



# ENERGY UNION AND CLIMATE CHANGE POLICY

A photograph of Jean-Claude Juncker, a European Commissioner, speaking. He is wearing glasses, a dark suit, a white shirt, and a patterned tie. He has his hands raised in a gesture of emphasis. The background is blurred, showing other people in a meeting or conference setting. The entire image has a green color overlay.

*“We need to pool our resources, combine our infrastructures and unite our negotiating power vis-à-vis third countries. We need to diversify our energy sources, and reduce the high energy dependency of several of our Member States.”*

Jean-Claude Juncker, Political Guidelines, 15 July 2014



European  
Commission



## EUROPE ON THE WORLD ENERGY MARKET

Third biggest energy supplier

Biggest energy importer



2012  
billion toe

Source: OECD

**53%** of EU's energy is imported  
at the cost of €400 bn a year



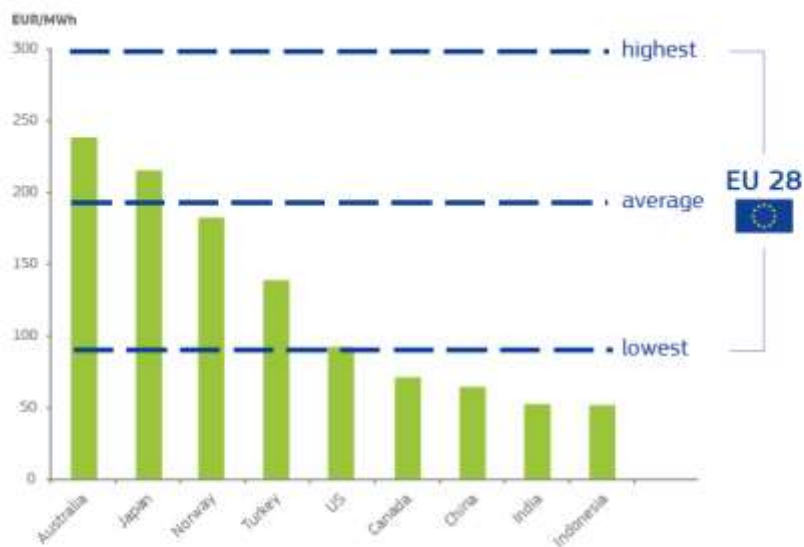
**94%** of transport relies on oil products,  
of which 90% is imported



