.