

**E U R O P E A N E C O N O M I C A R E A**  
**S T A N D I N G C O M M I T T E E**  
**O F T H E E F T A S T A T E S**

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Brussels

**WORKING GROUP ON ENERGY MATTERS**

**Comments by the EFTA Working Group on the Commission proposal for a  
Council Decision concerning a multiannual programme for the promotion of  
renewable energy sources in the Community - ALTENER II**

**I INTRODUCTION**

1. Within the framework of the EEA Agreement, the EEA/EFTA States have assessed the Commission proposal for a Council Decision concerning a multiannual programme for the promotion of renewable energy sources in the Community - ALTENER II. In general, the EEA/EFTA States welcome the proposal which builds upon the results of the ALTENER programme.

**II GENERAL OBSERVATIONS**

2. Our experience with the participation in the ALTENER programme is very positive and we consider the inclusion of the ALTENER programme in the EEA Agreement as a significant and important development. Furthermore, participation in the ALTENER programme associates the EEA/EFTA States with the operational instruments of the Community's strategy to combat climate change. This aspect is important for the EEA/EFTA States which are in favour of strengthened international cooperation on renewable energy sources and the further development of cost effective policy instruments to promote renewables. Therefore, the EEA/EFTA States support the general outline and objectives of the ALTENER II programme.

3. Since the ALTENER II programme will be an important element of the proposed Community strategy for renewables, we would like to refer to our comments on the Green Paper for a Community strategy "Energy for the Future: Renewable sources of Energy" which was submitted to the Commission on 18 March 1997. Many of our remarks in this context will also be valid for the ALTENER II proposal. We would like to recall that the EEA/EFTA States are of the opinion that the strengthening of policies to promote renewable energy sources is an important element in a long-term sustainable energy policy. Furthermore, the EEA/EFTA States consider a strategy in the field of renewables, together with parallel efforts for energy efficiency, to be of fundamental importance for an overall strategy to combat climate change and attain the long-term objective of the UN Framework Convention on Climate Change.

4. In the following we have included some preliminary observations and questions in connection with the proposal and we look forward to discussing these in a forthcoming meeting between the EFTA Working Group on Energy Matters and the Commission.

### III SPECIFIC COMMENTS

5. The EEA/EFTA States support the main objectives of the programme as specified in Article 1 of the proposal and consider them to be at an appropriate level. However, the EEA/EFTA States question whether there is not a need for clear and operational objectives in connection with each of the actions specified in Article 2 of the proposal. Such objectives would contribute to a more focused approach in the undertaking of the actions and measures. Furthermore, they would make the evaluation of the programme easier.

6. We understand that the intention is to finance all activities under action 2(a) in full. Therefore, we feel a need to have a higher degree of precision and transparency with regard to these activities. It is not clear to the EEA/EFTA States what is meant by standardisation work and voluntary agreements. However, it would be a challenge to study how renewable energy sources could be promoted in a more open electricity market without distorting competition.

7. The pilot actions in action 2(b) is very much in line with the activities undertaken in the EEA/EFTA States. Furthermore, the EEA/EFTA States appreciate the strengthening of the biomass networks which would be part of actions 2(c) and 2(d).

8. Action 2(e) is seen by the EEA/EFTA States as a fundamental means of promoting renewables. In particular, the focus on biomass projects is welcomed. However, we would like to have the status of the list areas clarified, i.e. is it an exclusive or open ended list? Furthermore, we question the reason for setting a limit for hydro energy projects. As far as the EEA/EFTA States are aware such a limit stands in contradiction to the Commission Green Paper "Energy for the Future: Renewable Sources of Energy". For example, the upgrading of larger hydro plants should be included. Hydro power is an important source of renewable energy and the focus on projects should be more important than drawing a borderline between larger and smaller developments.

9. In the proposal it is mentioned that the intention is that the programme is open to participation from the Central and Eastern European Countries (CEEC). The EEA/EFTA States would appreciate being informed about the practical consequences of such an extension for the budget and the projects of the programme.

10. Finally, the EEA/EFTA States have noted that the Commission only requests funding for the programme during the two years 1998 and 1999. Therefore, the EEA/EFTA States stresses the need to be kept properly informed about the budget discussions in the Council and, in particular, the discussions on the financial perspective from year 2000 until 2002.

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