**75%** of our housing stock is  
energy inefficient

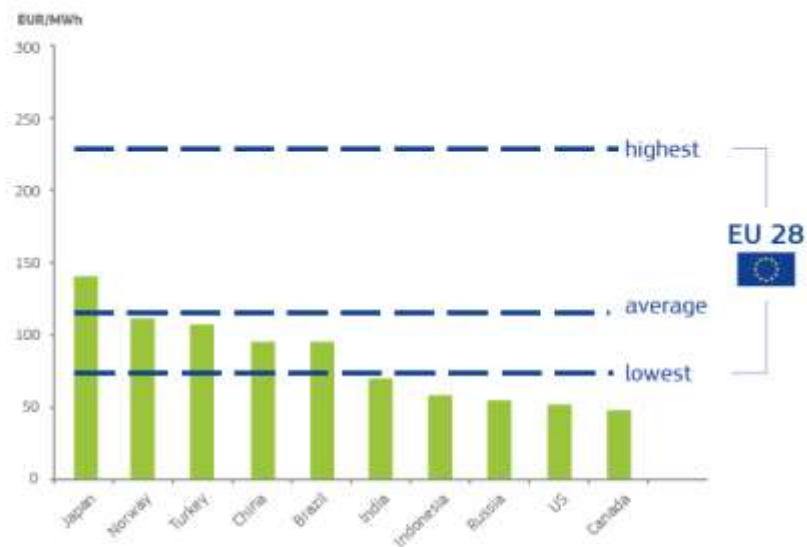
## FRAGMENTED MARKETS AND HIGH ELECTRICITY COSTS

Current prices for electricity - Household Consumers



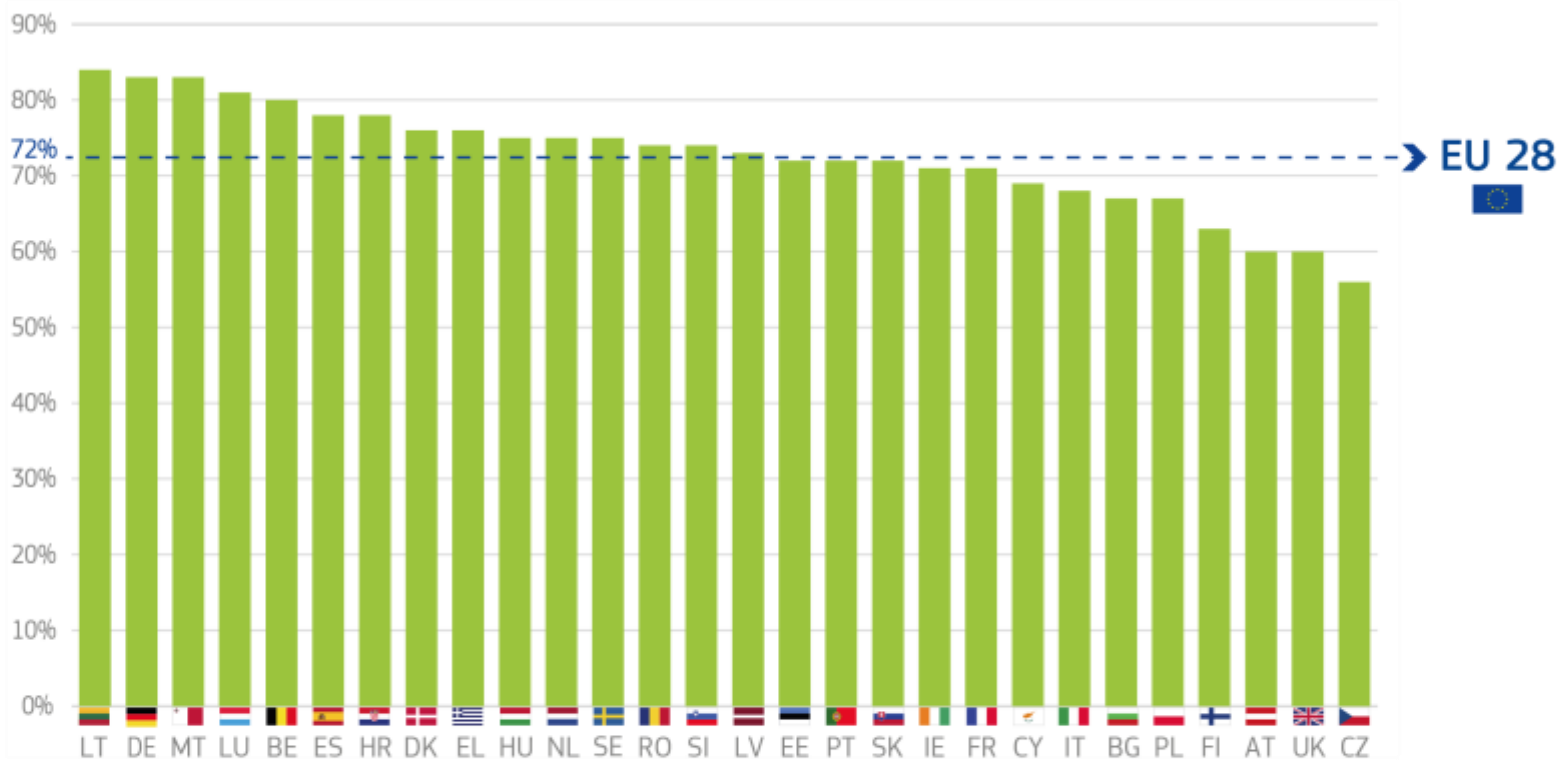
Source: Eurostat

Current prices for electricity - Industrial Consumers



## VERY STRONG SUPPORT FOR A COMMON ENERGY POLICY

72% OF EUROPEANS SAY THEY ARE IN FAVOUR OF A COMMON ENERGY POLICY AMONG EU MEMBER STATES



Source: Eurobarometer, July 2015

*“We have to move away from an economy driven by fossil fuels, an economy where energy is based on a centralised, supply-side approach and which relies on old technologies and outdated business models. We have to empower consumers providing them with information, choice and creating flexibility to manage demand as well as supply. We have to move away from a fragmented system characterised by uncoordinated national policies, market barriers and energy-isolated areas.”*

“Energy Union Framework Strategy”, adopted on 25 February 2015



European  
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## A RESILIENT ENERGY UNION WITH A FORWARD-LOOKING CLIMATE CHANGE POLICY



## DELIVERING ON OUR COMMITMENT

- ➔ **Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy**
- ➔ **Interconnection Communication**, setting out the measures to achieve the target of 10% electricity interconnection by 2020
- ➔ **European emissions Trading System** and commitment to **reduce greenhouse gas emissions by at least 40% by 2030** compared to 1990
- ➔ **Revision of the energy efficiency label**
- ➔ **Strategy to empower energy consumers**
- ➔ **Public Consultation on energy market design**
- ➔ **Eco-design Directive**



