



COUNTRY POLICY PROFILE

The Netherlands

October 2014

**LOG FILE OF CHANGES IN SUPPORT
POLICIES AS COMPARED TO LATEST
MEMBER STATE PROGRESS REPORT**

The EurObserv'ER project

The EurObserv'ER Barometers monitor the renewable energy progress in each Member State of the European Union. Every two months a barometer dedicated to one particular renewable energy technology is published. Moreover, once a year a EurObserv'ER Overview Barometer¹ collects the main indicators published during the year and completes these with additional renewable sectors which have not been detailed in the individual Barometers. Finally, the Overview Barometer also reports on socio-economic aspects: employment and turnover in the field of renewables, and the renewable energy investment climate. The country policy reports monitor policy developments by providing an overview of policy changes compared to the Member State Progress Reports.

All Barometers are available for download at <http://www.eurobserv-er.org>. An overview of direct links to Barometers is available in Annex A.

New Barometer releases are announced on Twitter (https://twitter.com/eurobserv_er).



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¹ Free download at <http://www.eurobserv-er.org/pdf/bilan13-gb.asp>, latest edition is 2013.

Abstract

Main support scheme for renewable energy in the Netherlands is the SDE+, opened in 2011. It is a technology-neutral scheme, promoting the cheapest technologies and allocating the available budget on the basis of competition between renewable electricity, renewable heat and green gas projects. Other measures described in the Dutch Progress Report are: SDE, MEP, EIA (as of 2014 not anymore combined with SDE+), Green Projects Scheme, Solar Panels Subsidy Scheme, Energy Top Sector and Green Deals. Most important change reported here from 2014 onwards regards the EIA scheme.

Abbreviations

BTL	Biomass-to-Liquids
CHP	Combined heat and power plant
EEAG	Environmental and energy aid guidelines
EU-27	European Union, 27 Member States (excludes Croatia)
EU-28	European Union, 28 Member States (includes Croatia)
FiP	Feed-in premium (scheme)
FiT	Feed-in tariff (scheme)
GHG	Greenhouse gas(es)
GHG	Greenhouse gas
ktoe	Kiloton oil equivalent
MSW	Municipal solid waste
NREAP	National Renewable Energy Action Plan
PV	Photovoltaic energy
RE	Renewable energy
RED	Renewable Energy Directive
RES	Renewable energy sources
RMSW	Renewable Municipal solid waste (renewable fraction in MSW)
RQS	Renewable quota scheme
TSO	Transmission system operator

Renewable energy mix and 2020 target

In the Netherlands, the largest contribution to renewable energy production stems from biomass-based technologies: solid biomass for heat and electricity (largest contribution from (the bio-degradable part of) municipal solid waste incineration, wood stoves in households, followed by co-firing in large power plants) , wind power (both onshore and offshore) and biofuels. Relevant to note is the relatively large contribution in geothermal energy, with a strong growth in deep geothermal for heat generation, but also a large contribution from shallow geothermal energy. With a glance at figures from Statistics Netherlands (CBS) it can be stated that solar PV figures for 2013 are expected to double in 2013. Also, biogas provides a relevant contribution, in which biomass-based substitute natural gas is a small but increasing option. Source: EurObserv'ER, 2014, www.eurobserv-er.org , Statistics Netherlands (CBS, 2014). The 2012 share of renewable energy in the Netherlands amounted to 4.5%; the target for 2020 has been defined as 14% (source: EurObserv'ER report 'The State of Renewable Energies in Europe'²).

Table Renewable energy production in the 27 Member States of the European Union (EU-27) and the corresponding figures for the Netherlands. Data have been expressed in ktoe and refer to the year 2012

[ktoe, 2012]	European Union (27 countries)	Netherlands	Contribution of the Netherlands to EU-27
Hydro*	29408	9	0.0%
Wind*	17089	425	2.5%
Solar PV	5732	22	0.4%
Solar thermal**	2116	26	1.2%
Solid Biomass***	74804	799	1.1%
Biogas	6212	202	3.3%
MSW****	4426	375	8.5%
Geothermal	7825	209	2.7%
Biofuels	11711	319	2.7%
Ocean energy	44	0	0.0%

* Normalised electricity generation

** Including electricity generation from Concentrated Solar Power

*** Including liquid biomass

**** Municipal Solid Waste only regards the renewable fraction in the waste

Source: EurObserv'ER, 2014 (www.eurobserv-er.org)

² Free download at <http://www.eurobserv-er.org/pdf/bilan13-gb.asp>, latest edition is 2013.

