

Table 2. Past, current and in the near future planned regulatory promotion strategies for electricity from RES in EU and some NAS countries

		Large hydro	Small Hydro	"New" RES (Wind, PV, Biomass, Biogas, Landfill gas, Sewagegas, Geothermal)	Municipal Solid Waste
Austria	current	No	8% current quota (based on TGCs)	4% non-tradable quota until 2008 in combination with regional-specific FITs and other instruments (investment subsidies, bidding etc.)	No
	proposed	No	Non-tradable quota: 9% for small hydro in 2008, 4% for "new" RES in 2008 – in combination with national harmonised minimum FITs. In addition regional-specific instruments (investment subsidies, bidding, higher guaranteed FIT)		Biogenic fraction accounts to "new" RES
Belgium		No	Flemish region: 3% quota (based on TGCs) in 2004 for RES (excl. MSW), escalating penalty (7.5 c€/kWh in 2002, rising to 12.5 c€/kWh in 2004); Wallonia: 5% quota (based on TGCs) in 2004 for RES & CHP; Brussels region: No support scheme yet		
Denmark	current	No	Mix of strategies (FITs, tax credits etc.)		
	proposed	No	Planned 200?: Quota system based on TGCs for RES		
Finland		No	No	Wind: Investment subsidies by 30-40% (on a case-by-case basis) and tax refund (0.7 c€/kWh); Biomass: Tax relief (3.1 c€/kWh)	No
France		No	FITs : 5.5-6.0 c€/kWh	FITs, in more detail: Wind: 4.8-8.4 c€/kWh on a 15 year average ² ; PV: 15.25-30.5 c€/kWh ³ ; Biomass: FITs in progress	4.5-5.0 c€/kWh
Czech Republic		No	FITs : 5.0 c€/kWh Inv. subsidies for selected projects	FITs, in more detail: Wind / Geothermal: 10.0 c€/kWh, Biogas / -mass: 8.3 c€/kWh, Solar / PV: 20.0 c€/kWh Investment subsidies for selected projects	No
Germany		No	FITs: 6.65-7.67 c€/kWh	FITs, guaranteed for 20yr., in more detail FITs for new installations in 2002 are ⁴ : Wind: 6.1-9 c€/kWh; ⁵ PV: 48.1 c€/kWh, Biomass: 8.6-10.1 c€/kWh ⁶ ; Geothermal: 7.16-8.95 c€/kWh; Sewage-, Landfill- and marsh gas: 6.65-7.67 c€/kWh	No
Greece		No	FITs (at all level of 75-90% of the selling tariff, higher on islands, lower on the mainland) and a mix of other instruments (30% investment subsidies, tax credits, reduced loans etc.)		
Ireland		No	Bidding Programme – Currently: AER V with technology bands and price caps for small and large wind, small hydro and biomass; Furthermore: tax relief		
Italy		2% quota (based on TGCs) for all new RES (incl. large hydro and MSW) – with rolling redemption ⁷ (8yr.), unclear penalty enforcement; Investment subsidies ("10,000 roofs-programme") for PV; structural funds for Wind			
Luxembourg		No	No	FITs and investment subsidies for Wind, PV and Biomass	No
Poland	current	7.5% of RES electricity in 2010 starting from 2.4% in 2001, FITs 5-7 c€/kWh (voluntary – max. duration of 3-5 yr.). Legal framework weak - only regulation, no Act (no long-term PPAs), no punishment = no stability for investors,			No
	proposed	No	7.5% of RES in total primary balance in 2010 and 14% in 2020 in RES Strategy - no sound legal framework		
Portugal		No	FITs and investment rebates for Wind ⁸ , PV, Biomass, Small hydro		
Spain		<50MW: FITs on top of market price (premium!): 2.99 c€/kWh		FITs on top of market price (premium!), in more detail (only premium): Wind: 2.89 c€/kWh, PV: 18-36 c€/kWh, Biomass: 2.55-2.77 c€/kWh	FITs-premium: 2.15 c€/kWh,
Sweden	current	-	<1.5 MW: 15% Investment grant, 0.09 SEK/kWh operation grant	Biomass: 25 % Investment grant; Wind: 10-15 % Investment grant, 0.27 SEK/kWh operational support (0.09 SEK/kWh environmental premium + 0.18 SEK/kWh energy tax refund) on top of low market price (1.5 c€/kWh)	-
	proposed	-	Target 10 TWh increase by 2010 = 15.3 % quota in 2010		
Netherlands		Mixed strategy (green pricing and tax exemptions ⁹); Investment subsidies for wind			
United Kingdom		Quota (based on TGCs) by 2010 for all RES (exc. large hydro and MSW); quota starts at 3% in 2002, rising to 10.4% by 2011 – penalty set at 3 p/kWh (5 c€/kWh). Tax exemption ("climate change levy") for RES (0.66 c€/kWh). Investment grants for offshore wind (€ 68 Mio. For demo projects, plus € 16 Mio. from "New Opportunities fund")			

² 8.4 c€/kWh for the first 5 years and then between 3.1 and 8.4 c€/kWh depending on the quality of the site – project size limited to 12 MW.

³ 30.5 c€/kWh for Corse and Overseas Departments

⁴ For some RES, guaranteed FIT for new installations decrease over time: For biomass 1% per year, for PV 5% per year, for wind 1.5% per year.

⁵ 9 c€/kWh for the first 5 years and then between 6.1 and 9 c€/kWh depending on the quality of the site.

⁶ The guaranteed FIT depends on the size of the biomass plant (8.6 c€/kWh for plants <500kW, 10.1 c€/kWh for plants >5MW); similar regulations are given for geothermal as well as sewage-, landfill- and marsh gas plant.

⁷ In general only plants put in operation after 1 April 1999 are allowed to receive TGCs for their produced green electricity. Moreover, this allowance is limited for the first 8 years of operation (rolling redemption)

⁸ E.g. wind producer receive a stepped FIT of 4.3-8.3 c€/kWh, plus investment grants up to 30%

⁹ Customers of green electricity are exempt from paying the energy tax (currently about 5 c€/kWh).