## INTERCONNECTING EUROPE

### Iberian Peninsula

SPAIN-FRANCE UNDERGROUND ELECTRICAL INTERCONNECTION ✓

€255 M EU contribution  
€350 M EIB loan

BISCAY BAY ELECTRICITY PROJECT ✓

+€5.1 M for technical studies

3RD PORTUGAL-SPAIN GAS INTERCONNECTION ⌚

+€0.5 M for engineering studies

Poland-Lithuania gas interconnection

€10.6 M for studies  
€295 M for works ⌚

Malta/Sicily electricity interconnector ✓

€20 M EU contribution ✓



## INTERCONNECTING EUROPE - EXPECTED RESULTS

### Iberian Peninsula

- **Greater security and stability in the France and Spain electricity systems**
- Improve the quality of power supply to the towns in the Roussillon and Empordà regions
- Guarantee the electrical power supply for the high-speed train on the Spanish side
- Greater integration of renewable energy into the grid (e.g. wind energy from the Iberian system)

- Double the **interconnection capacity** between Spain and France
- Rebalance the flow of electricity between east and west of the French-Spanish border

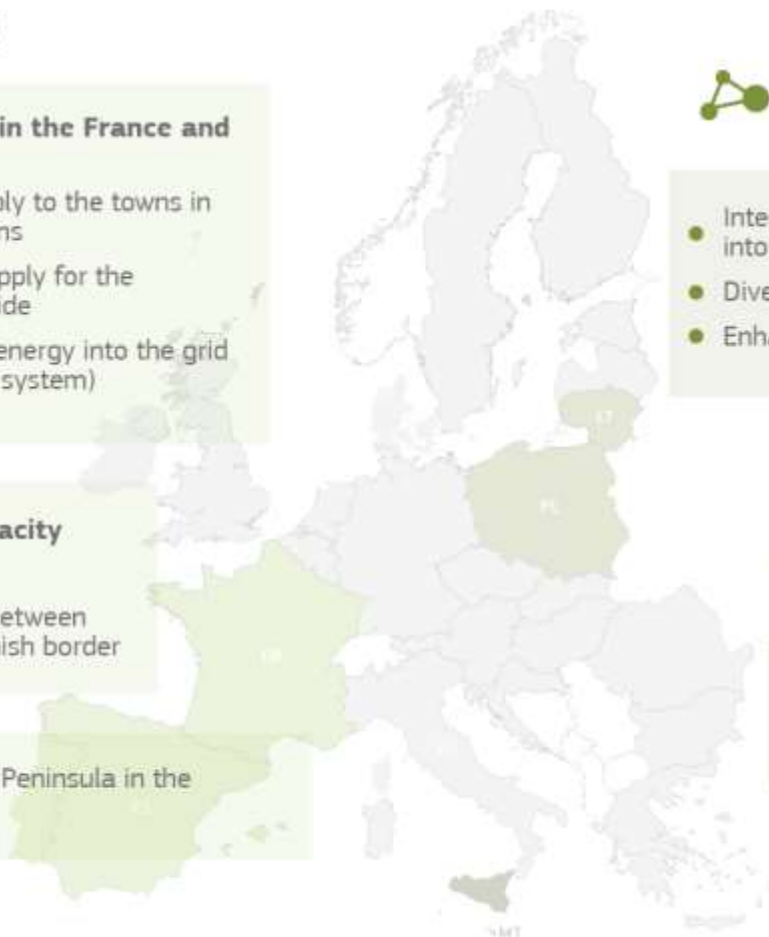
- Market integration for the Iberian Peninsula in the internal gas market

