

Research RES LEGAL – Support system

Country: Netherlands

1. Overview of support system

Overview of support system	In the Netherlands, electricity from renewable sources is promoted mainly through a premium tariff (bonuses on top of the wholesale price). Furthermore, RES are promoted through tax benefits.
Support schemes	<ul style="list-style-type: none"> • Premium tariff. The Netherlands introduced a premium tariff (bonuses on top of the wholesale price) to promote the generation of electricity from renewable sources. • Tax regulation mechanisms. Generators of electricity from renewable sources that use the electricity they consume (own consumption clause) may be exempt from the tax levied on electricity consumption (Ecotax). Moreover, enterprises are eligible for a tax credit (EIA) for investments in renewable energy systems.
Promoted technologies	In the Netherlands, all technologies are eligible for at least one support scheme. However, each support scheme has a different focus.
Statutory provisions	<ul style="list-style-type: none"> • Electricity Act (Elektriciteitswet 1998 – general law on electricity) • Wet IB 2001 (Wet van 11 mei 2000 tot vaststelling van de Wet inkomstenbelasting 2001 – Income Tax Act) • WBM (Wet Belastingen op Milieugrondslag – Act Introducing the Environmental Tax) • RGO (Regeling garanties van oorsprong voor duurzame elektriciteit – Regulation on Guarantees of Origin for Renewable Electricity) • SDE (Besluit stimulering duurzame energieproductie – Resolution to Stimulate Sustainable Energy Generation) • RAC 2011 (Regeling aanwijzing categorieën duurzame energieproductie 2011 – Regulation on the Categorisation of Sustainable Energy Generation) • Energy List 2011 (Energijijst 2011)

2. Basic information on legal sources

Name of legal source (original language)	Elektriciteitswet 1998	Wet inkomstenbelasting 2001	Wet belastingen op milieugrondslag
Full name			
Name of legal source (English)	Electricity Act	Act on the Income Tax	Act on the Environmental Protection Tax
Abbreviated form	Electricity Act	Wet IB 2001	WBM
Entry into force	02.07.1998	01.01.2001	01.01.1995
Last amended on	01.07.2011	01.01.2011	01.07.2011
Future amendments	01.01.2012 01.01.2013 01.04.2014		
Purpose	Regulating the generation, transmission and sale of electricity.	Regulating the income tax	Introduction of an environmental protection tax, among other things on energy consumption. The act aims to reduce energy consumption and carbon dioxide emissions.
Relevance for Renewable Energy	The act introduces bonuses for the generation of electricity from renewable sources (SDE Programme). Furthermore, it is the legal basis for legislation on the issue of certificates of origin for renewable energy.	The act introduces a tax credit on investments in renewable energy, the EIA (Energy Investment Allowance or Investeringsaftrek).	The act introduces tax exemption for generators of electricity from renewable sources who consume the electricity they generate (own consumption clause).
Link to full text of legal source (original language)	http://wetten.overheid.nl/BWBR0009755/geldigheidsdatum_17-11-2011	http://wetten.overheid.nl/BWBR0011353/geldigheidsdatum_30-06-2011	http://wetten.overheid.nl/BWBR0007168/geldigheidsdatum_19-07-2011#HoofdstukV706845
Link to full text of legal source (English)			

Name of legal source (original language)	Regeling garanties van oorsprong voor duurzame elektriciteit		
Full name			
Name of legal source (English)	Regulation on Guarantees of Origin for Renewable Electricity		
Abbreviated form	RGO		
Entry into force	01.01.2004		
Last amended on	01.07.2011		
Future amendments			
Purpose	This regulation provides rules for the issue of certificates of origin for electricity from renewable sources.		
Relevance for Renewable Energy	The regulation applies to renewable energy only.		
Link to full text of legal source (original language)	http://wetten.overheid.nl/BWBR0016021/geldigheidsdatum_20-07-2011		
Link to full text of legal source (English)	http://ec.europa.eu/energy/res/legislation/doc/electricity/member_states/nl_2003_regulation_2003_12_08_en.pdf The English translation does not provide information on the latest amendment of the Act.		

