



EUROPEAN COMMISSION:



Energy and Climate – Global Challenges of the 21st Century

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Directorate General Energy**





LOOKING BACK

- **ECSC, EURATOM** → energy motors of European integration
- **1973 oil crisis** → Member States pursue national energy goals
- **July 2003** → draft Constitutional Treaty proposes energy article
- **July 2005** → G8 summit gives new priority to energy
- **October 2005** → Heads of State & Government call for common energy policy
- **December 2005** → Heads of State & Government call for « integrated approach » to energy

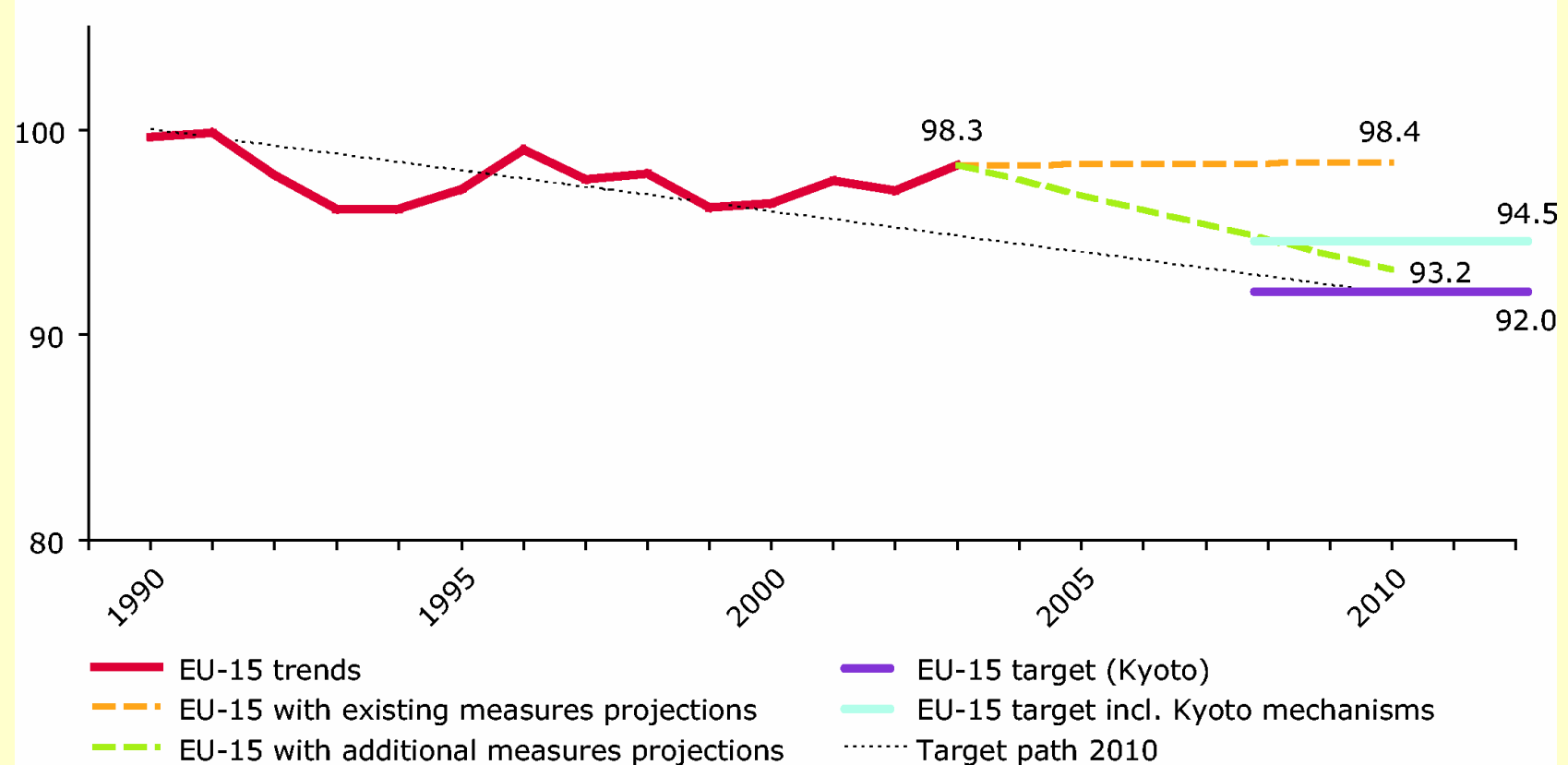




THE EMISSIONS CHALLENGE

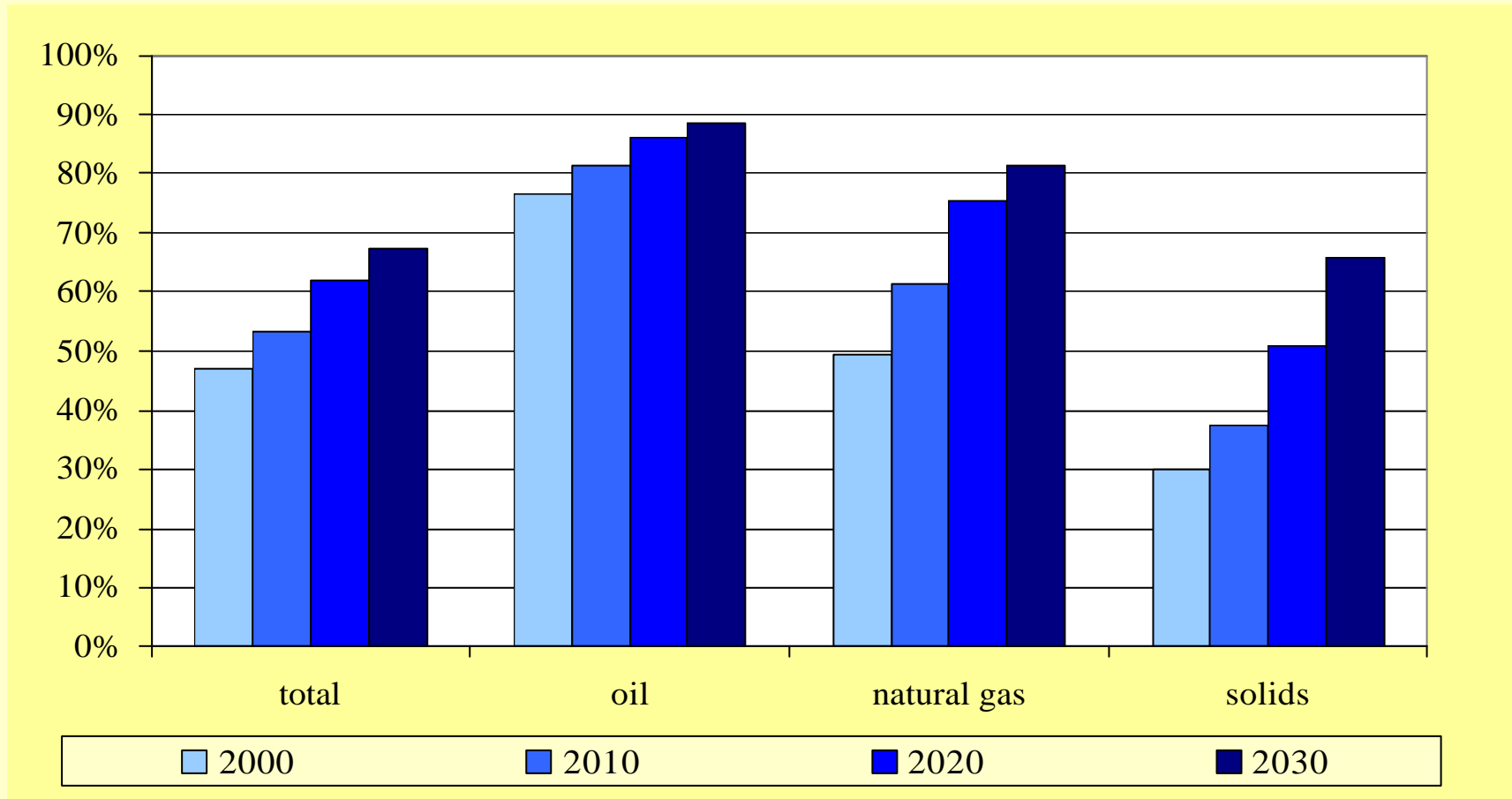
Current position

GHG emissions (base year = 100)





