



European
Commission

Next steps towards the Energy Union

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Source: Directorate-General for Energy

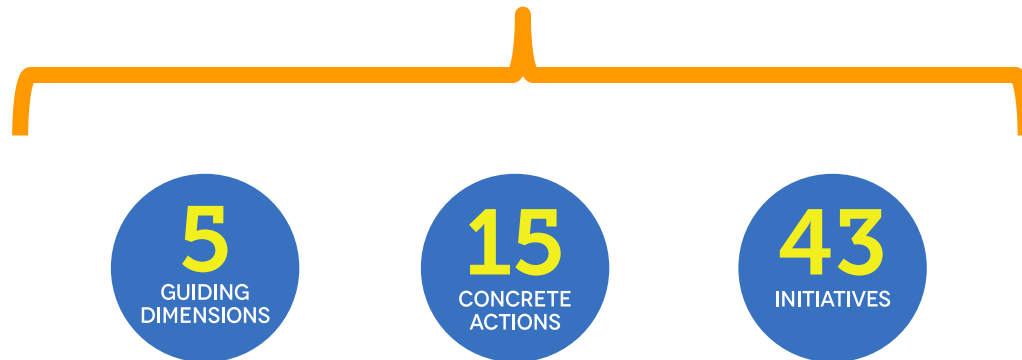


Energy Union: Strategy

« *I want to reform and reorganise Europe's energy policy in a new European Energy Union.* »