Name of legal source (original language)	Besluit stimulering duurzame energieproductie	Regeling aanwijzing categorieën duurzame energieproductie 2011	Energie en Bedrijven - Energielijst 2011
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Full name		Regeling van de Minister van Economische Zaken, Landbouw en Innovatie van 25 mei 2011, nr. WJZ/11069057, houdende aanwijzing van categorieën van productie-installaties voor de stimulering van duurzame energieproductie in het jaar 2011 (Regeling aanwijzing categorieën duurzame energieproductie 2011)	
Name of legal source (English)	Resolution to Stimulate Sustainable Energy Generation	Regulation on the Categorisation of Sustainable Energy Generation	Energy List 2011
Abbreviated form	SDE	RAC 2011	
Entry into force	01.04.2008	01.06.2011	01.01.2011
Last amended on	01.07.2011		
Future amendments			at the beginning of every year
Purpose	Stimulating the generation of electricity from renewable sources through a feed-in tariff.	This regulation provides information on the different renewable energy generation technologies and on the calculation of subsidies under the SDE+ scheme.	This list is updated annually and describes eligible investments for the EIA scheme in detail.
Relevance for Renewable Energy			The list also describes eligible investments in the field of renewable energy.
Link to full text of legal source (original language)	http://wetten.overheid.nl/BWBR0009755/geldigheidsdatum_20-07-2011	https://zoek.officielebekendmakingen.nl/stcrt-2011-9424.html	http://regelingen.agentschapnl.nl/sites/default/files/bijlagen/Energie%20en%20Bedrijven%20-%20Energijelijst%202011.pdf
Link to full text of legal source (English)			

3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
Ministerie van Economische Zaken, Landbouw en Innovatie (Ministry of Economic Affairs, Agriculture and Innovation)	http://english.minInv.nl/portal/page?_pageid=116,1640354&_dad=portal&_schema=PORTAL		+31 70 3798911	
Agentschap NL (Dutch Energy Agency)	http://www.agentschapnl.nl/en		+31 88 602 50 00	
Energy Research Centre (ECN)	http://www.ecn.nl/en/		+31 22 4564 949	

4. Support schemes

4.1. Subsidies

Abbreviated form of legal source(s)		
Country-specific support system	.	
Promoted technologies	General information	
	Wind energy	
	Solar energy	
	Geothermal energy	
	Biogas	
	Hydro-electricity	
Biomass		
Amount		
Beneficiaries	Obligated party. Entitled party.	
Procedure	Procedure	
	Competent authority	
Flexibility Mechanism		
Funding		
	State	
	Consumers	
	System operator	
	Grid operator	
	Distribution mechanism	

4.2. Premium Tariff (*SDE*)

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> • SDE • RAC 2011 • RGO 	
Country-specific support system	<p>The SDE+ scheme grants a bonus payment to the producers of renewable energy to compensate for the difference between the wholesale price of electricity from fossil sources and the price of electricity from renewable sources. The bonus is paid for a period of up to 15 years. This scheme applies to newly constructed installations only.</p> <p>Under the SDE+ scheme, the funds available are no longer distributed in such a way as to provide an individual budget for each technology. Now, there is a single budget for all technologies, i.e. all technologies compete against each other for subsidies. Subsidies are made available in 4 stages; the level of subsidy increases with each stage. Subsidies are allocated on a "first come, first serve" basis: Applicants applying at a later stage run the risk of being rejected due to a lack of funds. In general, the SDE+ scheme gives an advantage to those applying for lower subsidies and at an early stage of the allocation process.</p>	
Promoted technologies	General information	<p>In general, all renewable energy sources are eligible for the scheme. Subsidies are made available in 4 stages. The maximum basic subsidy and the eligible technologies differ at each stage. The basic subsidy is annually calculated by the Ministry of Economic Affairs, Agriculture and Innovation after consultation with the Minister of Finance (Article 11 (1) SDE). In addition, the Ministry sets the annual correction value by which the basic subsidy will be reduced (Article 14 (1) (a) SDE). As far as eligibility is concerned, RAC 2011 describes the eligible technology categories (landfill and sewage gas, hydro energy, biomass, onshore wind). There is also an open ("free") category which comprises technologies that require higher funding (PV, offshore wind, geothermal energy). As confirmed by the Dutch energy agency, all installations shall be completed and put into operation within 4 years after the subsidy was granted, except for PV systems, which shall be completed after 3 years, and offshore wind systems located in national waters, which shall be completed within 5 years.</p>
	Wind energy	<p>Eligible.</p> <p>Onshore wind: Eligible within a specific category (§ 3.5 RAC 2011). Installations < 6 MW: Subsidies may be awarded for a maximum of 1760 full load hours/year (Article 28 (a) in conjunction with Article 26 (1) (a) RAC 2011). Installations ≥ 6 MW: Funding is provided for a maximum of 2400 full load hours/year (Article 28 (b) in conjunction with Article 26 (1) (b) RAC 2011).</p> <p>Offshore wind (in national waters and in the sea): Eligible within the open category (offshore wind ≥ 3 MW in national waters § 3.6.1.1. RAC 2011; offshore wind in the sea § 3.6.1.2 RAC 2011). For offshore wind plants in national waters, funding is provided for a maximum of 2000 full load hours/year (Article 33 in</p>

