

# Feedback from the EU-wide island community

Policy and multi-level governance  
briefing

Second Status Report

## Clean Energy for EU Islands

### Feedback from the ground and Multi Level Governance activities

Feedback collection from the islands and their close collaborators working together on their decarbonisation, which contributes to EU's goal for carbon neutrality by 2050, is one of the main activities of the Clean Energy for EU Islands Secretariat.

The information compiled in this document involves 9 policy briefs provided by some of the supporting organisations in the EU-wide island community. These organisations share a broader focus than one island and have been requested to provide a 'State of play' for having an enabling and encouraging environment for the clean energy transition on islands.

These inputs provide different perspectives on the multi-stakeholder energy planning on the islands, and exhibit some of the discussions on jointly pushing this forward on all levels of governance.

The focus here has been on particular examples that underline the islands situation as well as on recommendations of relatively simple actions that could be undertaken immediately to support the islands' energy transition.

The names of the national organisations that provided the policy briefs are indicated. A template provided by the Secretariat aimed to ensure alignment and comparison across the Members states.

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# Croatia – The Island movement

## Policy brief

08.06.20

### Introduction to the current policy

In 2019, Croatia's Strategy of energy development, captured in its integrated national energy and climate plan, has been in the process of re-evaluation; significant work was carried out to improve the broader institutional environment for renewable energy. One of the strategic documents drafted in 2019 was the Strategy of energy development in Croatia that stresses the country's great potential in wind and solar (each 8-10.000 MW). Islands play a key role in the country's transition to 100% RES and energy independence.

### Short assessment: pros and cons of the policy

The decision of the Croatian government to focus on the topic of the islands' energy transition during its Presidency in 2020 is a significant step for strengthening the energy transition on the islands and beyond. This has facilitated a shift in the mind-set of key energy institutions that now develop financial measures aimed at the transition of islands towards RES. One of the topics that needs to be highlighted is the topic of prosumer concepts which need strong public policies as well as linking RES to industries and the development of Corporate Power Purchase Agreement.

### New regulations or policies in the horizon

The new legislation in 2020 will focus on aligning the RES policies to the EU Directive on RES which provides further support to the transition to clean energy. Croatia will in 2020 start implementing the premium model in RES projects, which is an important step in the energy transition. This has been announced as part of the RES regulation since 2016 but has not been implemented. Four years have left a gap in RES investments as well as lack of growth of local energy communities. In addition, the Croatian NECP has a target of 36.4% of RES, which would make Croatia one of the countries in EU with the highest RES percentage.

### Policy gaps

The national and local RES community has worked hard in the last three years to bring the topic of renewable energy transition into the focus of the public policies. In 2019, the awareness increased because of continuous strategic work. Significant additional work is, nevertheless, required in the area of the implementation of the RES public policies through the creation of RES measures and financial mechanisms to facilitate the energy transition in both mainland and islands. In the Integrated Energy and Climate Plan, which was introduced on December 31<sup>st</sup> of 2019, particular attention is paid to the 2030 targets, which include the reduction of greenhouse gas emissions, energy from renewable sources, energy efficiency and electricity interconnection.

### LINKS TO FURTHER READING

All information is available [here](#).

# Denmark – Energy Academy

## Policy brief

13.07.20

### Introduction to the current policy

The Danish Government is introducing a new law to help achieve Denmark's pioneering climate targets for 2030 and 2045. The intention is to meet 70% reduction of greenhouse gas emissions (compared to 1990) by 2030 and become fossil free by 2045.

The renewable energy capacity required to reach these targets shifts the focus of the new policy away from decentralised renewable energy development and small-scale projects.

This is planned to happen via a combination of increasing energy efficiency, upscaling renewable energy production, reuse of waste and introduction of EV infrastructure.

Regarding renewable energy, the plan foresees two energy hubs of a total capacity of 4GW with a potential to reach 12GW. These energy hubs will mainly comprise of offshore wind, complemented by big investments in transmission capacity with the aim to export the excess renewable energy to the European grid.

Regarding heating, the plan envisages the full substitution of oil and gas by green district heating or electric heat pumps. Additional taxation and tax incentives respectively are foreseen.

Regarding energy efficiency, the plan aims to bring the efforts for energy efficiency improvements in buildings and industry into the digital age, strengthen buildings' energy labelling scheme and incorporate recommendations for indoor climate.

However, all these are general goals with no particular provisions or opportunities for islands.

The plan and its connection to the EU policy are made clear in these documents:

### Short assessment: pros and cons of the policy

#### Pros

Almost all Danish islands are connected to the grid and, therefore, will benefit from greener and climate friendly electricity.

The new system will provide compensation for the disadvantages from shadow, noise, loss of real estate value etc. to property owners that neighbour renewable energy installations.

The municipality where the installations are located will be due to receive a fixed amount of 88,000 dkk/MW capacity installed. This is an opportunity for islands, which could host such installations and then receive funding according to the installed capacity. This reward can, then, be allocated to local initiatives, such as energy savings, storage, EV infrastructure and public solar projects.

## Cons

These large-scale renewable energy projects are too expensive and too big for small communities to get involved.

The centralized policy leaves no real room for local projects.

This approach is likely to increase the NIMBY effect in Danish islands.

## **New regulations or policies in the horizon**

The plan for the two energy hubs foresees that the capacity in the future could reach up to 12GW, in combination with storage technologies.

## **Policy gaps**

### Re-engagement of the community

The demonstration of new technologies or concepts is usually considered from a technical and economic point of view to become market ready, and only at a later stage meets the society.

However, it is crucial to test the social aspect of technologies and the social dimension of investments before they are introduced. This can be done at the local level in green living labs of innovation and change. The local community, e.g. an island community, should be activated again to give islands a role and recognise a potential service to the radical technological development and innovation needed.

Therefore, islands could provide a service within the new policy, for example for demonstration purposes of innovative technologies, and introduce a social dimension in the assessment of investments, beyond market readiness.

