

Policy
recommendations
for promoting
renewable
energy



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Promoting regional jobs and growth

Around 13% of the EU's final energy consumption currently comes from renewable energy, with a target of 20% by 2020 and new targets expected soon for 2030. Around 1.2 million jobs in the EU have been created by renewable energy exploitation and the sector has an annual turnover of €130 billion. Renewable energies therefore present many opportunities for regional growth and development, but supporting their use can be a challenge for regional policymakers.

An analysis of 8 renewable energy projects funded by the interregional cooperation programme INTERREG IVC has revealed a variety of good practices and recommendations for regional policy tools. In total, 259 good practices were gathered and examined to find trends and to make recommendations in regional renewable energy use. Examples are presented in this publication around the different market maturities for renewable energies: Commitment and planning; Emerging markets; Mature markets and Saturated markets. Some general guiding principles for regions on the move towards clean and sustainable energy are also identified.

Astrid Severin, Katharina Krell and Simon Hunkin were contracted by the INTERREG IVC programme to analyse, benchmark and capitalise on the wealth of knowledge generated by cooperation projects in the field of renewable energy.

These policy recommendations are the result of a two-year analysis, providing targeted actions for those involved in this policy field.

1.

Commitment and Planning

Commitment and planning involves securing political commitment, setting targets and making long-term plans on how to achieve these targets.

- Perform an assessment of potentials in your region to make the economic case for renewables.
- Benchmark current energy usage and sources to illustrate how much money currently leaves your region to buy fossil fuels.
- Involve stakeholders in producing plans and targets to set a long-term, stable framework.
- Plan the policy tools that you will implement to achieve your targets.

→ “Bioenergy Action Plans” (*BIO.EN.AREA*) – set out how to boost bioenergy use in a region, following a process of stakeholder engagement and resource benchmarking. BAPs build on a region's strengths and take account of political priorities to target investments for greatest impact.

→ “Hydropower Mapping and Streamlined Applications” (*RENREN*) – The Environment Agency of England and Wales produced a map of areas with high hydropower potential to make it easier for developers and investors to plan small hydropower installations.

2.

Emerging markets

Emerging markets have established political and social commitment and are able to implement support policies and invest in technology demonstrations.

- Demonstration projects are strong tools for illustrating renewable potentials.
- Provide financial support to individual investors through loans, rather than subsidies.
- Establish the right frameworks for the emergence of publicly initiated and owned energy systems.
- Create an Energy Service Company for Energy Performance Contracting (EPC) to boost renewable energy use.

- Found a project pipeline, prioritising the investments that will have greatest impact in the shortest time.

→ “Community Wind Farms” (*RENREN & RETS*) – community energy brings jobs and energy security to a region. Such installations are owned and funded by the community, with regional support in permitting and land-use planning.

→ “Greater Manchester Low Carbon Investment Pipeline” (*Regions4GreenGrowth*) – as part of a broader Low-Carbon Economic Area Plan, an investment pipeline and common investment fund was created to bundle and prioritise renewable energy investments and make them attractive to investors.

3.

Mature markets

Mature markets have embraced renewable energy technologies and are beginning the process of actively turning the use of renewable energy into a business opportunity.

- Support research and development with triple-helix clusters (private-public-research) and dedicated R&D centres.
- Ensure that future expertise are developed in the region by supporting universities and educational institutions to train young people in renewable energies.
- Support the emergence of regional business leadership with advice on renewable energy use.

→ “Oak Park Research Centre” (*BIO.EN.AREA*) – this research centre supports the development of bioenergy in Ireland, which has a large agricultural sector. Through cutting-edge research and the development of easy-to-use tools, the centre strengthens the regional economy and creates new economic opportunities for farmers.

→ “Sittard-Geleen Biomass Boiler PPP” (*RETS*) – a privately-initiated boiler for co-generation of

heat and energy that uses municipal biomass waste. The system not only provides heat for district heating, but electricity is sold to the grid, and the region benefits from more efficient waste management.

4.

Saturated markets

Saturated markets can sell expertise and technologies to other regions as they are export-focused and aim to remain at the forefront of renewable technologies.

- Maintain regional ambition with up-to-date plans and targets.
- Organise internationalisation events to promote your regional businesses.
- Encourage businesses to think globally and devise internationalisation strategies.

→ “Noord-Brabant Solar Cluster” (*Regions4GreenGrowth*) – Noord-Brabant has invested in knowledge infrastructure and innovation to create an internationally competitive solar industry. The province identified regional strengths in solar technology and then worked with stakeholders throughout the whole innovation value chain to support the industry internationally.

→ “FINO3 Research Platform” (*RENREN*) – research platform that investigates how to minimise risks, improve performance and speed up construction of offshore wind turbines, to contribute to maintaining Schleswig-Holstein as a market leader in wind energy.

5.

Guiding Principles for Renewable Energies

Regions that have invested in renewable energies are already reaping the benefits that they offer. But any regional authority can take action to increase its renewable energy use. The following principles should be kept in mind by all regions in the move towards clean and sustainable energy.

Focus on regional strengths. Every region is different, but each and every region has renewable potential. Focus on the renewable energy types that have the highest resource potential – whether wind, biomass, solar, geothermal or hydro – and specialise in the technologies that will have the fastest return-on-investment.

Have a long-term view. A region will not become a “renewable energy region” overnight. Focus on long-term actions and aims. A well-publicised regional target (“20% by 2020!”) shows commitment and allows for benchmarking and monitoring of regional performance to keep on track and ensure consistent development.

Secure regional buy-in. The growth of renewable energy cannot be enforced in a top-down manner, but requires the involvement of

all regional stakeholders. Involve stakeholders – and politicians in particular – in the drafting of regional plans to give them a sense of ownership and responsibility.

Raise awareness and make the business case for renewables. Renewable energies are not just about being clean and carbon-neutral, but also about creating jobs and energy security. Make the business case for renewables with information campaigns and educational programmes. A cost-benefit analysis that shows how much money leaves your region to purchase fossil fuels, rather than funding the local economy, can be of great use.

Tailor policy tools and instruments. Lots of different types of policy tools exist for boosting the use of renewable energies. However, they cannot just be directly transferred into a region. Develop and implement regional policies that are suitable for your region, using existing tools as inspiration. Seek advice from other regions to find out what has worked and what has not.

Integrate renewable energy into broader regional strategies. Structural Funds have a renewed focus on energy and sustainability and can be used to fund the implementation of regional plans. Smart Specialisation Strategies present the perfect opportunity for regions to achieve smart and sustainable growth through renewable energies.

Learn more, do more...

About the Support Cycle – methodological tool used for assessing good practices and projects

The INTERREG IVC Capitalisation exercise has allowed for the elaboration of a “Development Cycle” for renewable energies, which reflects that regions advance through different market maturities and are thus able to implement different types of support policies and tools.

All 259 good practices collected by the INTERREG IVC renewable energy projects have been examined to create a Support Cycle of policy instruments that can provide inspiration to a region for the creation of a regional policy framework.

For more information on the recommendations and the Support Cycle, download the full analysis report from the INTERREG IVC website.

This publication is one of a series of twelve thematic policy recommendations. For more information and downloads, visit:

www.interreg4c.eu/capitalisation

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