		conjunction with Article 31 (1) RAC 2011). For offshore wind plants in the sea, the maximum number of subsidised full load hours is 3180 per year (Article 37 in conjunction with Article 35 (1) RAC 2011).
	Solar energy	Eligible. Eligible within the open category (§ 3.6.1.3 RAC 2011). Only PV systems with a capacity ≥ 15 kWp are eligible. Funding is provided for a maximum of 1000 full load hours/year (Article 42 in conjunction with Article 40 (1) RAC 2011).
	Geothermal energy	Eligible. Eligible within the open category (§ 3.6.1.6 RAC 2011). Installations are eligible only if the drilling depth is at least 500 metres (Article 52 (1) RAC 2011). Funding is provided for a maximum of 6500 full load hours/year (Article 54 in conjunction with Article 52 (1) RAC 2011).
	Biogas	Eligible. Biogas: Eligible within a specific category (§ 3.4 RAC 2011). Systems are eligible if they use combustion of biogas from the co-fermentation of animal waste (Article 21 (1) (a) RAC 2011) or combustion of biogas from the fermentation of other substances (Article 21 (1) (b) RAC 2011). Funding is provided for a maximum of 8000 full load hours/year (Article 23 in conjunction with Article 21 (1) RAC 2011). Landfill and sewage gas: Eligible within a specific category (§ 3.2. RAC 2011). Electricity is eligible if generated from landfill and sewage gas (Article 10 (1) RAC 2011). Funding is provided for a maximum of 8000 full load hours/year (Article 13 in conjunction with Article 10 (1) RAC 2011).
	Hydro-electricity	Eligible. Eligible within a specific category (§ 3.3. RAC 2011). In order to be eligible, plants shall have a drop height of at least 50 cm (Article 16 (1) (a) RAC 2011). Plants whose drop height is 50 cm to 5 m are eligible for subsidies for 3800 full load hours/year (Article 18 (a) in conjunction with Article 16 (1) (a) RAC 2011). Plants with a drop height of ≥ 5 m are eligible for subsidies for up to 4800 full load hours/year (Article 18 (b) in conjunction with Article 16 (1) (b) RAC 2011).
	Biomass	Eligible. Systems ≤ 10 MW: Eligible within the open category (§ 3.4 RAC 2011). Eligibility applies to systems that generate electricity from thermal conversion of solid or liquid biomass and have a capacity of ≤ 10 MW (Article 44 (1) RAC 2011). Funding is provided for a maximum of 8000 full load hours/year (Article 46 in conjunction with Article 44 (1) RAC 2011). Systems > 10 MW: Eligible within a specific category (§ 3.4 RAC 2011). Eligibility applies to systems that generate electricity from thermal conversion of liquid biomass and have a capacity of > 10 MW (Article 21 (1) RAC 2011). Funding is provided for a maximum of 8000 full load hours/year (Article 23 in conjunction with Article 21 (1) RAC 2011).