### Decentralised renewable energy production

In the past, the annual net metering system encouraged decentralised small-scale and often residential electricity production but it has now been replaced by an hourly balance, based on the market value of the electricity. The price is very low during the day when the sun shines (e.g. for residential PVs), and, therefore, there is much less interest to invest. New incentives are needed for small-scale renewable energy installations, e.g. clusters of homes with some producing and some buying energy, with benefits for the community.

### Ownership rights

An old 20% ownership right has been replaced by a developer's obligation to contribute to a local green fund. This money should not be a "passive" compensation for accepting renewable energy. It is an opportunity to use this money as an activation of local climate actions, e.g. for local energy masterplans.

### Electric vehicles

Island regions often have lower income per capita and island residents use their cars for smaller distances. Therefore, island markets could be very well suited for second-hand EVs with smaller battery autonomy and range. Especially if this is part of an overall masterplan for an island's energy transition, it would be an opportunity for islanders to offer their EVs as part of the island's electricity system to balance the grid.

Such a smart system an integral part of which are charging stations is very interesting at island scale and could be implemented as an expansion of the Horizon2020 SMILE project.

### Ferries

Usually the cost of transportation for islanders is higher than for people on the mainland because of the ferry, which is often old and polluting. There are cases of islands where the principle of a road-equivalent tariff so as island residents are not penalised for living on an island and are offered a price to travel to/from the island as if there was a road. It would be interesting that such a subsidy, instead of paying for the ferry's fossil fuel, includes higher emission standards for the ferry and is also part of an overall energy masterplan for the island.

### LINKS TO FURTHER READING

- \* [Denmark's national energy and climate plan](#)
- \* [The Danish energy model](#)
- \* [Amendment to the Act on the Promotion of Renewable Energy, the Act on Natural Gas Supply and the Act on Electricity Supply](#)

# France – Iles du Ponant

## Policy brief

09.04.20

### Introduction to the current policy

**A new regulation passed on April 6<sup>th</sup> officially edited on April 12<sup>th</sup>.**

This decree recognizes a specific value for clean energy production based on investment on “îles du Ponant” non-interconnected islands.

Although this applies only for the renewable electric systems producing more than 100 kWc, it's the first time this occurs. Previously îles du Ponant were not included in French renewable electricity price definition mechanism.

However, this system is not as efficient as expected. On the four groups of ZNI defined, îles du Ponant made the first group with the lower rate of price however their cost is at least as expensive as it is in Corsica which for example on solar power generators have a far better sunshine rate.

For small systems, under 100 kWc, îles du Ponant are awaiting a new specific price. Although contacts were positive, the decree is not yet published and there is no guarantee it will concern either non-interconnected & connected islands.

**PLUS:** From January 1, 2020, the “crédit d'impôts Transition écologique” (CITE) merges with “Living Better Agility” from Anah (National Habitat Improvement Agency to become “Ma Prime Renovation”.

These two aids will merge to enable the implementation of the new system with:

- May Renovation prime for modest and very modest incomes families
- Credit flat tax for other households

This system is on the way of full implementation.

### Short assessment: pros and cons of the policy

#### Benefits

This new recognition of îles du Ponant islands gives a good opportunity to develop even private investment. At least private investors will study the economic feasibility of different projects; if it proves not to be profitable enough, it will give good arguments to plead its revision.

#### Disadvantages

Without a reasonable purchase price for small solar power generators, despite the availability of a good potential on all the islands (ex: many roof well oriented) no new small generator will be virtually connected to the grid (local micro grid on ZNI or national grid on connected).

## New regulations or policies in the horizon

### **The adoption of PPE (“programmation pluriannuelle de l’énergie “ is still awaited.**

The CTE “Contrat de transition écologique” between government and non-interconnected “iles du Ponant” was signed by the Minister on July 29<sup>th</sup>.

Under the CTE project for non-interconnected islands, stakeholders such as municipalities, the AIP, the SDEF syndicat départemental d’énergie du Finistère, and EDF “Systèmes Energétiques Insulaires”, engage in discussions with the Electricity Regulatory Commission (ERC). Important changes are expected for these islands to bring a more favourable energy purchase system for investors.

### LINKS TO FURTHER READING

- \* [Decrees by the French Ministry for Environment and Social transition](#)

# Greece – DAFNI

## Policy brief

26.06.20

### Introduction to the current policy

On 3 December 2019, the Law 4643/2019 “**Liberalisation of the Greek energy market, modernisation of the Public Power Corporation (PPC), privatisation of the Public Natural Gas Company (DEPA) and support of the renewable energy sector (RES)**” was published in the Official Journal (A'193/2019), introducing significant changes to the energy industry.

Regarding the RES market, the law provides RES projects with the ability to participate directly in the electricity spot market and receive the respective market prices for the electricity produced instead of receiving state aid. Additionally, the new law enables different remuneration for RES plants or groups of RES plants with the same connection point to the grid, providing their capacity exceeds 250 MW. In these cases, the Ministry of Environment and Energy may agree on case-by-case negotiated prices - without obligatory participation in the auction procedures – with the prerequisite of the European Commission’s approval. The law also includes provisions on the construction of solar photovoltaic plants in areas with high agricultural productivity.

Regarding the remuneration framework for hybrid power plants on non-interconnected islands, applicants will no longer bear the responsibility to propose a remuneration scheme as part of their power production license application. According to the law, the conditions, and procedures according to which state aid will be available for such plants will instead be decided by the Ministry of Environment and Energy. Finally, the new law addresses the problem of numerous RES power production applications (1750 power production licence applications, of 29 GW total capacity) long pending for approval by the Regulatory Authority for Energy (RAE) through a special accelerated procedure.

On 5 May 2020 the Greek Parliament voted the “**Modernization of Environmental Legislation**” law aiming to update environmental licensing procedures and streamline the national legislative framework to EU Directives 2018/844/EU (amending the directives on the energy performance of buildings and energy efficiency) and 2019/692/EU (amending EU Directive 2009/73/EC concerning common rules for the internal market in natural gas). This new Law 4685/2020 (OJ A' 92/2020) foresees changes to regulations regarding land uses, environmental licensing and the management of protected areas. It contains legislative measures, which will significantly amend, standardise and simplify the current licensing procedure for renewable energy power plants – particularly the procedure for obtaining a production licence and an environmental approval.

