

RECS' Annual Report

2024

RECS
ENERGY CERTIFICATE
ASSOCIATION

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1. Introduction

RECS's work during these critical times

Renewable power capacity is growing at record rates around the world. But is still not keeping up with rising energy demand. Finance continues to be an essential enabler of new projects, especially in lower-income countries where the cost of capital can be twice as expensive as it is in wealthy regions. RECS fully supports the historic UNFCCC COP28 decision to triple renewable energy capacity and double annual energy efficiency improvements by 2030. To meet this high ambition, and accelerate the delivery of new renewable power, we must use every tool at our disposal, including consumer demand.

Purchased energy attribute certificates highlight consumer demand for renewable power. RECS is the industry association that represents the users of such certificates, from producers, through traders and brokers, to consumers.

RECS supports and facilitates consumer choice for renewable energy through efficient and effective markets that provide the investment signals and revenues for further renewable developments. Our goal is to support the switch to renewables, away from fossil fuels once and for all.

RECS supports and facilitates consumer choice for renewable energy through efficient and effective markets

Consumers consumers are willing to pay for their energy of choice, and that raising demand is crucial to ensure both a clear investment signal and revenue stream for renewable energy producers and investors.

EACs and encouraging consumers to choose renewables

EAC prices are usually set through pure supply and demand market dynamics. Demand for renewables continues to grow in major markets, such as the European Guarantees of Origin (GOs) market. However, supply continues to outstrip demand, creating a surplus that can result in low prices for EACs.

However, there are clear examples of trading of more valuable EACs, reflecting consumer price elasticity – a willingness to pay for the energy of choice. The UK, where REGO (Renewable Energy Guarantees of Origin) supply and demand is in closer balance since the ban on importing EU GOs, has seen healthy and stable prices in recent years. In the US, where parts of the market are influenced by regulatory compliance mechanism backed by fines see some of the highest EAC prices globally. Other markets, where demand far out-strips supply, also see high-value EAC trading.

All of this shows that consumers are willing to pay for their energy of choice, and that raising demand is crucial to ensure both a clear investment signal and revenue stream for renewable energy producers and investors. RECS' primary policy demand is aimed at this goal: we believe that Full Consumption Disclosure (FCD) – the requirement that all consumers cancel an energy attribute certificate for every unit of energy they consume – will help to accelerate the switch to renewable energy. FCD will require all consumers to make an active choice about the energy they are consuming, which, given the well reported public support for renewables in many markets, should help to accelerate demand.

Our growth in 2024

2024 was another strong year for the RECS Energy Certificate Association, as we welcomed new members and grew the overall membership to over 125 in total. We also delivered the biggest REC Market Meeting ever, made possible by moving to a much larger venue in 2024, where we welcomed over seven hundred (700) delegates.

Through our members working groups we developed RECS' advocacy on the development of EAC markets, our thoughts on the modernisation of EAC systems, and our position on key innovations such as granular certificates. Policy papers on these three important points were all published in 2024, and they will continue to form the key basis of our advocacy going forwards. We also continued to engage in the development of international standards related to EACs. We contributed to the development of an ISO standard for book and claim mechanisms and pushed for the finalisation of a European standard for GOs. RECS is also engaging its stakeholders in the review and revision of the Greenhouse Gas Protocol.

RECS' regulatory work also follows important legislative processes in different jurisdictions. Chief among these for 2024 was our preparation of advocacy for the next iteration of the EU's renewable energy directive where we prioritise the adoption of full consumption disclosure. This major advocacy project followed the establishment of a new European Parliament and Commission after the summer elections and will continue into 2025 and beyond.

Looking forward to 2025

As with the renewable energy directive project, many of the processes listed above will continue, potentially through 2025 and beyond. We expect crucial steps in 2025 with the finalisation of ISO and European standards on EACs. The EU will also move to agree political climate and energy targets, which will set the framework for implementing legislation, including the renewable energy directive which governs European GOs.

Full details of the information shared in this annual report is available at www.recs.org.



Adam White, RECS Secretary-General

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2. The RECS Association

Our mission is clear: we strive to combat climate change by cutting emissions in line with science-based targets. We work to cut emissions by accelerating the energy transition to 100% renewables. We accelerate this transition by facilitating the choice to buy renewables. To inform that choice, we support and promote total energy transparency in the form of full consumption disclosure. We seek to ensure total energy transparency through efficient and reliable Energy Attribute Certificate (EAC) systems and markets.

