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REPORT PURSUANT TO ARTICLE 3(3) OF DIRECTIVE 2001/77/EC

1. Introduction

Article 3(3) of Directive 2001/77/EC of 27 September 2001 states that '*Member States shall publish, for the first time not later than 27 October 2003 and thereafter every two years, a report which includes an analysis of success in meeting the national indicative targets taking account, in particular, of climatic factors likely to affect the achievement of those targets and which indicates to what extent the measures taken are consistent with the national climate change commitment.*'

Under Article 3(2) of the Directive, '*not later than 27 October 2002 and every five years thereafter, Member States shall adopt and publish a report setting national indicative targets for future consumption of electricity produced from renewable energy sources in terms of a percentage of electricity consumption for the next 10 years. The report shall also outline the measures taken or planned, at national level, to achieve these national indicative targets. To set these targets until the year 2010, the Member States shall:*

– *take account of the reference values in the Annex,*

– *ensure that the targets are compatible with any national commitments accepted in the context of the climate change commitments accepted by the Community pursuant to the Kyoto Protocol to the United Nations Framework Convention on Climate Change.*'

The first report published by Italy in accordance with Article 3(2) of Directive 2001/77/EC (hereinafter referred to as 'the 1st Article 3(2) Report') sets out the national indicative targets for future consumption of electricity produced from renewable energy sources and shows how they are consistent both with the reference values for 2010, as contained in the annex to the Directive, and with national commitments in the context of the climate change commitments accepted by the Community pursuant to the Kyoto Protocol. As regards the contents of the 1st Article 3(2) Report, it should be noted that – whilst the objectives remain unchanged, and thus still form the basis on which we will here assess progress to date – the measures being taken to achieve the objectives have undergone various amendments, all with the aim of strengthening policy in favour of renewables. The fact that developments on the ground diverge in part from the upwards curve required to achieve our 2010 targets, as illustrated and explained in the following paragraph, is the main factor that has led the legislator to consolidate the measures for increasing the production and consumption of electricity from renewable sources.

Table 1 – Installed capacity of renewable energy plants in Italy

Gross effective capacity of renewable energy plants (MW) – total		**Forecast (White Paper / 1st Article 3(2) Report)**
Source	[years]	
Hydro		
Geothermal		
Wind		
Biomass, biogas, waste		
Solar		
Total		

Figure 1 – Installed capacity of renewable energy plants in Italy

[Breakdown by MW / year according to source:

Hydro / Geothermal / Wind / Biomass, biogas and waste / Solar]

Figure 2 – Growth in total installed capacity of <u>hydroelectric</u> plants

[Graph showing MW / year of total installed capacity (solid line) and linear trend (dotted line)]

Figure 3 – Growth in total installed capacity of <u>geothermal electricity</u> plants

[Graph showing MW / year of total installed capacity (solid line) and linear trend (dotted line)]

Figure 4 – Growth in total installed capacity of <u>wind-power</u> plants

[Graph showing MW / year of total installed capacity (solid line) and parabolic trend (dotted line)]

Figure 5 – Growth in total installed capacity of <u>biomass, biogas and waste</u> plants

[Graph showing MW / year of total installed capacity (solid line) and linear trend (dotted line)]

Figure 6 – Growth in total installed capacity of <u>photovoltaic</u> plants

[Graph showing MW / year of total installed capacity (solid line) and exponential trend (dotted line), actually observed from 2005 to 2007]

Table 2 – Production from renewable energy plants in Italy

Gross production from renewable energy plants (GWh) – total		**Forecast (White Paper / 1st Article 3(2) Report)**
Source	[years]	
Hydro		
Geothermal		
Wind		
Biomass, biogas, waste		
Solar		
Total		

Figure 7 – Production from renewable energy plants in Italy

[Breakdown by GWh / year according to source:

Hydro / Geothermal / Wind / Biomass, biogas and waste / Solar]

Figure 8 – Production from <u>hydroelectric</u> plants in Italy: total and adjusted total compared against objectives in Italy's White Paper on renewables (included in the 1st Article 3(2) Report)

[Bar graph showing (in GWh / year):

- forecast
- total

- adjusted total*

* adjusted on the basis of actual installed capacity in the year in question and average productivity of hydroelectric plants anticipated in 2008.

Figures 9 to 13

[similar to Figure 8, but for the following:

- geothermal (figure 9)
- wind power (figure 10)
- biomass, biogas and waste (figure 11)
- solar / photovoltaic (figure 12)
- total from renewables (figure 13)]

Figure 14 – Growth in total installed <u>capacity</u> in Italy

[Breakdown by % according to source:

(in ascending order) Hydro / Geothermal / Wind / Biomass, biogas and waste / Solar]

Figure 15 – Growth in total <u>production</u> from renewable sources

[Breakdown by % according to source:

(in ascending order) Hydro / Geothermal / Wind / Biomass, biogas and waste / Solar]