Amount	General information	The amount of subsidy is different for each renewable energy generation technology. The maximum basic subsidy and the level of funding awarded in each of the 4 stages differ according to the technology and the system size. According to information provided by the Dutch energy agency, Agentschap NL, the support levels for 2011 are as follows:
	Wind energy	Onshore: Stage 1: €ct 11.3 per kWh, Stages 2-4: €ct 12 per kWh Offshore: Stage 1: €ct 11.3 per kWh, stage 2: €ct 13.8 per kWh, stage 3: €ct 16.3 per kWh, stage 4: €ct 18.8 per kWh
	Solar energy	Stage 1: €ct 9 per kWh, stage 2: €ct 11 per kWh, stage 3: €ct 13 per kWh, stage 4: €ct 15 per kWh
	Geothermal energy	Stage 1: €ct 9 per kWh, stage 2: €ct 11 per kWh, stage 3: €ct 13 per kWh, stage 4: €ct 15 per kWh
	Biogas	Biogas: (Co)fermentation of animal waste: Stage 1: €ct 9-14 per kWh, stage 2: €ct 11-17.1 per kWh, stage 3: €ct 13-20.2 per kWh, stage 4: €ct 15-20.5 per kWh Fermentation of other substances: Stage 1: €ct 9-14 per kWh, stage 2: €ct 11-14.9 per kWh, stages 3 and 4: €ct 12.9-14.9 per kWh Landfill and sewage gas: Stages 1-4: €ct 6 per kWh
	Hydro-electricity	Drop height from 50 cm to 5 m: Stage 1: €ct 9 per kWh, stage 2: €ct 11 per kWh, stages 3 and 4: €ct 12.2 per kWh Drop height ≥ 5 m: Stages 1-4: €ct 7.1 per kWh
	Biomass	Systems ≤ 10 MW: Stage 1: €ct 9-14 per kWh, stage 2: €ct 11-17.1 per kWh, stage 3: €ct 13-19.4 per kWh, stage 4: €ct 15-19.4 per kWh Systems > 10 MW: Stage 1: €ct 9-15.4 per kWh, stage 2: €ct 11-15.4 per kWh, stages 3 and 4: €ct 11.5-15.4 per kWh
Degression	General information	The basic subsidy is annually calculated by the Ministry of Economic Affairs, Agriculture and Innovation after consultation with the Minister of Finance (Article 11 (1) SDE). In addition, the Ministry sets the annual correction value by which the basic subsidy will be reduced (Article 14 (1) (a) SDE). The correction values for 2011 were set out in RAC 2011 (§ 3.7 RAC 2011).
	Wind energy	Onshore: Plants < 6 MW: €ct 4.7 per kWh (Article 72 (1) (a) RAC 2011) Plants ≥ 6 MW :€ct 4.8 per kWh (Article 72 (2) (a) RAC 2011)

		Offshore: National waters: €ct 4.8 per kWh (Article 73 (a) RAC 2011) Sea: €ct 4.9037 per kWh (Article 74 (a) RAC 2011)
	Solar energy	PV ≥ 15 kWp: €ct 4.6 per kWh (Article 75 (a) RAC 2011)
	Geothermal energy	€ct 4.2 per kWh (Article 78 (a) RAC 2011)
	Biogas	Biogas: Fermentation of animal waste: €ct 4.2 per kWh (Article 71 (1) (a) RAC 2011) Fermentation of other substances: €ct 4.2 per kWh (Article 71 (2) (a) RAC 2011) Landfill and sewage gas: €ct 4.2 per kWh (Article 69 (a) RAC 2011)
	Hydro-electricity	Drop height from 50 cm to 5 m: €ct 4.2 per kWh (Article 70 (1) (a) RAC 2011) Drop height > 5 m: €ct 4.2 per kWh (Article 70 (2) (a) RAC 2011)
	Biomass	Systems ≤ 10 MW: €ct 4.2 per kWh (Article 76 (a) RAC 2011) Systems > 10 MW: €ct 4.2 per kWh (Article 71 (3) (a) RAC 2011)
Cap	The scheme's budget was capped at € 750 m for the period from 1 July 2011 to 30 December 2011 (Article 2 (1) RAC 2011). If the available funds had been exhausted prior to 30 December 2011, the 2011 scheme would have closed early.	
Eligibility period	Subsidies are paid for a period of 15 years starting at the date of commissioning of the system in question (Article 7 SDE in conjunction with Article 17 (1), 27 (1), 32 (1), 36 (1), 41 (1), 53 (1) RAC 2011). Subsidies for the generation of biomass and biogas, however, are paid for a period of up to 12 years (Article 7 SDE in conjunction with Articles 12 (1), 22 (1), 45 (1) RAC 2011).	
Beneficiaries	Entitled party. Every generator is eligible for subsidies, e.g. private individuals, companies and institutions that generate electricity from renewable sources (Art. 8 par. 1 SDE). Obligated party. The Dutch energy agency, Agentschap NL, is obligated to provide subsidies.	
Procedure	Procedure	In order to receive a subsidy under the SDE+, a generator must apply (online) to the Dutch energy agency, Agentschap NL, between 1 July 2011 and 30 December 2011 (Article 2 (1) RAC 2011). There are different stages (see below) for the specific categories and the open category. Applicants may submit only one application per stage, per category and per address on which the system is planned to be installed (Article 2 (3) RAC 2011). According to information from the Dutch energy agency, applications are processed in order of receipt. The energy agency will decide on an application, i.e. on the award of a subsidy, within three months. Subsidies under the SDE+ scheme are awarded only under the condition that the applicant presents certificates of origin to the Dutch energy agency to prove that the electricity offered was generated from renewable sources (Article 1 (1) (x) Energy Act; Article 5 RGO). The following stages were set for the specific categories: Stage 1: 1 July 2011 – 30 December 2011 (17:00) Stage 2: 31 August 2011 – 30 December 2011 (17:00)