Regarding EAC systems, in 2024 RECS collaborated with stakeholders from several environmental markets and schemes to strengthen the links between EACs, energy related products and GHG reporting. Beyond our growing association membership, key RECS stakeholders and partners include the Association of Issuing Bodies, the I-TRACK Standard Foundation, the Centre for Resource Solutions, the Environmental Markets Association, RE100 & CDP, and the European Renewable Gas Registry (ERGaR).

In addition to this public facing work, RECS has also made significant changes behind the scenes. RECS is particularly happy to have added to our secretariat team with Merve Gungor joining RECS in March 2024. Merve has already contributed greatly in her role as RECS' Policy and Network Manager. Also, Board Member, Ollie Crouch, left the Board, with Jared Braslawsky of the International Tracking Standard Foundation (I-TRACK Foundation) joining in his place.



Become a RECS member and enjoy the benefits of full access to the RECS website and publications: www.rec.org/become-a-member/

2a. Financial Overview

In 2024 RECS started a process of modernising its financial management and reporting. The association has implemented and is managing new financial systems. Therefore, the financial disclosure in our annual report is more detailed than in previous years and cannot be compared to previous years.

Balance sheet - Active	31.12.24 (€)	31.12.23(€)
Assets	16,518	-
Short-term receivables (inc. RMM costs from previous yr)	254,452	216,077
Cash (current and savings accounts)	849,865	552,101
Total balance	1,120,835	768,178

Balance sheet - Passive	31.12.24 (€)	31.12.23 (€)
Equity	666,405	447,927
Short-term liabilities (inc. RMM income from previous yr)	454,430	320,251
Total balance	1,120,835	768,178

Profit and loss statement (basic activities)	2024 (€)	2023 (€)
Basic revenue (membership fees)	431,284	351,017
Basic costs (including Secretariat events work)	-586,648	-407,647
Basic activities P&L	-155,364	-56,630

Profit and loss statement (events)	2024 (€)	2023 (€)
RMM revenue	887,602	654,756
RMM costs (excluding Secretariat events work)	-501,556	-319,225
REGO Day '24 revenue	30,057	-
REGO Day '24 costs (excluding Secretariat events work)	-42,262	-
RECS events P&L	373,841	345,465

RECS year-end profit and loss (result)	218,447	260,888
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Overall, it is clear that the RECS association is maintaining a very healthy financial position. Year-end liquidity for 2023 would have covered the total operating costs for that year, and 2024 year-end liquidity would have covered almost all operating costs for that year. The Association had more revenues than costs in both 2023 and 2024. As RECS is a non-profit organisation, any surplus income is added to liquidity and is available to held as reserves to protect against a fall in income and/or spent on additional activities, such as additional Secretariat resources.

2b. The RECS Board

The RECS Board meets at least five times a year: twice in person and three times online. The Board appoints its own members as individual experts. RECS Board members are not remunerated for the work they do for the Association, and the Secretariat takes this opportunity to thank them for their vital contributions. The RECS Board manages the organisation's overall strategy, management, and funding, including approving and adopting the work programme. The RECS Board also provides the final decision on applications to become a RECS Member organisation and appoints the Secretariat's leadership.



Dania Piccioli-Cappelli
NValue
Switzerland



Louis von Moos
Association ECS
Switzerland



Eva Klesse
KlimaInvest
Germany



Marie-Christine Bluett
IncubEx
Netherlands



Filip Strohwasser
CEZ Group
Czech republic



Saptarshi Pal
Statkraft Markets B.V
United Kingdom



Ivan Debay
Origo
France



Thomas Eccard (Chair)
Arendals Fosskeompani / Veyt AS,
Germany



Jared Braslawsky
I-TRACK Standard Foundation
Netherlands



Tom Lindberg
ECOZH
Norway

2b. The RECS Secretariat

The RECS Secretariat performs the different tasks of the Association and delivers its work programme through various roles and functions (both full time and part time) including Secretary-General, Confidential Conference Organiser, PR & Communications Manager, Policy and Network Manager, Administrative Support Officer, and Bookkeeper.

The RECS Board and Secretariat will add to the RECS team as and when the organisation's finances allow. As of the end of 2024, the Secretariat staff of RECS are Adam White, Merve Güngör, Sandra Langedijk (freelance), Katja van Hek (freelance), Erika Srebnicki (on secondment) and Anita Wichers (on secondment).