THE SUPPLY CHALLENGE: EU 25 IMPORT DEPENDENCY





WHY A COMMON APPROACH TO ENERGY?

- To equip the EU to play a full role in global markets
- To improve sustainability in the EU & globally
- To improve internal market functioning
- To improve stability in the EU & neighbouring markets
- To reflect the strategic role of energy in achieving other political objectives





COMMON ENERGY POLICY GOALS

**Competitiveness:
Lisbon**



**Environment:
Kyoto**

**Security of
supply**

- **Competitiveness:** internal market, competition, interconnections (TEN-T), European electricity grid, research & innovation (clean coal, carbon sequestration, alternative fuels, energy efficiency, nuclear)
- **Environment:** renewable energy, energy efficiency, nuclear, innovation & research, emission trading
- **Security of Supply:** international dialogue, European stock management (oil/gas), refining capacity and storage of energy, protection against terrorism, energy efficiency





GREEN PAPER: 6 PRIORITY AREAS FOR POSSIBLE COMMON ACTION

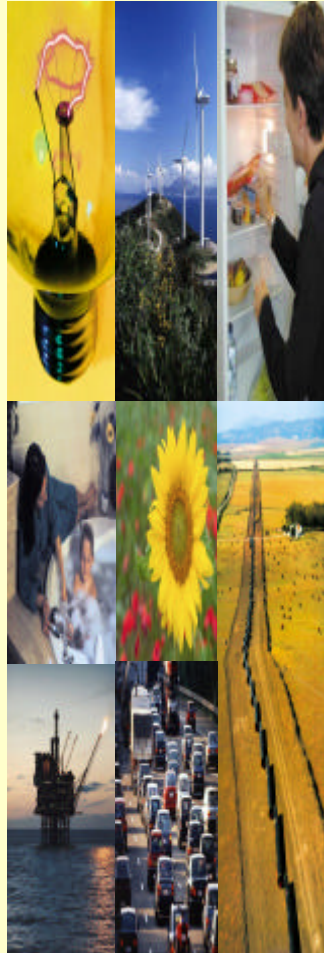


- Internal market ? **towards a fully competitive internal energy market**
- Internal energy supply policy ? **solidarity among Member States**
- Energy mix ? **diverse, efficient & sustainable**
- Environment ? **integrated approach to tackling climate change: energy efficiency, renewable & low carbon energy production**
- Energy technology & innovation ? **strategic approach**
- External relations ? **coherent external energy policy**





Measures envisaged for AN EU INTERNAL ENERGY SUPPLY POLICY



- Full development of internal gas & electricity markets
- Strategic review of the EU energy mix
- European Energy Supply Observatory
- Action plan on Energy Efficiency
- Road Map for renewable energy
- Strategic energy technology plan
- Common regulatory framework and structures for the EU's internal gas & electricity markets