		<p>Stage 3: 31 October 2011 – 30 December 2011 (17:00) Stage 4: 30 November 2011 – 30 December 2011 (17:00)</p> <p>The following stages were set for applications under the open category:</p> <p>Stage 1: 1 July 2011 – 31 August 2011 (17:00) Stage 2: 31 August 2011 (17:00) – 31 October 2011 (17:00) Stage 3: 31 October 2011 (17:00) – 30 November 2011 (17:00) Stage 4: 30 November 2011 (17:00) – 30 December 2011 (17:00)</p>
	Competent authority	<p>The Dutch energy agency (Agentschap NL) Certificates of origin are issued, in line with the regulations specified in the RGO, and examined by CertiQ, an independent body for the issue of certificates of origin in the Netherlands.</p>
Flexibility Mechanism		
Funding	State	The Dutch state bears the costs. The Ministry of Economic Affairs, Agriculture and Innovation has provided funds of € 750 m for the SDE+ scheme (Article 2 (1) RAC 2011).
	Consumers	
	Grid operator	
	System operator	
	Distribution mechanism	

4.4. Tax regulation mechanism I (Reduction of environmental protection tax)

Abbreviated form of legal source(s)	WBM	
Country-specific support system	In the Netherlands, the consumption of electricity and natural gas is subject to an environmental protection tax (Article 48 (1) in conjunction with Article 50 (1) WBM). A given consumer is exempt from this tax if the electricity consumed is electricity from renewable sources and was generated by the consumer himself (own consumption clause) (Article 64 (1) in conjunction with Article 50 (4), (5) WBM).	
Promoted technologies	General information	The exemption from tax on electricity generated for a consumer's own use generally applies to all renewable energy generation technologies.
	Wind energy	Eligible (Article 47 (i) WBM).
	Solar energy	Eligible (Article 47 (i) WBM).
	Geothermal energy	Eligible (Article 47 (i) WBM).
	Biogas	Eligible (Article 47 (i) WBM).
	Hydro-electricity	Eligible (Article 47 (i) WBM). In addition to traditional hydro power plants, plants generating electricity from waves and tidal flows are also eligible for tax exemption.
	Biomass	Only electricity generated from pure biomass is eligible (Article 47 (i) in conjunction with Article 50 (5) (a) WBM).
Amount	<p>There are several tax bands depending on the level of consumption. The amount of tax payable per 12-month period is as follows:</p> <ul style="list-style-type: none"> • Consumption of less than 10 000 kWh: €ct 0.1121 per kWh (Article 59 (1) (c) WBM); • Consumption between 10 000 kWh and 50 000 kWh: €ct 0.0408 per kWh (Article 59 (1) (c) WBM); • Consumption between 50 000 kWh and 10 000 000 kWh: €ct 0.0109 per kWh (Article 59 (1) (c) WBM); • Consumption of more than 10 000 000 kWh: € 0.0010 per kWh (for private use) and € 0.0005 per kWh (for commercial use) (Article 59 (1) (c) WBM); <p>Electricity from renewable sources is exempt from this tax if it was generated by the consumer himself (Article 64 (1) in conjunction with Article 50 (4), (5) WBM).</p>	
Beneficiaries	Entitled party. The parties entitled to the tax credit are those generators of electricity from renewable sources that consume the electricity they generate (Article 64 (1) in conjunction with Article 50 (4), (5) WBM).	
Procedure	Procedure	The claim for tax exemption has to be issued against the tax office together with the tax return.
	Competent authority	
Flexibility Mechanism		
Funding	State	The tax reduction is financed from the federal budget of the Netherlands.
	Consumers	