Adam White
Secretary-General



Katja van Hek
Administrative Support Officer



Anita Wichers
Bookkeeper



Merve Güngör
Policy and Network Manager



Erika Srebnicki
PR & Comms Manager



Sandra Langedijk
Conference Organiser

3. Events

3a. REC Market Meeting

On 16 & 17 April 2024, RECS hosted the annual REC Market Meeting at a great new venue – the Beurs van Berlage – in central Amsterdam. This new conference site was necessary since the 2023 conference sold out weeks in advance. The 2024 conference was our biggest yet, with over 700 delegates attending from around the world. They heard contributions from over fifty expert speakers, who shared their valuable insights with the audience.

Delegates were also able to meet, connect, and strengthen their networks during several successful side events. RMM'24 was further proof that RECS can deliver ever larger conferences while supporting an elevated level of expertise and timely information. The REC Market Meeting has grown from a small gathering for EAC professionals to become a successful and recognized global platform for policymakers, markets players, NGOs, and academics in the field of renewable energy markets.

The 2025 REC Market Meeting will take place on 8 & 9 April, again in the Beurs van Berlage, with pre-conference sessions on 7 April. In the RMM'25, we will add extra parallel stream to the conference, dedicated to renewable gas markets. We are confident that this new element will bring added interest to the conference and encourage great networking between those working in renewable power and gas markets. Learn more at www.recmarket.eu.



3b. Open Markets Committee (OMC)

In 2024, RECS and the Association of Issuing Bodies (the AIB) were unable to host an Open Markets Committee (OMC) meeting due to logistical complications. However, we know how much our members value this joint event and we will be back with a bigger and better meeting in 2025. This will take place on 21 May at the headquarters of the German Environment Authority (UBA – Umweltbundesamt) in Dessau.

We will make all announcements related to the OMC in the RECS newsletter and on the RECS website, www.recs.org.

3c. Annual General Meeting (AGM)

On 12 December, RECS Members gathered online for the 2024 AGM. We opted for an online rather than an in-person meeting, to make it more accessible to all RECS Members. The Secretariat presented RECS' growing membership, leadership team, organisational structure, policy priorities, work programme, and finances. The AGM covered key issues facing the market and looked forward to the year ahead. This meeting is an important opportunity for RECS members to influence our work and will continue to take place towards the end of each year. We look forward to welcoming even more members to the AGM in 2025.

At our 2022 and 2023 AGMs, we presented RECS' new structure, strategy, and work programme, and how we have implemented and built on these key documents (available to RECS members on request). They provide the structure that flows through RECS' secretariat meetings, board meetings, annual general meetings, and this annual report. Our goal, of course, is to provide the best possible support to RECS members.

In addition to the AGM, at each REC Market Meeting, the RECS Chair and Secretary-General host a keynote session at the end of the conference's first day. During this session, our leadership team reviews the organisation's past year and looks ahead to the year to come. This session will be a regular feature of REC Market Meetings in the future, allowing our leaders to engage with delegates on the mega-trends driving renewables markets, those that are developing rapidly, and those that are on the horizon.

3d. National GO Days

RECS hosted two standout national GO days in 2024. First, we met RECS Members and Stakeholders at an event in Iceland in September, where we were hosted by local member Landsvirkjun. Well over one hundred delegates attended, with many also enjoying a tour of renewable power facilities and networking event at a natural thermal spa! We discussed the market in Iceland and how it interacts with the rest of the European GO market.



We also met in London in December for a REGO market day, where we were hosted by ACT Commodities and SmartestEnergy. There, we discussed the specifics of the UK REGO market, and how it is an example of EAC price elasticity in markets with supply and demand equilibrium. Speakers also noted how the UK's market independence offers opportunities for regulatory innovation.

These events build on the model RECS has for national GO days in other countries, whereby national RECS members host with the support of RECS. This allows us to combine local knowledge with a European, and indeed international, overview. The RECS Secretariat is working on more GO days and is happy to hear from RECS Members interested in collaborating on such events. In 2025, we already expect to host a GO Day in Norway in the second half of the year and are also planning other national events.

4. RECS Members

By the close of 2024, the RECS Member community reached 129 members. We are focused on sustaining this growth trajectory and to further expand and support our membership community throughout the years.

4a. Member services

RECS is committed to addressing climate change by accelerating the transition to fully renewable energy systems. We do this through the development of emerging Energy Attribute Certificate (EAC) markets and the strengthening of existing ones.

The RECS secretariat provides the following services and support to its members:

- Unite members to amplify a powerful sectoral voice in support of EAC markets,
- Champion members' interests on both regional and international stages,
- Advocate for policies endorsed by our members at national and EU levels,
- Host conferences and events (with member discounts),
- Develop standard contracts for EAC trading, with priority access for members,
- Develop position and working papers, with priority access for members,
- Facilitate dynamic, issue-focused working groups tailored for members, and
- Collaborating with supportive organizations to advance our members' goals.