One of the most important changes introduced is the replacement of the RES production licence with a certificate. These certificates are issued by RAE, but the law foresees the possibility of a future ministerial decision delegating this authorisation to another authority. Applications will be submitted via an electronic register during three application rounds, which will take place each year during the first 10 days of February, June or October.

The new law envisages two different types of certificate, each with its respective application procedure: one for special projects (including projects of very large scale or high technical complexity) and one for all other RES projects.

The 'special projects' include 'hybrid plants', as defined by Greek law, high-efficiency combined heat and power plants over 35MW, geothermal power plants, groups of wind parks whose total capacity exceeds 150MW, solar thermal power production plants which are connected to the networks of the non-interconnected islands, offshore wind parks, RES plants which are connected to the grid through a dedicated submarine cable and hydroelectric plants over 15MW.

The special project application procedure will be more complex and time consuming, as more documents and studies will have to be prepared, submitted and reviewed. Applications for plants which do not belong to the category of special projects will be processed faster, but applicants should pay an extra levy for the issuing of the certificate on top of the application levy, paid by all applicants. The levy will depend on the plant capacity and will range from €3,000 per megawatt for plants with a capacity up to 1MW to €1,000 per megawatt for plants whose capacity exceeds 100MW. The maximum levy corresponds to a 250 MW capacity plant.

The duration of both certificates is 25 years with the ability to be renewed for another 25 years. In case the applicant fails to carry out the remaining licensing procedures and conclude a power purchase agreement within a reasonable timeframe, the validity of the certificate will automatically cease, leading to the release of both land and grid capacity initially reserved. Certificate expiration can be caused for example due to failure to obtain environmental approval within six months from the certificate's issuance or to submit an application for the issuance of a binding offer for grid connection within 36 months from the certificate's issuance.

Negotiation among applicants will be requested by RAE in cases of limited network capacity, insufficient carrying capacity in a municipality or spatial overlapping of projects for which applications have been submitted during the same round. If this fails, then RAE will comparatively evaluate the applications based on certain criteria (e.g. titles of land ownership or possession), which will be further specified in the forthcoming regulation. In cases of insufficient carrying capacity in a certain municipality, during the evaluation period, RAE will not issue certificates for applications made during subsequent application rounds.

The detailed regulation of the above licensing procedure is expected to be clarified within three months after the law's adoption through ministerial decisions.

#### LINKS TO FURTHER READING

- \* [International Tender for the pilot project "Ai Stratis – Green Island"](#)

#### Short assessment: pros and cons of the policy

The new law brings extended changes in the licensing procedure of RES projects both in terms of the licensing authority and the type of the license. The introduction of deadlines in several licensing stages may result in significant acceleration of the projects' implementation or the release of land sites and grid capacity long occupied by projects in stagnation.

The separation between regular and special RES projects simplifies further RES licensing while also giving extra motives to projects of higher technical complexity. The law also aims to a swift resolve of the long list of RES license applications pending evaluation by RAE, bringing many projects to a standstill especially in the islands. The evaluation demands payment of levies but enables the reshaping of the submitted files to match the new regulation.

Regarding waste management, various measures have been included in the law providing flexibilities, such as the possibility for municipalities to obtain external support through SLAs and MoUs. Special provisions are also included for islands in terms of municipal solid waste management.

On the other hand, the law does not envisage any special spatial planning criteria for RES projects in islands while the update of the national special RES spatial plan, incorporating adjusted provisions for islands and other areas, is repeatedly postponed. Another issue of concern is that decentralised and financially autonomous operators of environmentally protected areas are ceased and that participation of local authorities in the management of protected areas is limited. Finally, no special measures have been taken until now to tackle the possible suspension of clean energy transition activities due the COVID-19 situation.

#### LINKS TO FURTHER READING

- \* [Public consultation](#) (Greek)
- \* [Letter from mayors of the Region of southern Aegean](#) (Greek)
- \* [Note on new Law 4685/2020 by the Hellenic Wind Energy Association HWEA/ELETAEN](#) (English)
- \* [Law 4643/2019](#)

#### New regulations or policies in the horizon

The Greek government has announced the National Plan for E-mobility. This new initiative for cleaner mobility is in line with the EU Green Deal growth strategy and is expected to help Greece achieve transition towards climate neutral economy by 2050. The plan includes extensive subsidies to foster electric mobility in the country. The goal is to achieve one in three new vehicles in Greece to be electric in 2030.

The National Plan is based on 3 pillars:

- A series of economic and other incentives, subsidising the e-vehicle acquisition with purchase premiums of 100 million euros in total for 18 months. Specifically, 15% of the purchase price of electric cars and light commercial vehicles will be subsidised. This percentage rises to 25% in the case of electric taxis. Moreover, electric cars will be exempt from parking fees and certain taxes for two years. Electric motorcycles and bicycles will also be promoted.
- Charging infrastructure operation and the market of EV charging services will be regulated. Private companies and the Public Power Corporation are expected to install 1000 charging stations throughout the country in the coming two-three years with a plan to reach 10.000 charging stations in the medium term.
- Incentives are envisaged for the installation of new e-mobility production units in areas heavily affected by the clean energy transition such as areas with lignite mining activities.

Additionally, a Greek island, which was not disclosed, is about to become a pilot model for e-mobility expansion by running exclusively with electric vehicles.

#### LINKS TO FURTHER READING

- \* [Public consultation \(Greek\)](#)

## Policy gaps

- Spatial planning legislation for RES installations adjusted to the islands characteristics and co-planning / co-development mechanisms are not yet in place to smoothen conflicts between investors and islanders.
- Legislation regarding licensing and operation of innovative technological solutions significant for the islands' clean energy transition, e.g. smart micro-grids, small wind turbines and energy storage plants is still not in place.
- More specific incentives and sources of funding should be offered at a local level, giving all stakeholders the opportunity to participate in the energy transition as members of energy communities.
- The uptake of electromobility and demand-side management requires a comprehensive legislative and regulatory framework.
- Centralised, stand-alone storage applications are not foreseen in the existing regulatory framework for islands which could enable the reduction of RES curtailments in non-interconnected islands with economies of scale.
- Very small non-interconnected island electrical systems cannot operate efficiently under liberalised electricity market conditions as they are more suitable for collective citizen-centered solutions.
- New HV/MV interconnections foreseen in the TSO's and DSO's plans create unclear conditions when it comes to long-term planning of RES projects on currently non-interconnected islands.