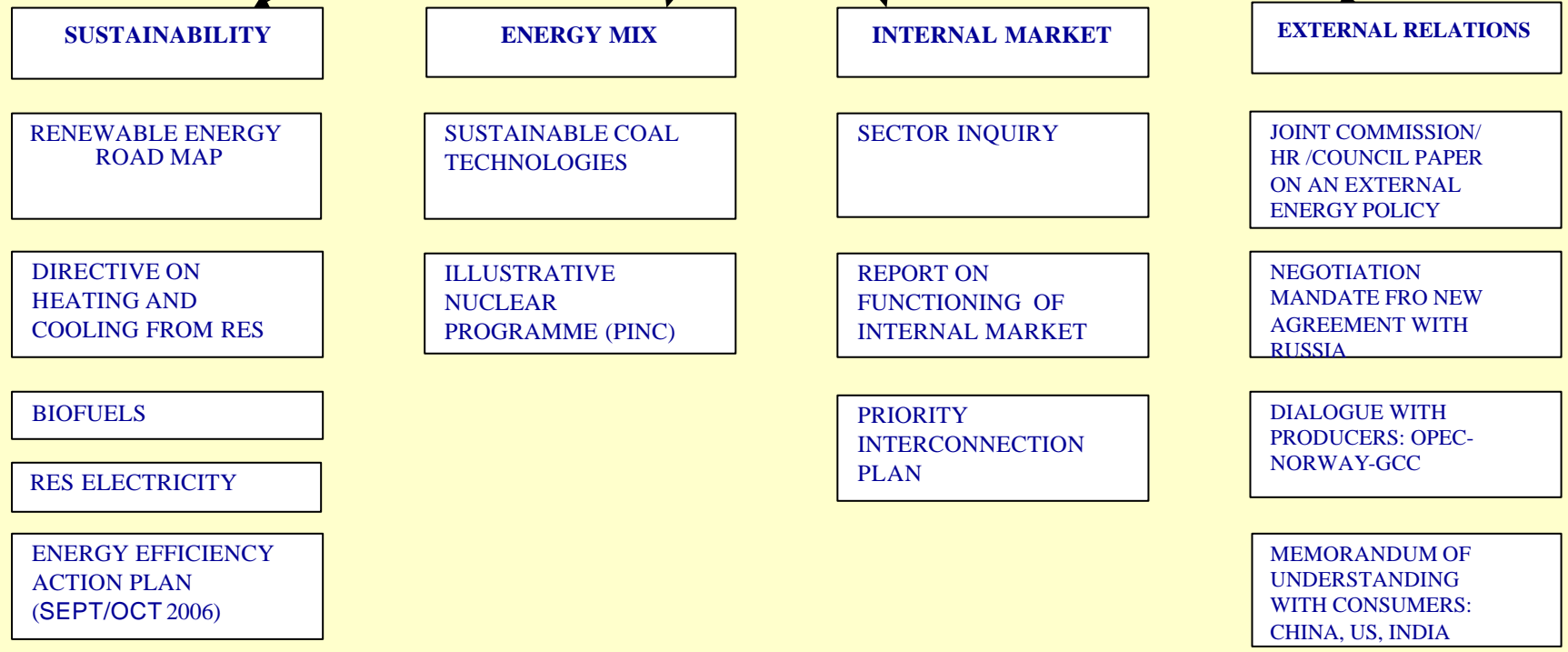
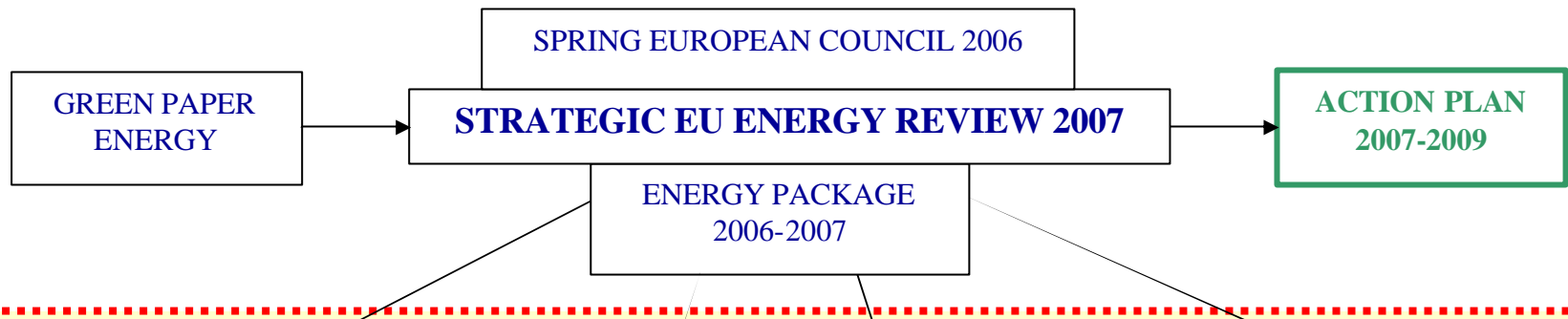
Objective of Strategic energy review



