



The European Commission's Green paper on energy policy:

*“A European strategy for sustainable,
secure and competitive energy”*





Overview of the presentation

- 1. Historical Context**
- 2. Political consensus on the potential for a common approach to energy**
- 3. The three pillars of the EU Energy Policy:**
 - competitiveness,
 - sustainable development
 - security of supply
- 4. Green Paper identifies six priority areas**





1- Historical Context

- European Coal and Steel Community, EURATOM → 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 called for common energy policy
- December 2005 → European Council called for “integrated approach” to energy
- March 2006 → The Commission adopted the Green Paper “A European strategy for sustainable, secure and competitive energy”





2 - Political Consensus for a common approach to energy

The 24 March 2006 European Summit:

- endorsed Green Paper and its key priorities
- Agreed common energy policy goals
- Endorsed proposal for a Strategic European Energy Review
- Asked Commission to prepare and submit concrete proposals





2 - Political Consensus

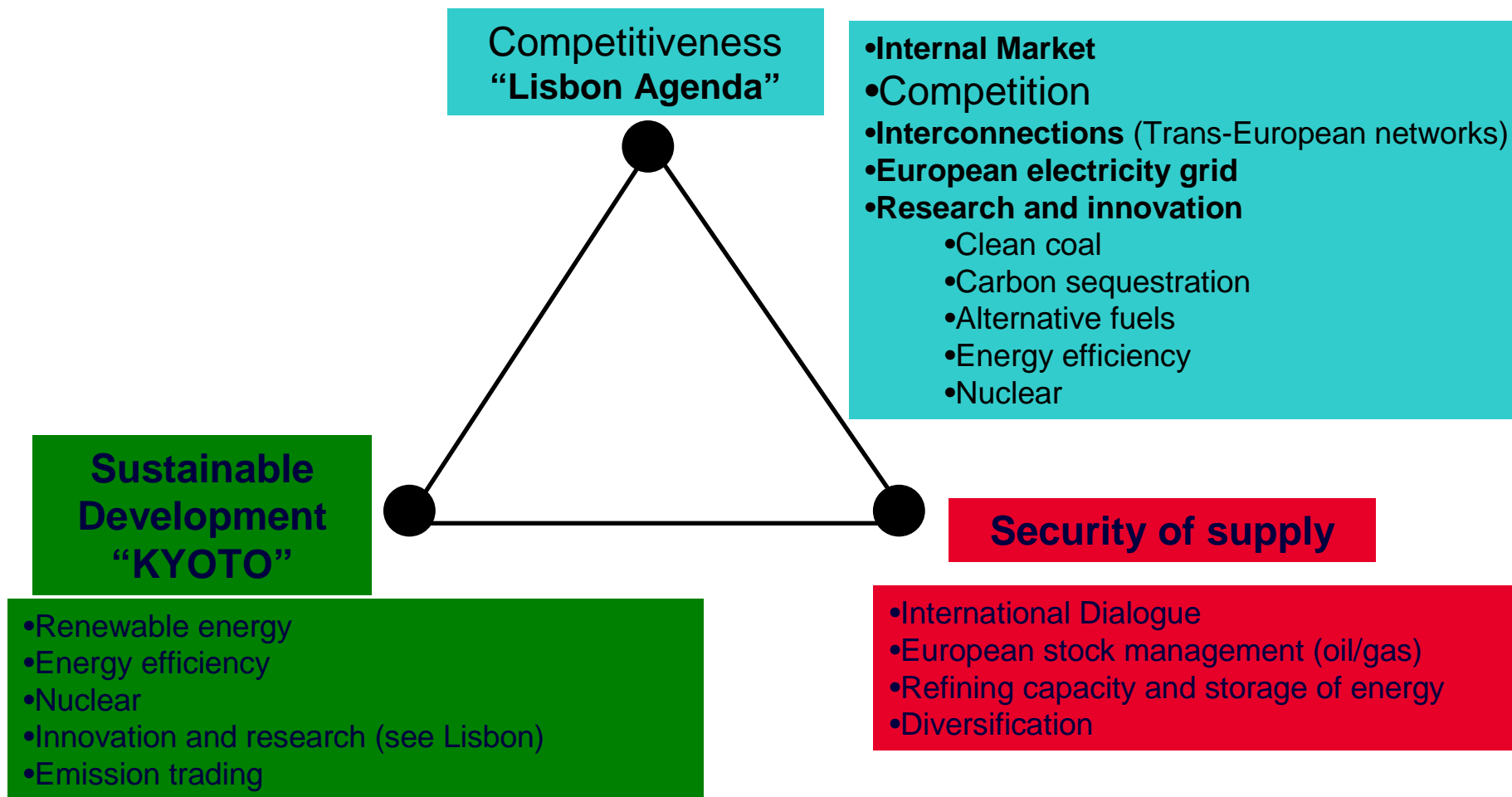
Why a common approach to energy ?