Jean Claude Juncker

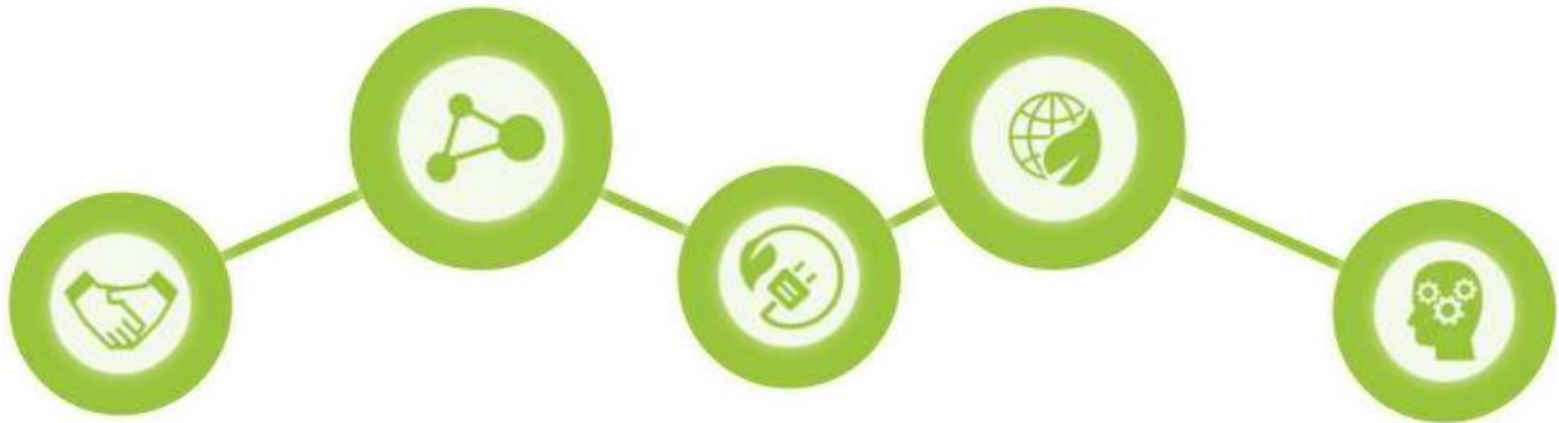
Energy Union Strategy



Energy Union: Five interlinked dimensions

A fully integrated
energy market

Decarbonising
the economy



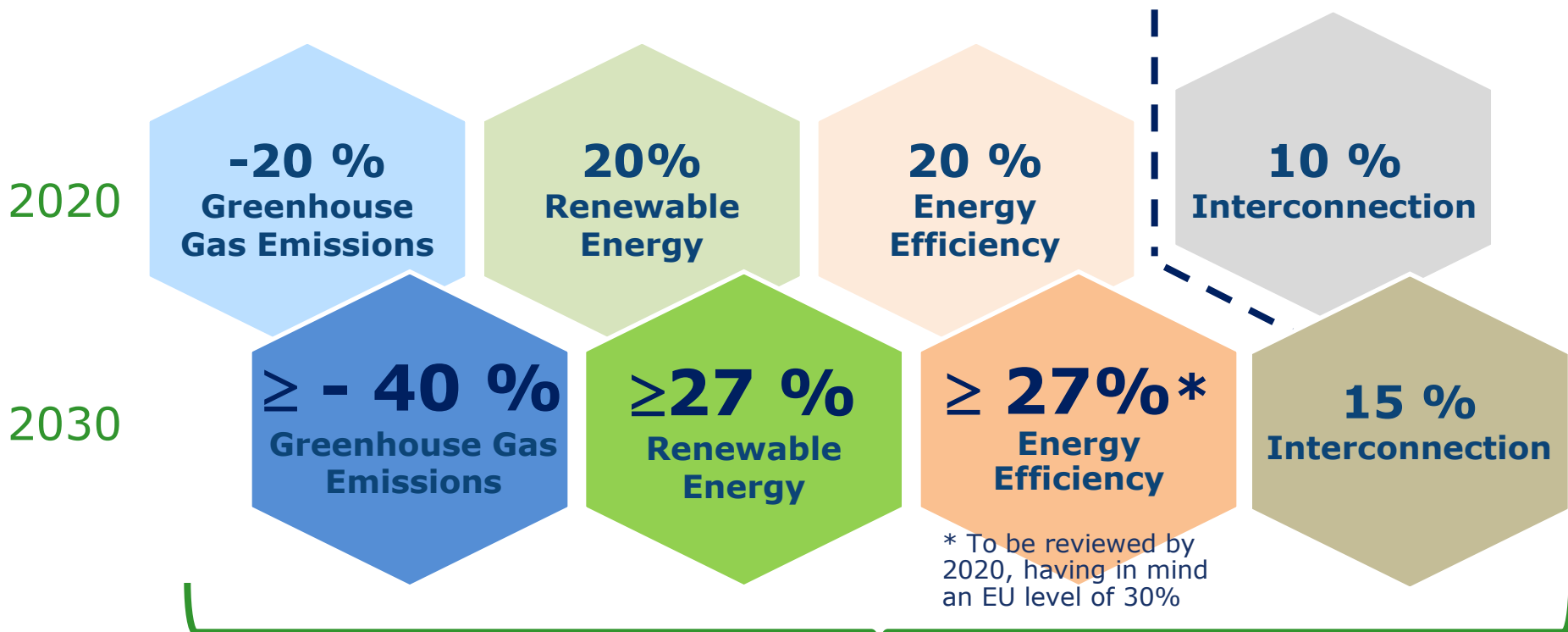
Energy security,
solidarity and trust

Energy
efficiency

Research, Innovation
and Competitiveness

Energy Union: Agreed headline targets

2030 Framework for Climate and Energy



New governance system + indicators

Policy conclusions

- The EU is **on track towards meeting its EU 2020 targets in greenhouse gas emissions** (2014: 23% below 1990 levels; expected to be 24% in 2020)
- ✓ 24 MS expected to meet their 2020 national target in the non-ETS with existing policies and measures. 4 MS (Ireland, Luxembourg, Belgium and Austria) need additional efforts.
- On renewable energy, **the EU is on track to meet the 2020 target.**
- ✓ All but 3 MS (Luxembourg, the Netherlands and the United Kingdom) met their 2013/14 interim target.