### Poland-Lithuania gas interconnection

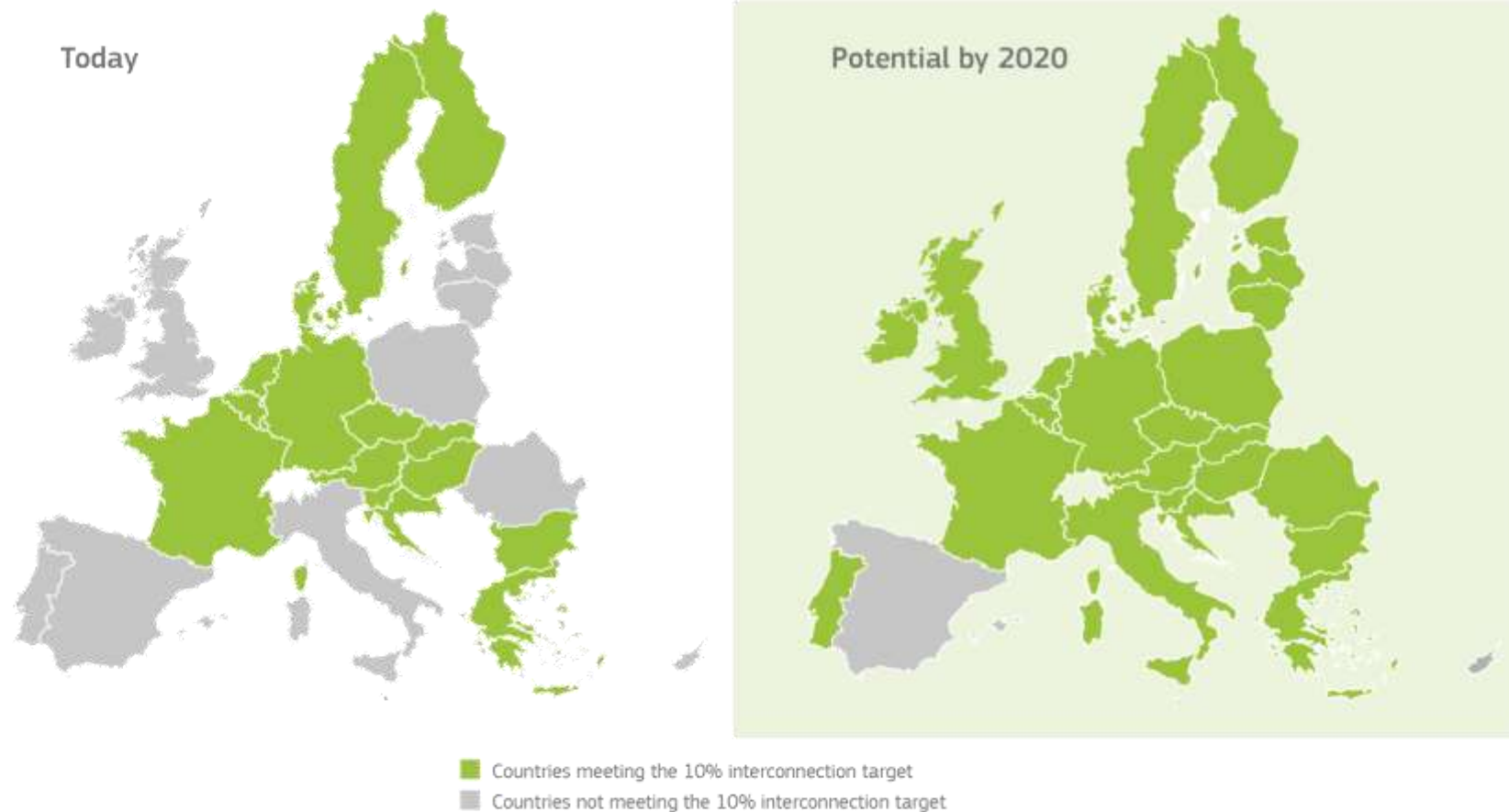
- Integration of the Baltic States gas markets into a **single gas market of the EU**
- Diversification of gas supply sources
- Enhancement of the security of gas supplies

### Malta/Sicily electricity interconnector

- Ending Malta's energy isolation and reaching the 10% electricity interconnection target



