

Top 10
Problems for
Renewable
Energy in
Europe
are not linked with
Nature Protection









- 1. The policy focus is often still on oil and gas and not renewables, leading to lower levels of funding for RES: Gas is still having the lion share: oil and gas companies are <u>pushing</u> for more gas investments building on the crisis started by the Russian invasion of Ukraine. Both at EU and Member State level policy makers are looking at short-term solutions based on <u>more GNL imports</u> from US, the Middle East and Africa rather than boosting RES and smart grids to integrate them.
- 2. The predominant barriers in renewable <u>permitting</u> are the <u>length of the administrative procedures</u> and the non-uniform application of procedures inside different Member States. In addition, especially in smaller Member States, the <u>lack of staff capacity within the authorities and the shortage of skilled workforce</u> are creating important administrative barriers. But in some larger MS that is the case too. In Italy for instance, not less than <u>150GW of RES are pending approval</u> as of now.
- 3. **Bureaucracy** is ruling: double competences and lengthy reply times are killing projects. In some cases, the number of authorities called to give the green light to a project can be as high as 30. This is worsened in many Member States by the **low level of digitalisation** and standardisation of the procedures and by the lack of one stop shops that would facilitate procedures. It was mentioned, for instance, from many industries <a href="https://example.com/hemes/heme
- 4. **Long production chains**: in many MS consumers lament <u>shortages</u> of materials and technologies. The lack of a strategic supply chain for batteries and solar PV panels for instance has not been tackled until recently and EU still relies on the far east for such products, hence competing with other markets for supplies.
- 5. **Lack of installers:** this varies from country to country but overall Heat Pump installers are highly requested across EU and they were largely <u>understaffed</u> even before the REPowerEU.
- 6. **Fossil heating**: the main market for gas in EU is heating. by the end of 2021 20 out of 27 Member States still had in place some sort of subsidy for fossil heating. <u>Fossil heating is still well rooted</u> in the Council, for instance, fighting to keep gas running in district heating, potentially supporting it with the Recovery and resilience funds.
- 7. **Lack of support for heat pumps**: a <u>research</u> carried out last year before the energy crises showed that in only in 8 countries the payback time was acceptable, for lack of state support. CEE are the most affected countries, with longer payback now becoming even more a problem ahead of phasing out Russian gas.
- 8. **Energy taxation** is hampering the scale up: the same research shows in some Member States, the difference in taxation is so exacerbated that HPs would forcedly lead to higher heating bills regardless of the subsidy provided to cut the upfront cost of the technology.
- 9. **Communities are still largely excluded** from real <u>participation</u> in both planning and ownership, resulting in very high level of opposition to top-down RES projects in some territories.
- 10. Due to **grid constraints**, households are already being <u>denied connection</u> to new installations or are being granted lower capacity installations in several Member States. While the combined installation of RES with storage and smart technology can mitigate the problem, investments are needed in the distribution grids connecting rural areas.