- **A Blueprint for an Energy Policy for Europe** to offer a long-term vision towards an efficient and integrated energy policy
- **A Common Vision** – to establish a coherent framework for better coordination of energy actions within Europe
- **Sustainable Energy in its Widest Sense** encompasses security, environmental protection, social protection and competitiveness
- **HORIZON 2030 (2050 for certain technologies)**



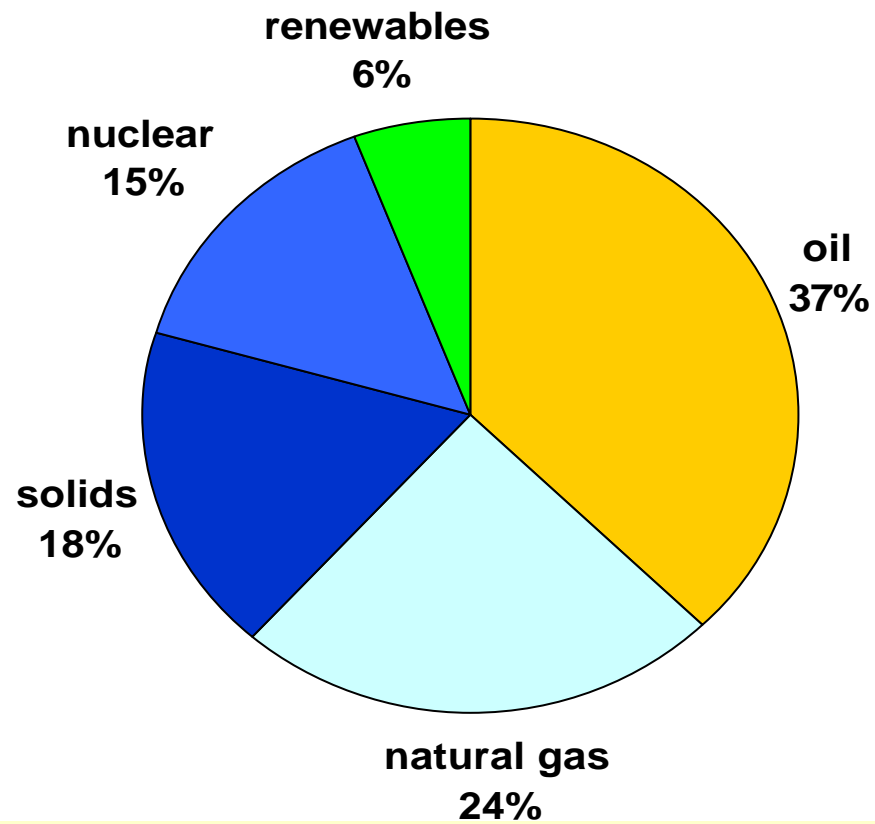
TOWARDS AN ENERGY POLICY FOR EUROPE



THE R&D 7TH FRAMEWORK PROGRAMME —————> STRATEGIC ENERGY TECHNOLOGY PLAN (2007)