## LINKS TO FURTHER READING

- \* [National Energy Action Plan](#)
- \* [Energy Communities Law](#)
- \* [HELAPCO's observations on the National Energy Action Plan](#)
- \* [HWEA's observations on the National Energy Action Plan](#)
- \* [Net-metering Law](#)

# Ireland – Irish Islands Federation

## Policy brief

17.07.20

### Introduction to the current policy

Regarding current policy in the islands context it is important that the new Programme for Government has been agreed by the new Irish Government parties. Regarding energy the programme states:

“Energy will play a central role in the creation of a strong and sustainable economy over the next decade. The reliable supply of safe, secure and clean energy is essential in order to deliver a phase-out of fossil fuels. We need to facilitate the increased electrification of heat and transport. This will create rapid growth in demand for electricity which must be planned and delivered in a cost-effective way. “

For the islands this means that we are now developing clean energy transition as part of the national effort to decarbonise everything possible.

Regarding energy efficiency the new Government will implement a new National Energy Efficiency Action Plan to reduce energy use, including behavioural and awareness aspects of energy efficiency such as building and data management.

From an islands perspective this means that we can approach energy efficiency in line with the national goals.

The new Government says that we will now create “A Revolution in Renewables” and that they are committed to the rapid decarbonisation of the energy sector and that they will use this as an opportunity to create new, quality jobs across the country including the islands of course. They are committed to deliver at least 70% renewable electricity by 2030.

This is very good news for the islands as they need to achieve sustainability across the entire range socio economic activities. For the Irish islands the Clean Energy Transition process and the longer-term impact on sustainability is key to the survival of island populations and the continuance of the unique way of life of the islanders in the modern context.

Some of the actions to be implemented that are of significant interest to the islands will include:

- Giving cross-government priority to the drafting of the Marine Planning and Development Bill, so that it is published as soon as possible and enacted within nine months.
- Produce a whole-of-government plan setting out how we will deliver at least 70% renewable electricity by 2030.
- Finalise and publish the Wind Energy Guidelines, having regard to the public consultation that has just taken place.
- Develop a Solar Energy Strategy for rooftop and ground, based photovoltaics, to ensure that a greater share of our electricity needs is met through solar power.
- Strengthen the policy framework to incentivise electricity storage and interconnection.
- Support the clustering of regional and sectoral centres of excellence in the development of low-carbon technologies.

- Invest in research and development in 'green' hydrogen (generated using excess renewable energy) as a fuel for power generation, manufacturing, energy storage and transport.

For islands in particular the development of "green hydrogen" for use in transport is relevant given the current fossil fuel demands of ferry and cargo transport between islands and the mainland.

The new Government say that they will produce a longer-term plan setting out how, as a country, Ireland and the islands will take advantage of the massive potential of offshore energy on the Atlantic Coast. This plan will focus on utilising existing energy and maritime infrastructure.

It will seek to create the right investment environment, support ocean energy research, develop and demonstrate floating wind, tidal, and wave power, together developing innovative transmission and storage technologies, such as high-voltage, direct-current interconnection and green hydrogen on an all-island basis.

This plan will set out a path to achieving 5GW capacity in offshore wind by 2030 off Ireland's Eastern and Southern coasts.

Measures that should have a positive impact for the islands also include:

- Increasing the target for the number of Sustainable Energy Communities.
- Prioritising the development of microgeneration, letting people sell excess power back to the grid by June 2021.
- Ensure that community energy can play a role in reaching at least 70% renewable electricity, including a community benefit fund and a community category within the auction.
- Continuing to work with the EU to agree community participation as an integral part of installing new renewable energy and a route for community participation in the projects.
- Supporting a new Green Flag programme for communities, building on the successful programme in schools.
- Concluding the review of the current planning exemptions relating to solar panels, to ensure that households, schools, and communities can be strong champions of climate action.
- Implement an ambitious National Energy Efficiency Action Plan, which will set higher targets for all sectors.

#### Regulation Driving Climate Action

The new Government say that they will give a clear pathway towards better practices and less reliance on fossil fuels across every sector.

The achievement of the above goals and the implementation of the broad range of measures described will need significant support at both national and European level to be achieved.

For the islands to achieve clean energy transition the question of finance in the context of small communities with limited resources will need to be addressed. Specific supports will have to be put in place to ensure that the islands are well placed as energy lighthouses.

There are some new incentives being developed to encourage the use of EVs and other technologies at a household level that will be advantageous to the islands.

### **Short assessment: pros and cons of the policy**

The current ongoing development of specific island policies by the Irish Government will be of the utmost importance to the implementation of the new energy targets on the islands of Ireland and the EU Clean Energy Islands initiative brings an EU focus to that.

Although the new Programme for Government has been agreed by the new Irish Government parties it is dependent on political continuity and of the development of legislative instruments to guarantee the continued effort to achieve national and European targets.

It is stated that the question of planning permission for PV and Solar will be addressed, if this does not happen there will continue to be obstacles to the development of clean energy solutions on islands.

In light of COVID 19 and the impact on the economic landscape there is always the danger that the importance of immediate energy transition will be reduced politically.

Regarding offshore wind development the Government say that,

"This plan will set out a path to achieving 5GW capacity in offshore wind by 2030 off Ireland's Eastern and Southern coasts."

The Irish inhabited offshore islands are all off the Northwest, West and Southwest coast so it will need to be defined what goals are to be recognised for those areas and how tidal and wave energy will create employment opportunities for the islands.

### **New regulations or policies in the horizon**

The Irish Islands Federation (Comhdháil Oileáin na hÉireann) is in direct contact with the Irish Government Department of Communications, Climate Action and Environment who recognise the existence of and the importance of the EU Clean Energy Islands initiative.