	Grid operator	
	System operator	
	Distribution mechanism	

Tax regulation mechanism II (EIA)

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> • Wet IB 2001 • Energy List 2011 	
Country-specific support system	<p>This tax benefit enables entrepreneurs based in the Netherlands to write off investments in renewable energy systems against tax (Article 3.42 Wet IB 2001). The eligibility criteria are extensively described in the Energy List. The level of funding depends, among other things, on the source of energy and the type of system used. Investments of less than 450 Euros are ineligible (Article 3.45 Wet IB 2001). Furthermore, a total of at least 2,200 Euros must be invested in eligible projects within one year (Article 3.42 Wet IB 2001).</p>	
Promoted technologies	General information	All technologies are eligible, except for geothermal energy and electricity from biogas. The Energy List sets out which investments are actually eligible. Published by the Dutch energy agency (Agentschap NL), the Energy List provides an overview of eligible investments in renewable energy.
	Wind energy	Both onshore and offshore wind energy is eligible (Energy List 2011 no. 251103).
	Solar energy	Eligible (Energy List 2011 no. 251102).
	Geothermal energy	Eligible (Energy List 2011 no. 250102).
	Biogas	
	Hydro-electricity	Eligible (Energy List 2011 no. 251108).
	Biomass	Eligible (Energy List 2011 no. 251106; 251107).
Amount	<p>The amount of tax credit may be up to 41.5% of the total investments made in renewable energy or energy-efficiency technologies within one year (Art. 3.42 (3) Wet IB 2001). The eligible technologies are published in the Energy List, which is updated on an annual basis. The maximum project costs per company are € 116 m per calendar year (Article 2.42 (6) Wet IB 2011). Investments of less than 450 Euros are not eligible for the tax credit (Article 3.45 (1) (a) Wet IB 2001). The total sum of investments in eligible projects shall reach 2,200 Euros within one year (Article 3.42 (3) Wet IB 2001). The Minister of Finance may reduce the amount of tax credit or reject applications if the expenses threaten to exceed the budget provided. His decisions are published and do not affect tax credits already granted.</p>	
Beneficiaries	<p>Entitled party. The entitled parties are enterprises that invest in renewable energy systems, in energy-saving projects or in technologies improving energy efficiency (Article 3.42 in conjunction with Article 3.43 Wet IB 2001). Private individuals are not entitled to tax benefits.</p>	

Procedure	Procedure	As confirmed by the Dutch energy agency, tax credits are awarded according to the following procedure: 1. Application to IRWA. Companies have to apply for a tax reduction to the IRWA. 2. Evaluation and award. The IRWA forwards the application to the Dutch energy agency. Having evaluated an application and – if necessary – made inquiries to the applicant, the energy agency approves the application and sends it back to the IRWA. 3. Final decision. The tax authority has the last say, i.e. it may decide to authorise the tax credit awarded by the energy agency in full or only in part.
	Competent authority	Investment Schemes and Arbitrary Depreciation Office (IRWA)/Dutch energy agency (Agentschap NL)
Flexibility Mechanism		
Funding	State	The costs arising from the tax credit scheme are borne by the state, as it receives lower tax revenue.
	Consumers	
	Grid operator	
	System operator	
	Distribution mechanism	