## CONNECTING ELECTRICITY MARKETS



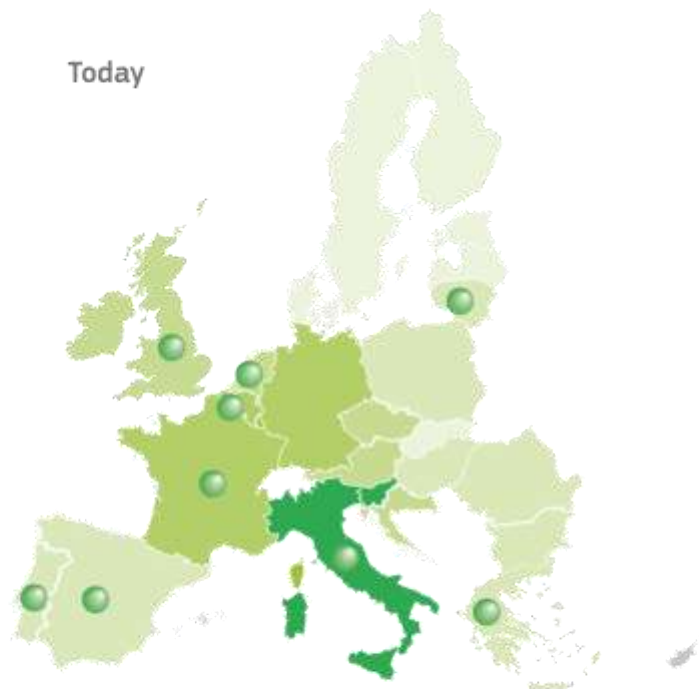


## CONNECTING GAS MARKETS

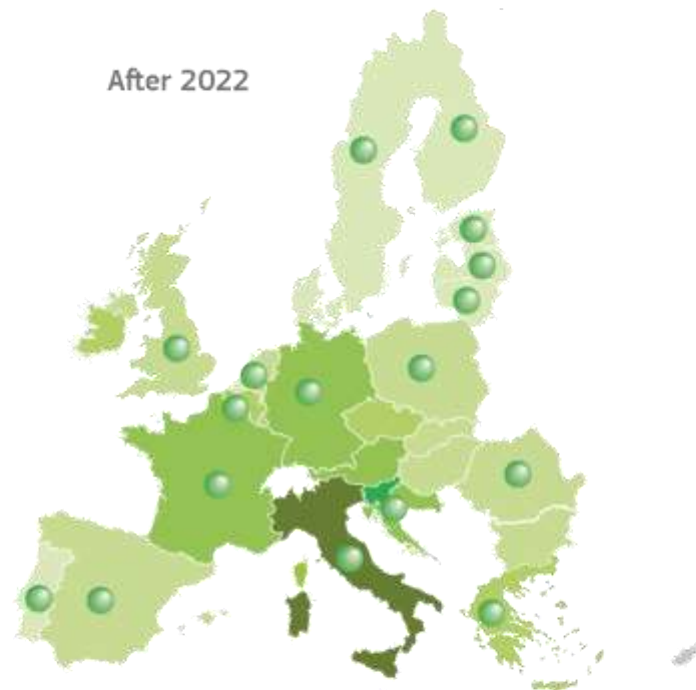
Number of supply sources a country may access through infrastructure  
(at least 5% share)



Today



After 2022



Supply Sources: Azerbaijan (new source), Algeria, Libya, Norway, Russia, EU Production, LNG (treated as one source)

*“We would like to provide Europeans with energy which is **secure, competitive, and sustainable.**”*

Maroš Šefčovič, 21 June 2015

*“Our path to **real energy security** and climate protection begins here at home. That's why I will focus on building our **common energy market**, saving more energy, expanding renewables, and diversifying our energy supply.”*

Miguel Arias Cañete, 25 February 2015



European  
Commission

## CLIMATE CHANGE TURNING A CHALLENGE INTO AN OPPORTUNITY

**60%** more extreme weather  
in the last 30 years



**€192bn / year**  
to be spent to protect the climate



**40%** more Green jobs

**2001**

**3.0M**

**2011**

**4.2M**





## AN AMBITIOUS CLIMATE POLICY BY 2030

CUT GREENHOUSE GAS EMISSIONS BY AT LEAST **40%**



INCREASE THE SHARE OF THE RENEWABLE IN THE ENERGY MIX TO **27%**



IMPROVE ENERGY EFFICIENCY BY AT LEAST **27%**



(Compared to the "Business-as-usual" scenario)

## MAKING IT HAPPEN

- Ensuring that Member States implement and enforce existing legislation
- Passing legislation to increase gas and electricity supply security
- Making sure major connected infrastructure projects are delivered
- Passing legislation to modernise the European energy market and reinforce the regulatory framework at regional and European level
- Ensuring the 2030 climate and energy targets are reached
- Making costs and prices more transparent
- Making buildings more energy-efficient
- Decarbonising the economy
- Leading global efforts in energy and climate innovation



# ENERGY UNION AND CLIMATE CHANGE POLICY

## 2016

- Review of the Directive concerning measures to safeguard security of electricity supply
- Revision of the Regulation on security of gas supply
- Communication on Waste to Energy
- Revision of the Eurovignette Directive and framework to promote European electronic tolling
- Review of market access rules for road transport to improve its energy efficiency
- Review of the Energy Efficiency Directive
- Review of the Directive on Energy Performance of Buildings

## DECEMBER 2015

- Paris Climate Conference (COP21)
- Energy Union winter Package



## 2017

- Review of Regulations setting emission performance standards to establish post-2020 targets for cars and vans
- Review of Directive on the Promotion of Clean and Energy Efficient Road Transport Vehicles
- Communication on decarbonising the transport sector
- Review of the Guidelines on State aid for environmental protection and energy



# THE PROJECT TEAM FOR ENERGY UNION AND CLIMATE CHANGE POLICY