- 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





3 - The three pillars of EU Energy Policy

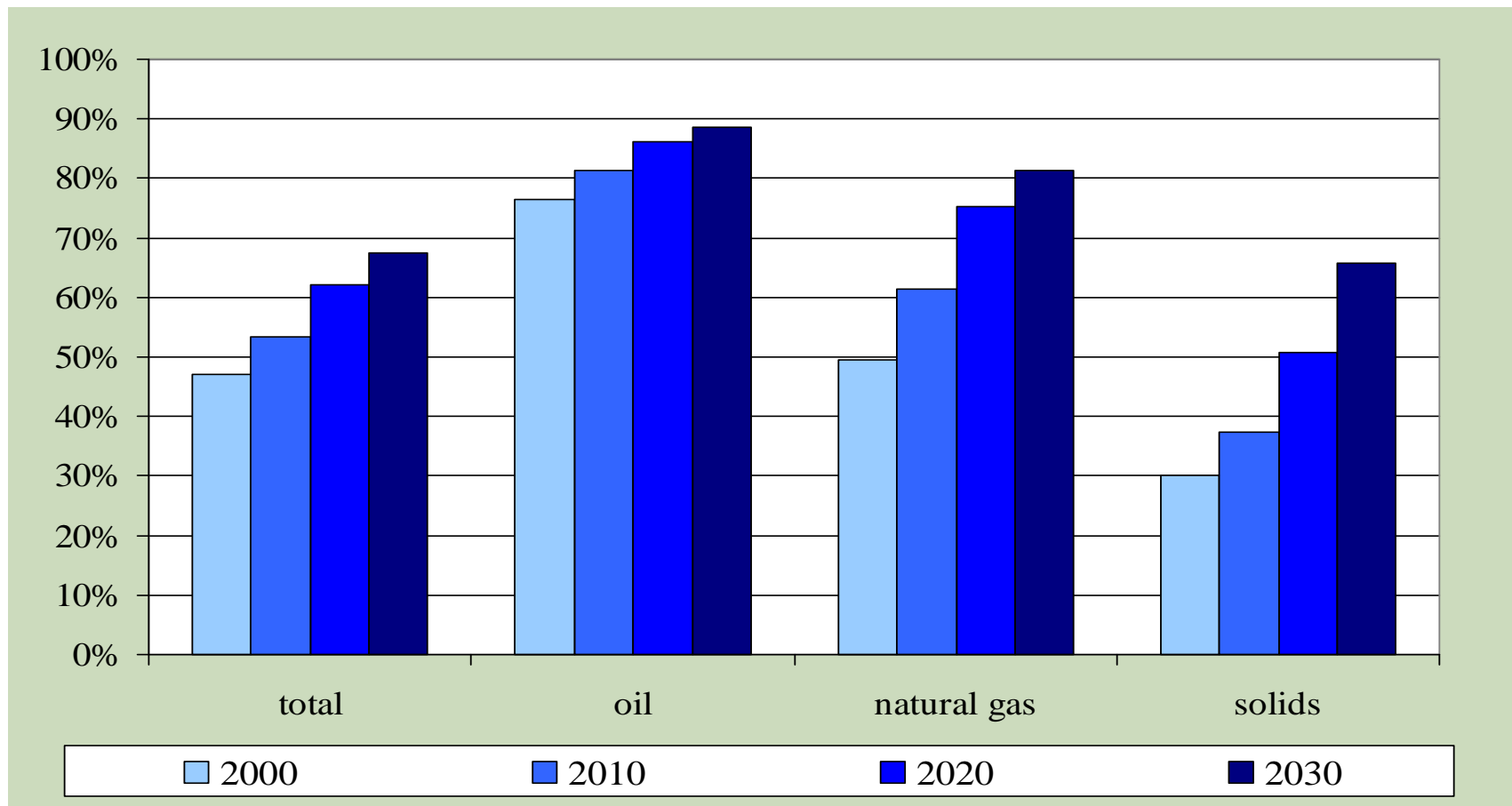