A new working group on disclosure regulations and standards was introduced in 2024 in the hopes to develop a comprehensive paper summarising the current major international reporting regulations and standards with RECS' view on the value of strengthening and harmonizing them.

4b. Member administration

At RECS, we strive to ensure that we offer highly efficient and effective services to our members – ensuring that the membership fees are maximized for the benefit of our members. In 2024, we completely redesigned and overhauled the functionalities of our two main websites:

www.recs.org



www.recmarket.eu



Looking ahead to 2025, we are aiming for further enhancements to elevate the customer experience for both our RECS members, and for the wider RECS stakeholder community.

In September 2024, RECS announced the plan to streamline and simplify the membership structure to set up a transparent and fair plan for both current and future members worldwide as of 2025. The new membership fees are based on the following principles:

- Issue all membership invoices in euros,
- Remove the difference in membership fees based on geographical location,
- Remove the difference in membership fees based on the length of membership, and
- Introduce new criteria for non-paying memberships:
 - *RECS offers free membership to non-profit organisations such as NGOs, universities and academic institutions, public bodies, and other organisations. Such organisations should be primarily reliant on grant, public, or charitable funding rather than commercial activities. Proof of non-profit status and/or financial structure will be required. The RECS Board holds the final decision as to whether an applicant can be awarded nonpaying RECS membership.*

4c. RECS members (continued on the next page)



RECS members (continued)



5. Policy and advocacy

5a. Full disclosure

RECS actively supports the implementation of full consumption disclosure (FCD) in advanced Energy Attribute Certificate (EAC) systems. While the Renewable Energy Directive (RED-3) allows EU Member States to introduce FCD at their discretion, RECS has been at the forefront of advocating for its inclusion in a revised RED-3.

Following the conclusion of the RECS Working Group on the 10-Point Plan for RED IV, we published our position paper highlighting Full Consumption Disclosure (FCD) as a key policy priority. A public version is available for advocacy purposes, and a more detailed version is accessible exclusively to RECS members.

The Future Could Be Bright for Europe's Renewable Energy Markets



The Future Could Be Bright for Europe's Renewable Energy Markets (Members' Only)



In 2024, RECS launched an outreach initiative on FCD, with consultation support from Dirk van Evercooren of 2degNRG and Chair of the I-TRACK Foundation Board. Drawing on his expertise and deep knowledge about energy markets and policy, we enhanced our outreach, ensuring the effective communication of FCD's benefits to decision-makers. As part of these efforts, we have introduced RECS and FCD to several Members of the European Parliament (MEPs), particularly those in the Committee on Industry, Research and Energy (ITRE).

In 2024, RECS also started an academic research project on the scope of and potential for full consumption disclosure in Europe with research institutes based in the UK and France. This study will report in 2025, as part of our ongoing efforts pushing for FCD.

5b. National/regional regulations

At the EU level, RECS has been closely monitoring the progress of the Corporate Sustainability Reporting Directive (CSRD), which began phased implementation in 2024, as well as the Green Claims Directive, which entered interinstitutional negotiations at the end of 2024, and the CEN Standard on GOs (CEN EN 16325).

This CEN Standard ensures that GOs “are issued, transferred and cancelled electronically and are accurate, reliable, and fraud-resistant”. Following extensive work to update the standard and replace the version adopted in 2013, RECS is advocating for the adoption of the standard as soon as possible in 2025. Implementing the standard in full by all European single market countries. Here you can find the RECS' overview of CEN Fpr EN16325 to inform our members before the national voting stage of the standard, originally shared in late 2024.

In response to member interest, we launched a Working Group on Corporate Disclosure Standards and Regulations this year. The resulting white paper will be published ahead of the REC Market Meeting in April 2025.

5c. GHG Protocol and international standards

The review process of the Greenhouse Gas Protocol’s Scope 2 Guidance document continued in 2024, and the interim draft is expected to be published in Q3 2025. Following initially unsuccessful applications, RECS is not currently part of the Technical Working Group (TWG) for this review process. However, we continue to follow developments closely and provide input through our member and stakeholder community.