The current ongoing development of specific island policies by the Irish Government will be of the utmost importance to the implementation of the new energy targets on the islands of Ireland and the EU Clean Energy Islands initiative brings an EU focus to that.

As part of the consultation process with the island communities the Islands Division have visited the islands and discussed the policy needs directly with the islanders. Energy transition is one of the main topics of conversation and it is clearly recognised by the island people that energy transition and energy production will be a key factor in determining the sustainability of their communities into the future.

Already the West Cork Islands as a group are working towards developing clean energy transition with support from the EU Clean Energy Islands initiative as well as the local, regional and national relevant authorities, agencies and educational institutions.

## LINKS TO FURTHER READING

There is a significant ongoing effort on the Irish islands to bring about energy transition and there are many various projects currently being undertaken.

The links below relate to the Aran Islands and Cape Clear Island who are part of the EU Clean Energy Islands initiative.

<https://react2020.eu/>

<https://www.youtube.com/watch?v=0J8dL2Rf9cQ&authuser=1>

## Policy gaps

In the context of the Irish Islands and the goals relating to Clean Energy Transition it is important to address the issues relating to Natura 2000 and the fact that, for example, the designation of an island as a Special Area of Conservation can have a negative impact on the development of Renewable Energy projects. The installation of wind turbines of various sizes or PV farms can directly contradict Natura 2000 designations, so that the goal of improving the environment is directly affected by an existing directive aimed at improving or protecting the environment.

The whole question of planning permission and the resulting delays, which sometimes completely stop projects needs to be addressed urgently.

We are told that the new Government is intent on dealing with issues that affect RES projects.

The news story below illustrates the difference between the stated energy transition goals and the reality of trying to develop RES on the ground.

<https://www.irishtimes.com/business/energy-and-resources/irish-farmers-who-want-to-build-solar-projects-left-frustrated-as-government-dragg-its-heels-1.3991040>

# Italy – CNR

## Policy brief

31.08.20

### Introduction to the current policy

The current situation of the 20 Italian non-interconnected islands is not much different from some months ago. The Italian Ministry of Environment and the Ministry of Economic Development are carrying on some activities towards a higher penetration of renewable energy sources and energy efficiency on small islands. In the next months, the Ministry of Environment will approve plans for reduction of emissions, sustainable mobility and adaptation to climate change in the islands, for a value of € 15 million.

Regarding the Ministry of Economic Development, €12 million have been allocated for reduction of primary energy consumption in public buildings such as replacement of fixtures, installation of LED lamps, building automation, installation of photovoltaic systems, etc.

The municipalities are preparing detailed plans for the implementation, and, in the coming months, the plans will be approved and financed by the Ministry of Economic Development.

Moreover, the Decree of Ministry of Economic Development of 14 February 2017 defined objectives and incentive methods for renewable energy in the small Italian islands non-interconnected with the electricity grid of the continent. Specifically, it establishes the minimum development objectives for the production of electricity and thermal energy from renewable sources, and the methods for supporting the investments needed for their realisation (managed by ARERA, the Italian Regulatory Authority for energy, grids and environment). By the end of 2020, the goals of the use of renewable energy sources set on the non-interconnected islands must be achieved. Annex 1 of the Decree presents the minimum development objectives of the use of renewable energy sources for each non-interconnected island, with deadline on 31 December 2020.

The Ministry for Regional Affairs, during the State-Regions Unified Conference of July 2020, approved a decree for € 41,5 million to be assigned to the small Italian islands for the 3-year period 2020-2022 (€ 14.5 million per year). The money should be invested in schools, public works and emergencies connected with the islands' needs.

At the end of July 2020 the Ministry for Regional Affairs decided the amount of money each island should get for 2020:

Pantelleria (€ 594.852), Lampedusa-Linosa (€ 472.196), Lipari-Vulcano-Alicudi-Filicudi-Stromboli-Panarea (€ 1.013.699), Ustica (€ 281.917), Favignana-Levanzo Marettimo (€ 579.990), Santa Maria (€ 233.152), Leni (€ 230.702), Malfa (€ 234.761); Isole Tremiti (€ 321.776); Elba-Pianosa (€ 480.098) Montecristo (€ 492.056), Capoliveri (€ 323.236), Marciana (€ 313.733) Marciana Marina (€ 195.194), Porto Azzurro (€ 241.198), Rio-Elba (€ 303.765) Isola del Giglio – Giglio e Giannutri (€ 364.644), Formiche di Grosseto (€ 67.772), Capraia (€ 296.877), Livorno – Gorgona (€ 219.963); Monte Isola (€ 236.828), Palmaria-Tino (€ 105.233), Capri (€ 285.878), Anacapri (€ 291.200); Casamicciola (€ 282.075), Lacco Ameno (€ 224.761), Forio (€ 441.493), Serrara Fontana (€ 214.748), Barano d'Ischia (€ 323.447), Nisida (€ 99.344), Ischia (€ 457.143), Procida (€ 366.175); Ponza-Palmarola (€ 382.680), Ventotene (€ 255.212); San Pietro (€ 443.408), Sant'Antioco (€ 524.917), La Maddalena (€ 782.131), Asinara (€ 248.606), Calasetta (€ 274.170), Tavolara (€ 124.040).

## LINKS TO FURTHER READING

Ministerial Decree 14 February 2017

- <https://www.minambiente.it/comunicati/ambiente-15-milioni-isole-minori-progetti-su-riduzione-emissioni-mobilita-e-adattamento> (italian)
- <https://www.mise.gov.it/index.php/it/198-notizie-stampa/2036486-fonti-rinnovabili-nelle-isole-minori-non-interconnesse> (italian)
- [https://www.gse.it/documenti\\_site/Documenti%20GSE/Servizi%20per%20te/ISOLE%20MINORI/Normativa%20Servizi/DM%2014%20febbraio%202017.pdf](https://www.gse.it/documenti_site/Documenti%20GSE/Servizi%20per%20te/ISOLE%20MINORI/Normativa%20Servizi/DM%2014%20febbraio%202017.pdf) (italian)
- <https://arera.it/it/elettricit%C3%A0/isole.htm#558> (Italian)

### Short assessment: pros and cons of the policy

The actual situation in terms of electricity distribution on islands is quite similar to the past months. The additional cost of electricity production on islands is split on all Italian inhabitants. Regarding the cons of Italian policy bureaucracy, the difficulties for the installation of renewable energy plants are still in place. The path for the authorisation of the Superintendency (MIBAC) is still complex and difficult especially in Protected Areas.