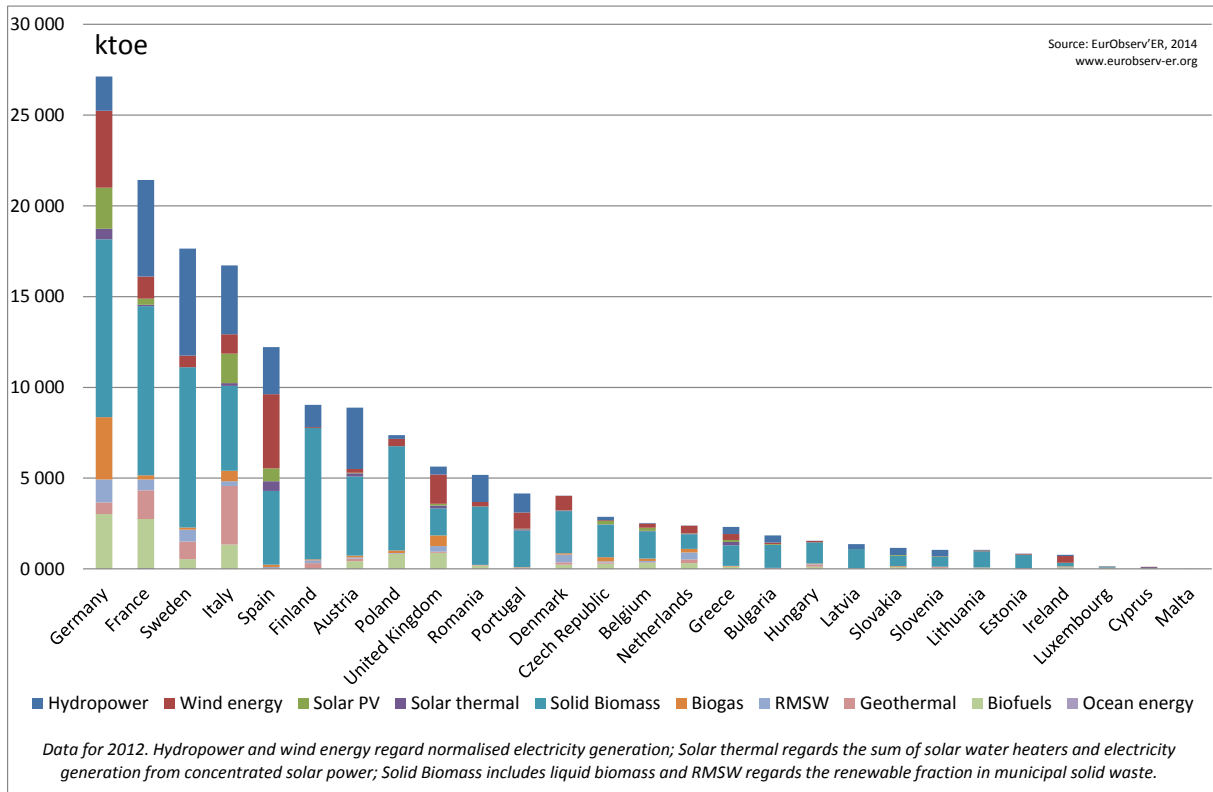


Figure Renewable energy production in the European Union Member States. Data have been expressed in ktOE and refer to the year 2012. Source: EurObserv'ER, 2014 (www.eurobserv-er.org)

Recent RES Policy Developments

The current EurObserv'ER policy profile is listing recent policy changes in the EU Member States. Starting point for this monitoring is the situation as it has been described in the country's Progress Report (which were due end of 2013). All Renewable Energy Progress Reports are available in English language from www.eurobserv-er.org (translated versions).