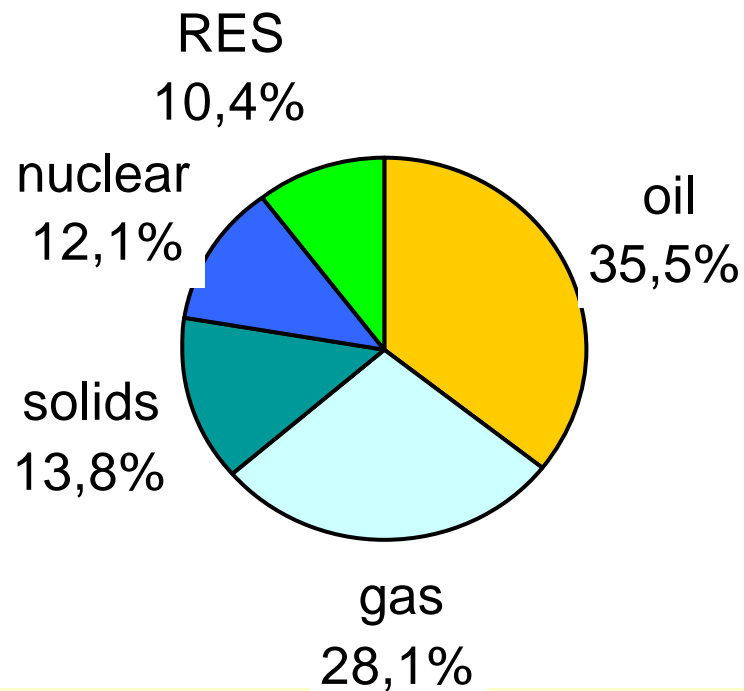
Current Energy mix





Energy mix 2020 ?

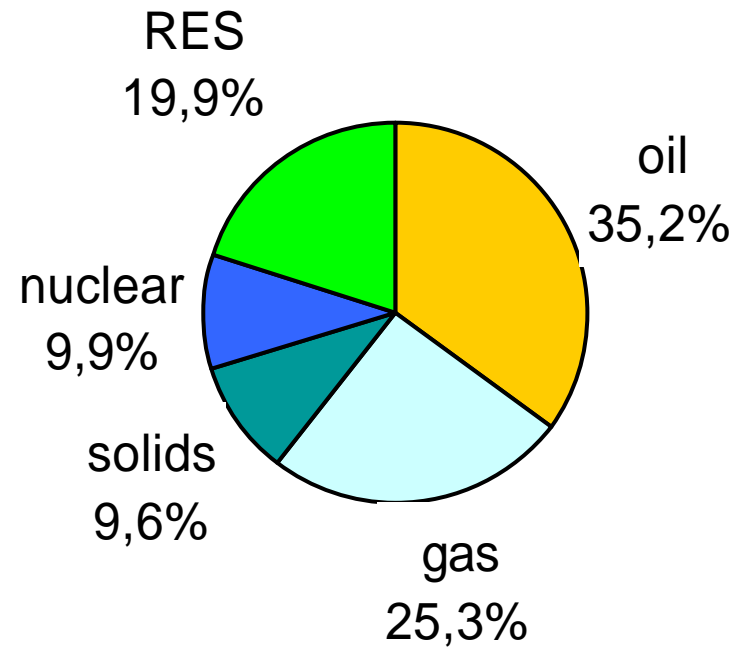
**baseline scenario
consumption 1890 Mtoe**





or Energy mix 2020 ?

**policy scenario
consumption 1633 Mtoe**





External Energy Policy Issues (1)

- Identifying new infrastructure priorities
- New energy partnership with Russia
- Co-ordinated reaction to supply disruptions
- Deepening energy relations with major producers and consumers
- An international agreement on energy efficiency





External Energy Policy Issues (2)

- Review existing Community approach to oil and gas stocks
- Common security standards to protect essential energy infrastructure
- New mechanisms to ensure solidarity and assistance in the event of damage to the infrastructure





NEXT STEPS



- **Sept / October 2006:** Energy Efficiency Action Plan
- **20 October 2006:** Informal European Council, Lahti
- **23 November 2006:** Energy Council
- **10 January 2007:** „Strategic EU Energy Review 2007“and “Energy Package 2007”
- **16 February 2007:** Energy Council
- **8/9 March 2007:** European Council