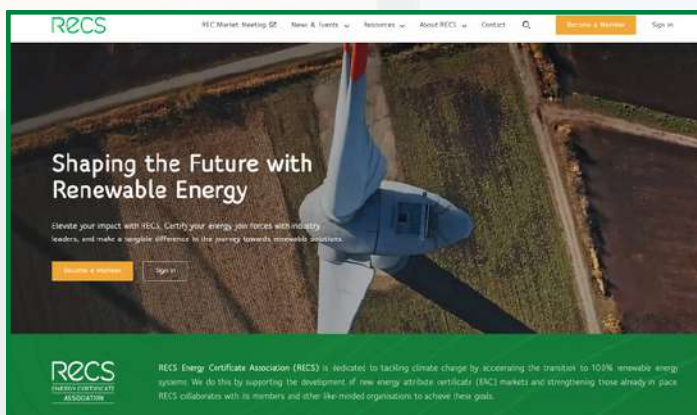
In 2024, RECS has joined the Working Group in charge of drafting the ISO standard for “Net zero aligned organizations” (ISO/WD 14060). We aim to ensure that this standard refers to the proper use of EACs to prove the origin of procured energy. RECS is actively contributing to the development of this standard, which is expected to be published towards the end of 2025.

RECS’ other ongoing work on the ISO standards this year was ISO 13659 on Book and Claim Systems (in conjunction with ISO 13662 on Mass Balance systems) and the mother standard ISO 22095 on Chain of Custody Models. RECS’ contribution to these standards in 2024 included clarification about claims and statements concerning the relation of mass balancing and book and claim systems for tracking. ISO 13659 on Book and Claim should become a draft international standard (DIS) in 2025.

6. PR & Communications

6a. The RECS website

As part of our efforts to update our PR and Communications output, we gave the www.recs.org website a design update in 2023. The aim was to make the website more user-friendly for current RECS members and stakeholders and to make our work more accessible to those engaging with it for the first time. Therefore, while the content remained broadly the same, we tried to present it in a more engaging way. This design overhaul was a pre-cursor to wider updates of RECS’ websites www.recs.org and www.recmarket.eu which we launched in 2024.



Visit recs.org.

6b. RECS reports and publications

In 2023, RECS focused on the development of a suite of new policy documents, on future EAC legislation and regulation, on the technical modernisation of EAC systems, and on the potential for increased granularity in EAC systems and markets. RECS published all these papers in early 2024, along with a new standard contract for biomethane certificates. RECS' publications are only immediately available to RECS members, unless there is a clear reason for more public dissemination of information.



6c. The RECS newsletter

The RECS newsletter, which we send to over four thousand contacts and stakeholders, is our main means of communicating with those interested in our work. It provides news of new members, events, publications, and initiatives. In line with the complete overhaul of the www.recs.org and www.recmarket.eu websites in 2024, we also updated the form and format of the newsletter to make sure that it is as useful and informative as possible.

7. Outreach and relationships

7a. Supporting organisations

RECS members play a crucial role in supporting the organization, both financially through membership fees and by sharing valuable knowledge and insights with the Secretariat. We appreciate their contributions.

In 2024, we continued to work and maintain constructive links with several key organisations, in addition to our membership. These include the Association of Issuing Bodies, the Energy Traders Europe, Eurelectric, the RE-Source platform, EnergyTag, CDP, RE100, ERGaR, World Resources Institute, and the Environmental Market's Association.

RECS also takes part in the 'GO Prime Movers Group' working on the tracking of renewable gases. RECS supported the third workshop of the GO Prime Movers Group on the implementation of the European UDB database. We will continue to take part in these meetings and events in 2025.

Maintaining connections with our existing contacts and establishing new ones allows our secretariat to stay up to date with all the latest developments in energy and energy attribute markets. RECS continues to share its views with these organisations, and we look for opportunities to collaborate to amplify our key messages.

7b. EU institutions

In 2024, RECS maintained existing connections with staff in the European Commission who work on Guarantees of Origin. RECS also made new connections in the European Parliament thanks to our outreach project with Dirk van Evercooren to advocate for full consumption disclosure.

This year, we started a Politico Pro membership to gain easier access to intelligence on European regulatory processes. As part of this, Merve from our Secretariat took part in related events to help expand the RECS network.

In 2025, we will seek to further strengthen our links with the European institutions and national permanent representations based in Brussels.

7c. National governments and agencies

Through local members, we were able to have constructive interactions with European national governments and agencies.

While keeping a European focus, in 2024 we took up opportunities to connect with national governments and agencies outside of the EU, as required to advance our work. This included sessions at the REC Market Meeting on EAC market and systems developments in the Balkans, China, Africa, and North America. RECS also continues to take part in international EAC-related events such as the I-TRACK Standard Conference in Sao Paulo, Brazil and the Renewable Energy Markets Conference in Denver, Colorado.



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