

Belgium

Renewable Energy Fact Sheet

Policy Background

The EU is working to reduce the effects of climate change and establish a common energy policy. As part of this policy, European Heads of State or Government agreed in March 2007 on binding targets to increase the share of renewable energy. By 2020 renewable energy should account for 20% of the EU's final energy consumption (8,5% in 2005). To meet this common target, each Member State needs to increase its production and use of renewable energy in electricity, heating and cooling and transport.

Although renewable energies are an integral part of our fight against climate change, they also contribute to growth, job creation and increase our energy security.

Country targets

The renewables targets are calculated as the share of renewable consumption to gross final energy consumption. Renewables consumption comprises the direct use of renewables (e.g. biofuels) plus the part of electricity and heat that is produced from renewables (e.g. wind, hydro), while final energy consumption is the energy that households, industry, services, agriculture and the transport sector use. The denominator for the RES share includes also distribution losses for electricity and heat and the consumption of these fuels in the process of producing electricity and heat.

Belgian target: 13% (2005 = 2.2%)

Key issues

With a production of 1.1% RES-E of gross electricity consumption in 1997, Belgium was at the bottom of the EU15. Targets differ between the three regions of the country and national energy policies are implemented separately, leading to differing supporting conditions and separate, regional markets for green certificates. Policy measures in Belgium contain incentives to use the most cost-effective technologies. Biomass is traditionally strong in Belgium, but both hydro-power and onshore wind generation have shown strong growth in recent years.

Main supporting policies

Two sets of measures are key to the Belgian approach to RES-E:

- Obligatory targets have been set (obligation for all electricity suppliers to supply a specific proportion of RES-E) and guaranteed minimum prices or 'fall back prices' have been foreseen. In the Walloon region, the CWaPE (Commission Wallonne pour l'Energie) registered an average price of 92 EUR/MWh per certificate during the first three months of 2006. In Flanders, the average price during the first half of 2006 was around 110 EUR/MWh (VREG - Regulator in Flanders). In all three of the regions, a separate market for green certificates has been created. Due to the low penalty rates which will increase over time, it is at the moment more favourable to pay penalties than to use the certificates. Little trading has taken place so far.
- Investment support schemes for RES-E investments are available. Among them is an investment subsidy for PV.

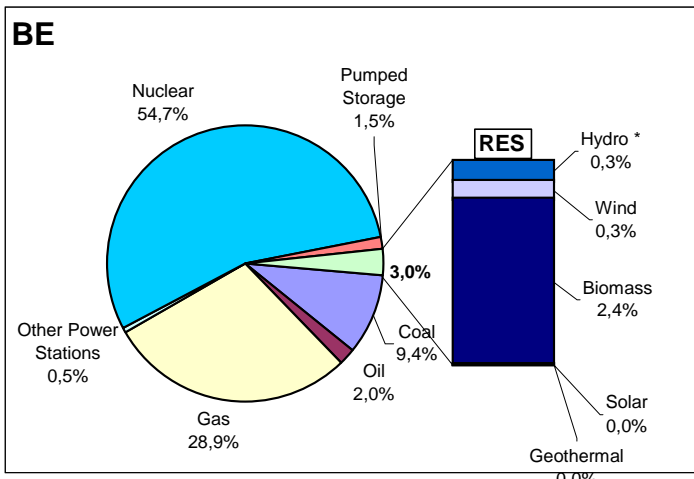
RES-H&C is being supported by investment incentives in all three regions. The maximum level of support is as high as 15% in the Walloon region and 20% in both Flanders and Brussels.

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For biofuels, excise duties have been lowered for diesel that contains at least 3.37% biodiesel and for petrol that contains at least 7% bioethanol. Pure rapeseed oil is completely exempt from excise duties. From March 2007, 4.29% of biodiesel can be incorporated in diesel. Following publication of a federal law on biofuels in 2006, a European call for tenders was launched for selecting a certain number of producers; they will be eligible for fiscal incentives ending in September 2013. An obligation on biofuels is being prepared.

Key figures¹

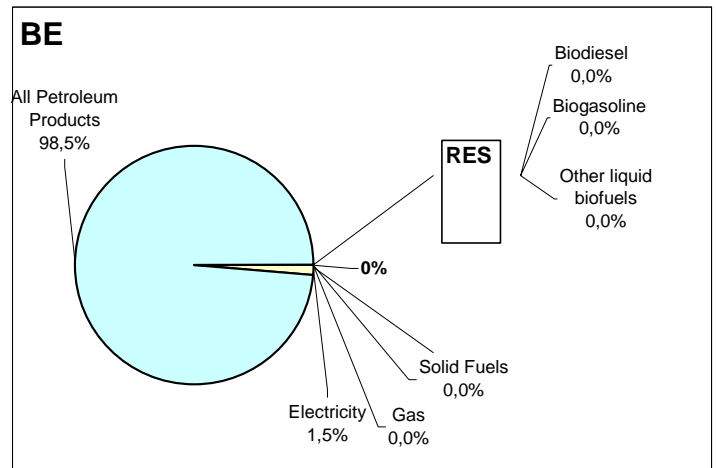
Gross Electricity Generation by fuel (2005)



Source: Eurostat

* Not including generation from hydro pumped storage, but including electricity generation to pump water to storage. Municipal Solid Waste, Wood waste, Biogas included.

Final Energy Consumption by Fuel, Transport (2005)



¹ Reliable and complete data for heating and cooling is not yet available from Eurostat

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For further information

To find out more about renewables, go to: http://ec.europa.eu/energy/res/index_en.htm
http://ec.europa.eu/energy/intelligent/index_en.html

To find out more about the current situation of renewables in the Member States, go to
http://ec.europa.eu/energy/res/legislation/electricity_member_states_en.htm
http://ec.europa.eu/energy/res/legislation/share_res_eu_en.htm

To find out more about support measures, go to
http://ec.europa.eu/energy/res/legislation/support_electricity_en.htm

To find out about a project or contact an energy agency in your region, go to
<http://www.managenergy.net/emap/maphome.html>

What is meant by.....?

RES: Renewable energy sources

RES-E: Electricity production from renewable energy sources

RES-H: Production of heat and cold from renewable energy sources

Biofuels: Mainly includes biodiesel and bioethanol

Biomass: Includes solid biomass, biowaste and biogas

PV: Photo-voltaic - technology for the production of electricity from solar energy

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