Date	Technology	Policy change
January 2014	All renewables eligible for SDE+	Energy Investment Allowance (EIA) is intended for entrepreneurs. Previously this scheme could be used together with SDE+. As of SDE+ 2014 this is not possible anymore (RVO, 2014).
January 2014		The Progress Report for the Netherlands was released by the European Commission (Dutch version). In the English version (published later), relevant sections on policy developments are Section 2 (page 5 of the PDF) and Questions 2,3 and 4 (from page 11 to page 24 of the PDF).
March 2014		<no policy changes>
May 2014	All renewables eligible for SDE+	On an annual basis the Dutch Ministry of Economic affairs is requesting an advice on the next year's parameters for the SDE+ scheme. The findings were published on May 27 th , 2014 for public market consultation. Usually, a final design report for the next year's SDE+ is expected at the end of a calendar year. All details on the proposed parameters are available from (ECN, 2014).
June 2014	All renewables	RVO, the Netherlands Enterprise Agency, publishes a report on the implementation of renewable energy in the period 2003-2013 (RVO, 2014).
July 2014	All renewables eligible for SDE+	An open market consultation was held on the SDE+ parameters for 2015, covering technologies for the production of green gas, biogas, renewable electricity and renewable heat. This process might lead to amendments of the draft, resulting in an adapted final advice, expected by the end of 2014.
August 2014		Statistics Netherlands publishes the renewable energy data for the Netherlands in 2013, see (CBS, 2014).
September 2014		<no policy changes>
October 2014		<no policy changes>

November 2014		<yet to come>
December 2014		<yet to come>

Note to the reader: the above overview had been compiled with care. However, in case you miss recent developments please be invited to inform EurObserv'ER on policy changes in a Member State. For communication use e-mail (policy@eurobserv-er.org) or Twitter (https://twitter.com/eurobserv_er).

Glossary

Auctions for granting renewable energy support	An auction is a process, organised by a governmental renewable energy implementation agency, of granting production or investment support to a specified volume of eligible renewable energy (or renewable energy generation capacity) based on the lowest bids per unit of renewable energy (or renewable energy generation capacity) by eligible renewable project developers.
Degression rate	See under 'Sliding feed-in tariff'
Feed-in tariff (FiT)	A technology-specific support scheme which provides for a technology-specific remuneration per unit of renewable energy payable to eligible renewable energy producers, typically for a period of 10-20 years. The FiT level is set <i>ex ante</i> by the National Regulatory Agency (NRA). It is to cover all future production costs including a <i>normal</i> rate of return to capital invested. In many schemes priority network access is offered to eligible renewable electricity generators, whilst a designated third party - e.g. the transmission or distribution network operator concerned - is being mandated to pay the FiT remuneration due. A proper, periodic review of FiT rates is often undertaken with the aim to prevent both too high FiTs so as to minimise regulatory rents, i.e. supra-normal returns and too low FiTs to preclude below-target market uptake because of FiT levels that are perceived by market participants to be less attractive.
Feed-in premium (FiP)	A technology-specific support scheme which provides for a technology-specific subsidy level per unit of renewable energy to eligible renewable energy producers, typically for a period of 10-20 years, at a pre-set fixed or floating (see under 'Floating FiP') rate, projected by the National Regulatory Agency (NRA) to enable renewable energy generation investments deemed commercially attractive by project developers without yielding supra-normal profits.
Floating FiP	A feed-in premium, which is periodically adjusted to exactly offset the change in the average energy wholesale market price, based on a pre-specified benchmark market price. A floating FiP may move freely or may only be allowed to move within a pre-set interval.
Grants	Grants are non-repayable funds disbursed by one party (grant makers), often a government department, corporation, foundation or trust, to a recipient, often (but not always) a non-profit entity, educational institution, business or an individual. (Source: Wikipedia.org)
Green public procurement	In Green public procurement contracting authorities take environmental issues into account when tendering for goods or services. The goal is to reduce the impact of the procurement on human health and the environment. (Source: Wikipedia.org)