Policy conclusions

- Most MS should take additional measures to accelerate their efforts in order to achieve their national **energy efficiency** targets for 2020.
- Consumer empowerment via the roll-out of **smart metering** has been effectively implemented only in some MS (most notably Finland, Italy and Sweden)
- 22 MS are on track to or have already reached the 10% **electricity interconnection** capacity target for 2020, while 8 MS currently remain below (Cyprus, Ireland, Italy, Poland, Portugal, Romania, Spain and the United Kingdom)
- **Prices for households remain regulated** to different degrees in about half of the MS which may constitute an obstacle to demand-side participation and retail competition

Policy conclusions

- The EU is making progress to **diversify** sources, routes and suppliers of energy. However...
- 40% of EU gas imports in 2013 came from Russia and a series of MS are still totally or predominantly **dependent on Russia** (Bulgaria, Czech Republic, Estonia, Finland, Hungary, Latvia, Lithuania and Slovakia)
- 3 MS (Bulgaria, Lithuania and Portugal) have yet to meet the **infrastructure standard** of the Gas SoS Regulation
- There is a need to further connect the Baltic States and Finland to the Central **European gas market**, to improve connections between MS (e.g. Hungary, Romania, Bulgaria and Greece, Portugal and Spain with France)

Steps towards the Energy Union

February 2015 – Energy Union launch

- Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy
- Interconnection Communication
- Communication on a global climate agreement in Paris in December

Steps towards the Energy Union

July 2015 – Summer Package

- Revision of the Emissions Trading System
- Revision of the energy labelling directive
- Communication: A new deal for energy consumers
- Public consultation on energy market design

Steps towards the Energy Union

November 2015 – State of the Energy Union

- Guidance on national energy and climate plans (Annex)
- Key energy and climate indicators
- 28 Country Fact Sheets validated by Member States

Steps towards the Energy Union

February 2016 – Gas Security Package

- Revision of regulation on security of gas supply including the communication on LNG and storage strategy
- Review of the decision on information exchange for Intergovernmental Agreements (IGAs) on energy
- Strategy for heating and cooling as a contribution to the 2030 Framework

Next steps

June/July 2016 – Non-ETS package

- Effort-Sharing Decision 2030
- Integration of LULUCF into 2030 climate framework
- Decarbonisation of transport (Communication)
- Energy prices and costs report 2016

Next steps

September Package

- Review of the Energy Efficiency
- Review of the Buildings Directives
- Smart Financing of Smart Buildings Initiative

Next steps

Winter Package

- 2nd State of Energy Union
- Energy Union governance initiative
- Electricity market design legislative proposal
- Review of the security of electricity supply directive
- Renewables (review of RES directive and Bioenergy sustainability policy)
- Research, innovation and competitiveness initiative
- Waste-to-Energy communication

Developing a governance system of the Energy Union in order to:

- Ensure the implementation of the entire Energy Union Strategy and its objectives
- Bring more transparency and predictability (investor certainty)
- Encourage Member States to adopt long-term energy and climate strategies

National energy and climate plans

- Core of the governance system
- Guidance presented by the Commission in 11/2015
- Modified by the Council in 11/2015
- a draft outline of template on national energy and climate plans was discussed with Member States on 5 April 2016
- a draft template to be presented to MSs at a technical meeting on 1 June 2016

National energy and climate plans

- Cover the period 2021-2030 (+perspective 2050)
- To be finalised by 2019 (EC proposes 2018)
- Progress report every two years
- One update of plan possible

National energy and climate plans - content

- Current situation
- Objectives and targets for the five EnU dimensions
- Policies and measures
- Indicators and projections
- Impact assessment of policies and measures

Way forward on governance

- 2016: **Legislative proposal on streamlining planning and reporting requirements** in the energy and climate field for Member States and the Commission in order to:
 - ✓ Reduce unnecessary administrative burden in line with the better regulation agenda;
 - ✓ Align planning and reporting requirements with the Energy Union Framework Strategy;
 - ✓ Set Governance process in legislation (investor certainty)



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Thank you!

#EnergyUnion

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@energy4europe

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