

Handout of presentation by Gunnar Boye Olesen, INFORSE-Europe

EU Climate Policies
 - for Local Sustainable Energy
 How we can use them and make them better, and why they do not solve the problems alone.
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EU Policies – Why Bother?

EU Policies and Sustainable Energy

- Climate
- Internal Energy Market
- Renewable Energy
- Energy Efficiency
- Funding (R&D, regional policy, etc.)
- Foreign Policies
- Trans-European networks
- Agriculture

EU Climate Policies: Objectives / What the EU Want

Limit climate change to 2°C above pre-industrial levels:

- Just 1.1 – 1.3 °C above today's levels = ambitious
- Will require that increases in global emissions are stopped by 2015 and then reduced substantially (IPCC)
- In reality will require phase out fossils until 2030 – as ZCB
- Politically is agreed that it can be done with 20-30% reductions in 2020 and 50-80% in 2050 in the EU

WE CAN USE IT:

- it is as good as it gets in politics
- Repeated many times by Prime Ministers

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EU Climate Policies: Targets

Limit greenhouse gas emissions from 1990:

- 8% in 2008-12 (UK reductions 10%)
- 20% by 2020 without international agreement
- 30% by 2020 with international agreement

Targets divided in:

- EU-Emission Trading System (EU-ETS) 21% down from '05
- National targets for sectors outside EU-ETS, 10% down f.'05

Outside EU-ETS, draft: UK -16%, DK -20%, Spain -10% since '05).

EU targets will play key role for global climate policies.

Targets are political and sanctions from the EU are limited, but still stronger than national policies.

EU Climate Targets 2

We can use them:

- Targets are pushing the development
- Targets stabilizes national policies, benchmarks
- We must stress local actions, business will not succeed alone

We can and must make them better:

- National division of targets and rules under discussion this year. Outcome crucial.
- Targets will only work with strategies to implement them and with watchdogs

Flexible Mechanisms

- Joint Implementation (JI): industrialised countries w. targets
- CDM: involving developing countries
- Emissions trading of "hot air" from Eastern Europe
- Generates emission credits that replace own reductions
- Currently low prices and windfall profits because of Chinese halogen plants deliver at least half of CDM credits
- JI and CDM will continue after 2012, but will be limited (3% of emissions outside EU-ETS, more within EU-ETS up to half of reductions = 10.5% of emissions)

Weakens climate mitigation because effects are less certain than national reductions, less development of new solutions.

Realistically necessary for EU agreements, but must be limited. Need strong controls.

EU Emissions Trading System EU-ETS

- Limit emissions of companies.
- Companies can buy and sell allowances to match their needs (and make money)
- Companies can buy CDM & JI to meet targets
- So far the system have not pushed much for renewables and energy efficiency because of low and fluctuating prices.
- Less efficient than taxes

EU-ETS

We can use it:

- it does put pressure on companies to reduce.

We can make it better:

- System after 2012 under discussion: fewer allowances, power companies should buy allowances, aviation included
- Allowances should be sold, not given away, at least for power companies
- Revenue could be used for RE and EE.

Renewable Energy Directives

- Targets for 2010 (21% electricity, 5.75% in transport)
- Priority of renewables in electric grids
- Objective and non-discriminatory rules for grid connection
- No sustainability criteria (problem with biofuels)
- Support shall not include large hydro and waste incineration (non-bio)

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New directive discussed with targets for 2020:

- 20% of all renewables (UK from 1.3% in 2005 to 15%)
- 10% RE-transport target
- RE-certificate trading: no EU scheme, opening for bilateral exchanges and statistical transfer.
- Sustainability of biomass, discussion ongoing.

We can use it:

- Priority for renewable electricity and objective rules for grid connection still problems
- Targets are helpful in development

We can make it better:

- RE-certificate trade removed and biofuel sustainability questioned
- National targets are important and still discussed

Energy Efficiency is Catching Up

- Ecodesign directive: standards and labelling for products. Countries cannot do it because of EU internal market. Can be very powerful.
 - Standby limited to 1 W/2 W by end of 2009
 - Ambitious water heater and boiler proposal under discussion, might end electric water heaters
- Building performance directive: set standards for building codes, labelling of houses, etc.
- Energy service directive: national targets for energy efficiency (9% in 9 years), national energy efficiency action plans, energy companies to take actions.

We can use it:

- With ecodesign we get more efficient equipment – and we should get the message out
- We can use building codes and national energy efficiency action plans

We can make it better:

- Ecodesign is crucially dependent on inputs from stakeholders including NGOs, industry is not always helpful
- Building directive is under revision
- Building codes and energy efficiency action plans are national, EU only sets the framework

EU Energy Funding

- Intelligent Energy for Europe – for promotion
- FP7 – for R&D
- large competition,

We can use it:

- NGO cooperation Europe depends a lot on EU

We can make it better:

- nuclear has too much funding, and coal (CCS)
- NGOs are disadvantaged compared to public bodies

More EU Funding to Energy

- Life – for environment
- Structural funds, for regional development
- Interreg
- Leader
- Energy facility for Africa, Caribbean and Pacific
- Other international cooperation funding (Eastern Europe, Asia etc)
- (trans-European networks)
- Other

But EU policies does not solve climate problems alone

- They are too weak, they are European compromises
- Industry lobbying is strong in Brussels
- Governments want to keep control and not let EU
- Local action must be part of changing energy patterns – and we must give that message clearly to policy makers in nationally and in EU