### Policy gaps

Difficulties remain both for the process of authorisation issued by Authority and for the infrastructural point of view and for the implementation of the concept of “prosumers” and of “energy community”. Recently, the concept of energy community has been regulated by article 42bis of Coordinated Text Of The Decree-Law 30 December 2019, n. 162 with some limitations such as that plants powered by renewable power sources overall cannot exceed 200 kW. Now, Italy is awaiting the measures of implementation of the provisions indicated in Art42 by the Regulatory Authority for energy, networks and environment (ARERA).

A project, recently funded by the Horizon program, can be one of the tools for overcoming these barriers. The project objectives are the study and the replication on the Italian Island of Lampedusa of the activities implemented on other European islands. Actions of capacity building, training and knowledge transfer to local actors will be implemented in order to find solutions already during the project and after its end.

## LINKS TO FURTHER READING

- [Coordinated Text Of The Decree-Law 30 December 2019, n. 162](#) (Italian)

# Netherlands – Energie Samen

## Policy brief

05.07.20

### Introduction to the current policy

Information about spatial planning and landscape protection is provided in the first policy brief 'Wadden Islands Netherlands'.

Recently the islands are part of the '**Regional Energy Strategy**' (RES). The concept RES 1.0 is recently delivered by local and provincial governments.

The definitive RES 1.0 will be ready in June 2021.

One of the agreements is that the 30 energy regions in the Netherlands investigate where and how to generate sustainable electricity on land (wind and sun). But also which heat sources can be used so that neighbourhoods and buildings can stop using natural gas as the main heating source and find a more sustainable solution.

In a Regional Energy Strategy (RES), each energy region describes its own choices. For example, whether the locations for the energy projects are the places socially acceptable and financially feasible and how they plan to reach this. The RES is part of the **National Climate Agreement** (mentioned in the first policy brief).

**Participation of citizen** is an important part of the national climate agreement. 50% local ownership of large scale solar-, and wind parks is the guideline for this. Local ownership can be realised by co-investing. This will result in benefiting from the profit of the new projects on local level.

The islands Schiermonnikoog, Ameland, Terschelling and Vlieland are part of RES Friesland. Texel is part of the RES North-Holland-North.

Local control and participation (both property-related and citizen participation) are included in the ambition of the climate agreement; the aim is 50% locally owned sun and wind on land. However the goal of 50% local ownership of solar and wind projects is not yet very clearly mentioned in these first RES reports

**Ameland** developed a solar roof at a tourism apartment complex with 200 solar panels, realized by the local energy cooperative AEC. It was a so called 'zip code project' in which the installed solar panels are owned by islanders who receive tens of euros discount on their energy bill a year.

The zip code scheme is a special arrangement for collective owned solar roofs. It was primarily intended for people without a suitable roof for solar PV, but it turned out to be a very approachable way for people to work on the energy transition as a group. This scheme will be modified per 2021 to a subsidy measure instead of a tax reduction

### LINKS TO FURTHER READING

- \* RES Friesland: <https://www.resfryslan.frl/concept-res>
- \* RES North Holland North: <https://energieregionhn.nl/app/uploads/2020/06/Online-PDF-Samenvatting-Concept-RES-NHN.pdf>

## Short assessment: pros and cons of the policy

### RES North Holland North (Texel)

The RES North Holland North includes wind, but has a strong focus on 'solar on roofs' (parking roofs, large buildings). The RES report mentions that solar parks on agricultural plots are not obvious, and not possible at all in the dunes. Placing them alongside roads and railroad tracks is most promising.

**Pro:** Solar PV on roofs prevents use of agricultural land. Good example of 'low hanging fruit', also for Texel.

**Con:** Dependence on owner roofs and parking spaces

**Con:** The RES North Holland did not mention local ownership or 50% participation in projects for citizen. There is no mention at all about 'energy communities, energy cooperatives or similar'. Participation is mentioned as process participation, not financially participation by citizen.

Wind energy might be possible on Texel, but the RES report mentions many possible restrictions in the field of nature and landscape especially bird migration routes, dunes and also restrictions because of the (small) airports of Den Helder and Texel.

The value of the open landscape and the special nature conditions attract a lot of tourists to Texel. Building solar parks and windfarms might affect these values and cause a decline in the number of tourists and therefore in income.

The report also mentions new, innovative techniques for renewable energy generation, such as wave energy and tidal energy. However, the RES aims to plan a certain amount of renewable energy projects in the short term via proven technologies that generate a lot of energy.

### RES Friesland (Vlieland, Terschelling, Ameland, Schiermonnikoog)

The islands are hardly mentioned in the Frisian RES report, while due to their high nature values and landscape values, they have a special and also difficult position in the energy transition. For example, large-scale wind and solar projects are very difficult to realise on the islands. Local ownership of the new large-scale renewable projects, as stated in the climate agreement, will therefore become difficult on the islands. It is therefore more difficult for the islanders to benefit from the profits from the energy transition. The same goes for Texel, in a slightly more moderate degree because the island is bigger and has little more space for solar and small wind projects.

The RES Friesland has a strong focus on saving energy, deep and shallow geothermal energy, aquathermy, residual heat and Biogas. Local property (energy financially owned by citizen) and participation in process are also mentioned.

**Pro:** saving energy brings down the heat demand.

**Con:** it costs residents money and effort.

Good policy and incentive money is needed to move and stimulate people, also at islands, especially in tourism.

**Pro:** biogas can be upgraded to green gas, which can be used in the current gas infrastructure. On Ameland, biogas is made from sewage sludge, waste water and kitchen waste restaurants (tourism). It is building an installation that can produce a maximum of 250,000 cubic meters of green gas on Ameland.

**Con:** Biogas is available in the Fryslân region and at the islands but not abundantly.

**Pro:** Aquathermy, or thermal energy from surface, wastewater and drinking water pipes. Water is widely available around the islands.