NRA	National Regulatory Agency
Renewable quota scheme (RQS)	A renewable quota scheme mandates certain market actors (typically retail suppliers or large energy end-users) to respect a pre-set minimum share or amount of their total energy procurements from renewable sources of energy. Typically a tradable green certificate (TGC) scheme is operated to enable the obligated parties to prove their compliance with the prevailing renewable quota target by means of TGCs. Typically the renewable quota target is increased gradually over time. Renewable quota systems are also known under terms such as quota (obligation) schemes or renewable portfolio standards.
Request for tenders (RFT)	A request for tenders (RFT) is a formal, structured invitation to suppliers, to bid, to supply products or services. In the public sector an official fee is needed to fortify and secure the tender bid engagement/win documents, such a process may be required and determined in detail by law to ensure that such competition for the use of public is open, fair and free from bribery and nepotism. For example, a government may put a certain level of MW of offshore wind energy at a pre-defined location 'out to tender'; that is, publish an invitation for other parties to make a proposal for the construction of offshore wind farms, on the understanding that any competition for the relevant government contract must be conducted in response to the tender, no parties having the unfair advantage of separate, prior, closed-door negotiations for the contract. An evaluation team will go through the tenders and decide who will get the contract. (source: adapted from Wikipedia.org)
RD&D funding	The funding of research, development and demonstration activities and programmes. For technologies far remote from commercial maturity, government grants or subsidies might be considered. For technologies close to commercial maturity which are not taken up for commercial research anyway, instruments such as fiscal instruments (tax credits, accelerated depreciation, etc.) and public-private partnerships may be considered, based on shared public and private RD&D funding.
Sliding feed-in-tariff	A FIT scheme which pre-sets technology-specific declining feed-in tariffs for certain prospective vintages in line with the technology-specific learning curve, as projected by the National Regulatory Agency (NRA). Often a degression rate is used indicating the %/annum decrease in the rate level.
Soft loans	Loans at concessional (below market-based) terms, for example at sub-market-conform interest rates, made available in several Member States to stimulate certain renewable energy technologies.
Tax credits	These are amounts a tax paying entity is allowed to deduct when declaring payable taxes, for example company tax or income tax, to the tax authorities, for example the producer tax credits (PTCs) used in the United States to stimulate among others wind energy deployment.
Tenders	See 'Request for tenders'

References

Hernieuwbare energie in Nederland 2013, August 2014, <http://www.cbs.nl/nl-NL/menu/themas/industrie-energie/publicaties/publicaties/archief/2014/2014-hernieuwbare-energie-in-nederland-2013-pub.htm>

ECN, Dutch Renewable Energy Support Scheme, May 2014, <https://www.ecn.nl/projecten/sde>

RVO, Netherlands Enterprise Agency, *Rapportage hernieuwbare energie, deel 1, implementatie 2003 – 2013*, June 2014, <http://www.rvo.nl/sites/default/files/2014/06/Rapportage%20hernieuwbare%20energie%202013.pdf>

EurObserv'ER, 2014, www.eurobserv-er.org

Member State Progress Report, available at the Renewable Energy Transparency Platform, http://ec.europa.eu/energy/renewables/reports/2013_en.htm

Annex

EurObserv'ER Barometers published are all available for download. Direct links to all EurObserv'ER publications:

Biofuels Barometer

(July 2014, PDF, English language, 14 pages)

http://www.eurobserv-er.org/pdf/baro222_en.asp

Solar Thermal Barometer (CSP and solar water heaters)

(May 2014, PDF, 18 pages, English language, 3.6 MB)

http://www.eurobserv-er.org/pdf/baro221_en.asp

Solar Photovoltaic Barometer

(April 2014, PDF, 16 pages, English language, 2.9 MB)

http://www.eurobserv-er.org/pdf/baro-jdp11_en.asp

Wind Power Barometer

(February 2014, PDF, English, 14 pages, 2.8 MB)

http://www.eurobserv-er.org/pdf/baro-jde14_en.asp

'The State of Renewable Energies in Europe', 2013 edition

(January 2014, PDF, English language, 200 pages, 12 MB)

<http://www.eurobserv-er.org/pdf/bilan13-gb.asp>

Solid Biomass Barometer

(December 2013, PDF, English language, 14 pages, 2.9 MB)

http://www.eurobserv-er.org/pdf/baro219_en.asp

Heat Pump Barometer

(October 2013, PDF, English language, 18 pages, 2.5 MB)

<http://www.eurobserv-er.org/pdf/baro218.asp>

Biogas Barometer

(December 2012, PDF, English/French language, 14 pages, 2.0 MB)

<http://www.eurobserv-er.org/pdf/baro212biogasEu.asp>

Renewable Municipal Waste Barometer

(December 2012, PDF, English/French language, 12 pages, 1.9 MB)

<http://www.eurobserv-er.org/pdf/baro212mswEu.asp>