

# EREF

European Renewable Energies Federation

## PRESS DECLARATION

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### **France jeopardises EU targets to increase of renewable electricity and the fulfilment of the Kyoto targets by the European Union- EREF considers complaint to European Commission**

It was never easy for Renewable Energies to take off in France if they do not belong to the French national electricity company EDF. But what could now come out of the current legislative process in the National Assembly could well mean the end of independent wind energy production in France.

The French National Parliament's Committee of Economic Affairs, Environment and Territory (Commission des Affaires Economiques de l'Environnement et du Territoire de l'Assemblée Nationale) March 16 adopted an amendment introduced by M. Serge Poignant who is rapporteur for the draft law on the orientation of energy in France. This amendment would mean the end of independent wind power in France.

The amendment now postulates that only the following wind power installations could benefit from feed-in tariff:

- a) installations with a capacity of less than 300 kW, that means the very small installations and
- b) very big installations (between 30 and 50 MW) situated only in specific new development zones which are to be defined later with a lengthy and uncertain procedure under the responsibility of the Ministry of Energy.

EREF President Peter Danielsson reacted by observing: "This attempt by members of the French Parliament is a clear violation of the EC Directive 2001/77/EC for the promotion of renewable energies in the internal electricity market. I hope that the majority of the French Parliament will immediately correct this misguided move." EREF, the European Renewable Energies Federation, is the voice of producers of electricity, biomass and fuel from renewable energy sources, representing more than 18.000 MW installed capacity.

EREF will certainly submit a formal complaint to the European Commission protecting the interests, especially of its French member associations, for a stable investor-friendly environment for the development of renewable energies if this initiative is pursued in the French Parliament.

Member States are - especially according to Article 6 of the above EU directive – obliged to phase out and refrain from all obstacles for the development of RES electricity in their country.

Already in the past, projects for wind energy installations in France had to overcome many barriers in planning and authorisation procedures and concerning grid access.

The European Commission has several times already criticised France for its weak support for renewable energies.

In the past France tried to limit wind power projects by putting a legal ceiling of 12 MW for projects who could benefit from the feed-in price (Tarif d'achat). Not even a combination of several small parks would be allowed to benefit from the "prix d'achat" if they went beyond 12 MW installed capacity. The new law now would discriminate and cut off all those parks which in the past were the only legally possible solution to receive the feed-in tariff and thus ensuring investor security. All current planning has proceeded on the assumption of the 12 MW ceiling.

This cynical move in the National Assembly would now end all projects overnight, creating a heavy loss of investment and efforts and would endanger thousands of jobs in France and in other European countries. First estimates concerning losses of planning companies and turbine producers from Germany or operating in France already estimate an imminent loss of more the 6 billion euros. Smaller and mediums sized companies operating in France face insolvency as a consequence of this proposed measure.

"In a very serious way, villages, regions, politicians on many levels, planners and investors must feel as if they have been lured into a trap in France", Peter Danielsson underlined, "and confidence in an honest legal and political background would be destroyed."

It would leave electricity production in France almost completely in the hand of the one still national company EDF which is already a heavy burden on the French tax payer.

For further contact or information:

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