### New regulations or policies in the horizon

RES North Holland (Texel)

In the RES North Holland the search areas for sun and wind will be further specified in the next 8 months towards a definitive RES 1.0. The planning is to have the RES 1.0 ready on July 1, 2021.

RES Friesland (Vlieland, Terschelling, Ameland, Schiermonnikoog)

After the summer, we will take the next step towards a socially and administratively supported RES 1.0. In this, we indicate in more detail how we will realize our ambitions and tasks.

Themes such as local ownership and 50% participation (climate agreement) will be further developed in the second half of 2020. During this period, they also work together with the Frisian Energy Alliance on the RES Implementation Program. The planning is to have the RES 1.0 ready on July 1, 2021.

**The Wadden Islands** create a physical laboratory for self-sufficiency, with the aim of avoiding network aggravation. This laboratory function of the islands is a driver of innovation.

Energy Neutral Ameland & 'natural gas free  
- Vlieland'

### Ongoing discussions:

Grid capacity for smaller citizen initiatives like energy communities/ cooperatives

## Policy gaps

1. To ensure affordability and participation of the energy transition for all citizens;

2. Municipalities must realise the heat transition locally and have sufficient flexibility to come to custom solutions, including the possibility to designate publicly owned companies, including the network companies, as a heat company. Legislation should therefore not focus on regulating one type of facility, but support the diversity of grids, provide space for future innovations and create a level playing field for all parties that can be active in heat, both private and public;

3. Adaptation of laws and regulations to enable faster and more efficient connection of sustainable energy projects and transport of sustainable energy;

4. Measures to enable better matching of supply and demand of producers and buyers, such as smart charging;

**Texel:** Generating sustainable energy at Texel is limited at the moment. There is a floating solar park of 1.000 panels and one of 2.500 in a holiday park.

They work on hydrogen production and storage.

Texel built a bio-digester installation for the production of green gas. It is a pilot from Gasunie with local companies.

'Wave energie' is a pilot from Slow Mill and situated 4 kilometers up north the island (in the North Sea).

Sea Qurrent is a tidal energy pilot at Texel with an underwater kite.

5. Connection of national programs, such as the Energy Main Infrastructure Program, to the RES;

6. Measures that lead to more training for technicians for the energy transition.

# Portugal – Coopernico

## Policy brief

06.07.20

### Introduction to the current policy

For once different tariffs for collective self-consumption schemes and RECs were created. During the year of 2020 in Portugal, only RECs or collective self-consumption schemes operating within the same grid level of tension (voltage) can be created and operate. The entities who wish to operate in different grid levels of tension have to wait until the year of 2021 to create those type of communities. Nonetheless, in order to incentivise the creation and to be a fair measure for RECs and collective self-consumption schemes, whom operate in the same grid level, the energy regulator (ERSE) defined that, in RECs or collective self-consumption schemes that are connected to the public grid, energy which is being produced and pass through the grid, would only be charged by the level of tension its using. Thus, different tariffs for different grid levels were created.

Moreover, in the Portuguese energy market, grid costs billed to the final consumers include, what we call, Economic and General Interest costs (CIEGs) which are a type of taxation created by the government. It has been stated by the government via law decree that those costs are not to be reflected in the grid usage of energy produced by RECs or collective self-consumption schemes which is also an incentive to produce/buy energy from those communities.

Finally, the Azores Public Energy Company has predicted the Azores to have a RES penetration of 60% by 2025 and has said that it will invest 158 million euros by 2024 for renewable energies to represent more than 53% of electricity consumption in the Azores.

Also, the Government of the Azores has approved the extension of the scope of eligible beneficiaries for the allocation of financial incentives for the purchase of electric vehicles operating in the areas of taxi and rent-a-car transport on the island of Graciosa.

### LINKS TO FURTHER READING

- \* News: [EDA will invest 158 million euros by 2024 for renewable energies to represent more than 53% of electricity consumption in the Azores](#)
- \* News: [Azores reiterate efforts to make the islands autonomous in energy production](#)
- \* News: [Pilot project 'Graciosa - Ilha Modelo' allows to extend incentives to electric mobility to more beneficiaries](#)
- \* Decree: [Approval of the legal regime applicable to self-consumption of renewable energy, partially transposing Directive 2018/2001](#)
- \* News: [Production of energy for self-consumption gives exemptions to consumers](#)
- \* Decree: [Approval of the Electric Energy Self-Consumption Regulation](#)

## Short assessment: pros and cons of the policy

### Pros

Islands (and everyone) have now one more incentive to create their own Renewable Energy Communities or to have a collective self-consumption scheme.

In the Azores, the incentives to electric mobility have transformed the region as "one of the regions in the country with the highest number of fast charging points for public access installed per inhabitant", with "more than six charging points per 100 thousand inhabitants", informed the Regional Government.

In Culatra, One of the pilot of the Clean Energy for EU Islands Secretariat, work is ongoing to create a Renewable Energy Community (REC).

### Cons

Either RECs or the collective consumption schemes must operate in the same grid level of tension. Only after 2021 can they operate or create communities that will include different levels.

Also, it's necessary to create more incentives in the Azores since the way the energy market is legislated there are very few incentives to attract private investment. The energy market in the Azores only composes of one public company, which is both the Supplier and the Grid Operator.

Furthermore, there is too much bureaucracy regarding land use and lack of concrete legislation regarding installation of more renewables in the islands by landowners or private citizens, which prevents them from the concretization of installing or looking for ways to install more renewables.

### LINKS TO FURTHER READING

- \* News: [Azores with six vehicle charging points per 100 thousand inhabitants](#)
- \* News: [Europe's energy transition begins at a small Culatra school](#)

## New regulations or policies in the horizon

The Azores Regional Energy Department has prepared the Energy Transition Agenda for 2020-2030 but it has not yet been approved and published since first it must undergo public consultation. It will be for sure an interesting regulation that will push forward the energy transition in the nine islands of the Azores.

