The Changing European Policy Framework and its Implications

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Climate and energy: where do we stand?

The EU climate and energy package

Energy
roadmap 2050
Climate and energy: where do we stand?

Renewable energy saw rapid cost decreases
Technologies are gradually becoming competitive

Impact of the financial crisis
Fall in private investment, tight financing conditions

Review of nuclear policies at national level

Rising demand -> rising prices
By 2030, world economy set to double and energy demand to rise by 1/3
Reduce Greenhouse Gas Emissions levels by 20%  
Reduce energy consumption by 20%  
Increase share of Renewables to 20%

Climate and energy: where do we stand?

- Reduce energy consumption by 20%
- Increase share of Renewables to 20%
- Reduce Greenhouse Gas Emissions levels by 20%

2020 Targets

2020 Projection

- Share in 2011: 12.7%
- Reductions in 2012: -18%
- 2020 Projection

16-20%
2030 climate and energy Framework

- 20% GHG (2020)
- 40% GHG (2030)
- 20% RES (2020)
- ≥27% RES (2030)
- 20% EE (2020)

2014
Transport sector

- No specific target for RES in the transport sector
- No public support for food-based biofuels after 2020
- Focus on:
  - Improving the efficiency of the transport system
  - Further development and deployment of:
    - Electric vehicles,
    - Second and third generation biofuels
    - Other alternative, sustainable fuels
2030 Framework: New Governance System
National plans for competitive, secure and sustainable energy

Commission details guidance on the new governance process and contents of national plans

Member States prepare plans based on an iterative process

Commission assess Member States' plans and commitments

Include objectives on:
- non-ETS GHG emissions
- renewable energy
- energy savings
- energy security
- ....
Main challenges...

Energy costs

- Increasing in any event: renew ageing energy system, rising fossil fuel prices, meeting the climate and energy targets already agreed upon

Additional investments to achieve 2030 framework

- Shift away from fuel expenditure towards investments, additional €38 billion investment/year 2011-2030 compared to the reference scenario

Differences between Member States

- Future discussion will have to be centred on how to ensure an equitable burden sharing affordable for all
...and benefits

Decoupling of Gross Domestic Product growth from Greenhouse Gas Emissions will continue

- **Fuel savings**: additional €18 billion fuel per year next 2 decades
- **Energy security**: additional 11% cut in energy imports in 2030
- **Innovation**: jobs & growth
- **Health and air pollution benefits**: €7-13.5 billion in 2030

**Reductions vs 2005:**
- **ETS**: -43%
- **Non ETS**: -30%
Next steps

At European level

March 2014: Energy and Environment Councils
March 2014: European Council
February 2014: European Parliament
Development/implementation of new governance structure
Emissions Trading System proposal: co-decision procedure
Competitiveness and energy security indicators

And at international level

2014: Ban Ki-moon Climate Summit of World leaders
2015: contributions from Parties; Paris conference adopts international agreement