

Ireland

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.

Irish target: 16% (2005 = 3.1%)

Key issues

Hydro and wind power make up most of Ireland's RES-E production. Despite an increase in the RES-E share during the past decade, the target is still far off. The RES-E share increased from 6.8% in 2005 to 8.6% in 2006. Important changes have occurred at a policy level. Ireland has selected the Renewable Energy Feed In Tariff (REFIT) as its main instrument. From 2006, this new scheme is expected to provide some investor certainty, due to a 15-year feed-in tariff guarantee. No real voluntary market for renewable electricity exists. There is also an absence of a genuine market for biofuels, however, support schemes have been in place since 2005 so this is expected to change.

Main supporting policies

Between 1995 and 2003, a tender scheme (the Alternative Energy Requirement - AER) was used to support RES-E. Since 2006, the Renewable Energy Feed-In Tariff (REFIT) has become the main tool for promoting RES-E. EUR 119 million will be used over 15 years from 2006 to support 55 new renewable electricity plants with a combined capacity of 600 MW. Feed-in tariffs are guaranteed for up to 15 years, but may not extend beyond 2024. During its first year, 98% of all the REFIT support has been allocated to wind farms.

Since 2005, the Biofuels Mineral Oil Tax relief scheme allows for excise relief on biofuels for a total of EUR 3 million per year. In 2006, a five-year biofuels excise relief package worth €200 million was also approved. The Energy Crops Scheme provides further support, with aid of EUR 45 per hectare for areas sown under energy crops, topped up by €80 of Irish funds. Uptake to date has been low. A scheme was launched in early 2007, primarily for vehicle fleets, using pure plant oil: they will receive a 75% grant for modifying engines.

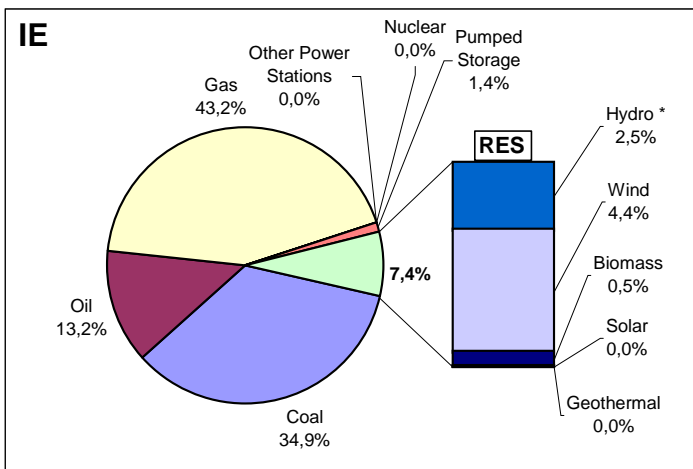
Grant aid is available through the Greener Homes Scheme and the ReHeat Programme for the development of RES-H.

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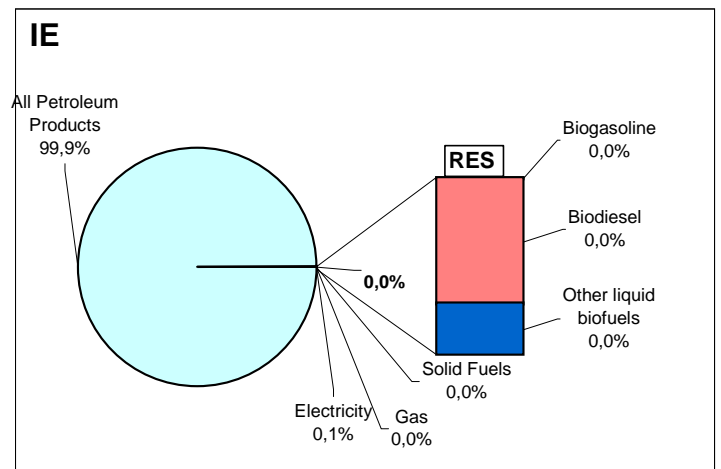
An Energy White Paper was published in March 2007, setting the energy policy framework for 2007-2020. The government has presented policy proposals to significantly increase the use of biomass in electricity generation by co-firing it in peat-fired power stations.

Key figures¹

Gross Electricity Generation by fuel (2005)



Final Energy Consumption by Fuel, Transport (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.

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>

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

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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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