### LINKS TO FURTHER READING

- \* News: [Azorean Energy Strategy 2030 wants to reduce costs and CO2 emissions](#)

## Policy gaps

In the Azores there is a lack of legislation on the use of agricultural land to produce renewable energy or how the passage of electricity transport cables can occur on private land. These sometimes are one of the first obstacles citizens or companies face when trying to push forward a project to produce renewable energy.

# Spain – University of the Balearic Islands

## Policy brief

27.05.20

### Introduction to the current policy

First, on 31 March 2020, the Government finalised its Plan Nacional Integrado de Energía y Clima (PNIEC – Integrated Plan on Energy and Climate) covering the period 2021-2030, and sent it to the EU Commission. The Plan includes several key targets that will imply a profound decarbonisation of the country in the next decade, including:

- GHG emissions ought to be 23% lower than 1990 levels. Considering that in 2017, GHG emissions in Spain were around 18% higher than in 1990, this target implies a total reduction of around 40% in just ten years.
- 42% of all energy consumed will be generated by renewable source (it is 20% in 2020)
- 74% of all electricity should be renewable
- An improvement in energy efficiency of 39,5%

The plan expects that €241 Billion will be mobilised in these ten years to achieve these targets, 80% of that some coming from private investors.

Secondly, on 19 May 2020, the Government sent to the Parliament the Climate Change Bill (Proyecto de Ley de Cambio Climático y Transición Energética). This is especially relevant when considering that Spain lacked so far a climate change law at the State level (there are some at the regional level, like in the Balearics). The Bill, includes similar (although a little lower) targets than the PNIEC and establishes the objective of achieving carbon neutrality by 2050. As regards the concrete targets, we can highlight:

- GHG emissions ought to be 20% lower than 1990 levels.
- 35% of all energy consumed will be generated by renewable source (it is 20% in 2020)
- 70% of all electricity should be renewable
- An improvement in energy efficiency of 35%

It should be underscored that the Bill forbids new projects for the exploration or exploitation of fossil fuels, including fracking. It establishes that policies should be adopted in order to ensure that cars and light commercial vehicles sold beyond 2040 emit 0grCO<sub>2</sub>/Km. The tariff framework will be adapted in order to promote renewables with a new system of auctions. It also establishes a divestment strategy from fossil fuels and obliges financial institutions, insurance companies and listed companies to conduct climate risk assessments. Among other measures, it also creates a Committee of Experts on Climate Change.

At the same time there are also several public consultation processes going on regarding different elements of the energy transition, like the strategy on energy storage, the roadmap on renewable hydrogen, the roadmap on biogas and the roadmap on offshore wind energy and sea-related energies.

As regards the energy transition of islands, it should also be noted that the Bill includes the obligation of islands to define low emissions zones before 2024, and it allows islands to restrict the use of cars and vans running on fossil fuels; this is most probably linked to the provision in the Climate Change Law of the Balearic Islands that forbids the entrance of diesel vehicles starting on 2027 and other combustion engines from 2035. The application of this specific provision was suspended pending the approval of the National Climate Change Law).

Another relevant evolution concerning islands, but not related to national legislation, derives from the measures adopted at the regional level concerning the build-back strategy after the Covid-19 crisis. Particularly, in the Balearic Islands, the government approved on 13 May a Decret-Llei (Executive Order that needs to be validated by the Regional Parliament) concerning the reactivation of the region's economy, which includes several provisions that facilitate and accelerate the administrative process regarding renewable energy plants, considering them strategic projects. The Executive Order is expected to be approved by Parliament on the coming weeks.

### Short assessment: pros and cons of the policy

The PNIEC and Climate Change Bill are both very relevant documents that set Spain on the path to finally contribute to the global efforts against climate change and set ambitious targets, especially given the targets set by the previous Government (which included an increase in GHG emissions relative to 1990 levels even by 2040). They send a strong signal of the changes that are needed and the policies that will be deployed.

On the negative side, it is surprising that the Bill is slightly less ambitious than the PNIEC and more ambitious measures could have been adopted, especially concerning the energy transition of the maritime sector (with very loose objectives), the railway sector (which is surprisingly almost inexistent in the Bill). The limitation of GHG emitting cars could have also been more ambitious, setting an earlier date like other European countries (Norway, the Netherlands, the UK...).

Regarding the executive order in the Balearics, there has been a strong rejection by environmental and other civil society organisations, because it facilitates the enlargement of hotels and other touristic facilities in an already degraded environment, and there could be a risk that a part of society links renewable energy projects with the touristic and construction sectors, which are perceived with increased hostility by the local population.

Regarding the Canary Islands, the Ministry of Ecological Transition has agreed to open a call for €20 Million to deploy an additional 150MW of renewables in the region.

### LINKS TO FURTHER READING

- \* [Plan Nacional Integrado de Energía y Clima \(PNIEC \) 2021-2030](#)
- \* [Proyecto de Ley de Cambio Climático y Transición Energética](#)
- \* [Consultative process on the national strategy on energy storage](#)
- \* [Consultative process on the national roadmap on renewable hydrogen](#)
- \* [Consultative process on the national roadmap on biogas](#)
- \* [Consultative process on the national roadmap on off-shore wind energy and sea-related energies](#)

- \* [Decreto Ley de Medidas Urgentes para la Reactivación Económica de las Illes Balears](#)
- \* [Agreement for a new call for renewable projects in the Canary Islands](#)

### **New regulations or policies in the horizon**

The Government has very recently launched the participatory process concerning the Plan Nacional de Adaptación al Cambio Climático (PNACC, National Adaptation Strategy to Climate Change) 2021-2030.

#### LINKS TO FURTHER READING

- \* [Plan Nacional de Adaptación al Cambio Climático \(PNACC, National Adaptation Strategy to Climate Change\) 2021-2030](#)

### **Policy gaps**

Following the COVID-19 crisis, cities have an opportunity to redefine the use of the public space in cities in order to reduce the use of private fossil-fuel powered vehicles. Easy and inexpensive measures could be taken such as devoting car lanes to bicycles and public transportation or pedestrians, which would have a very positive impact in terms of health, climate and boosting the local economy. Unfortunately, so far many city councils in islands have not taken decisive action in these terms. More efforts should be deployed.