Each goal is equally important . One cannot be achieved without the other





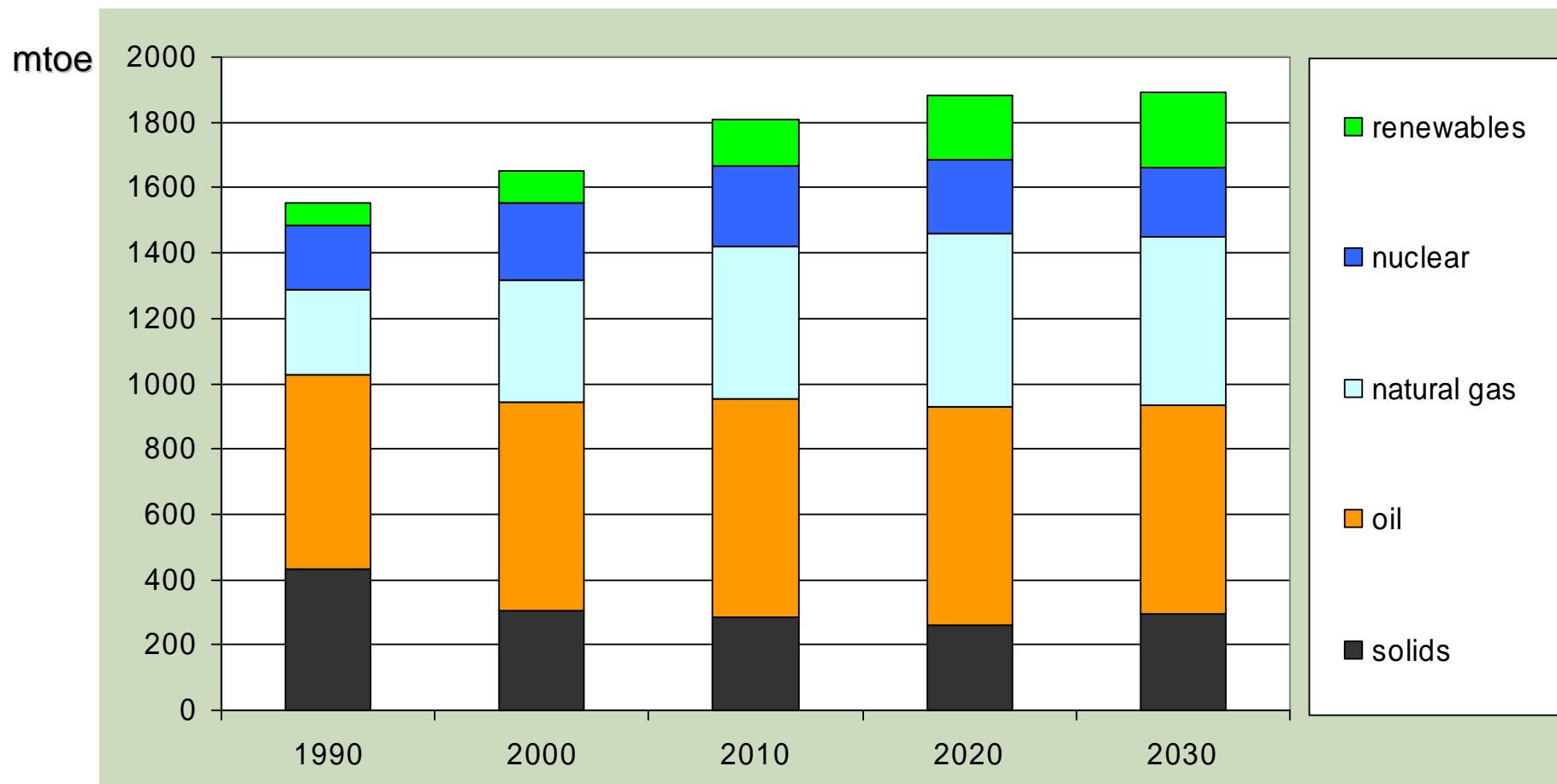
Security of Supply EU25 Import Dependency





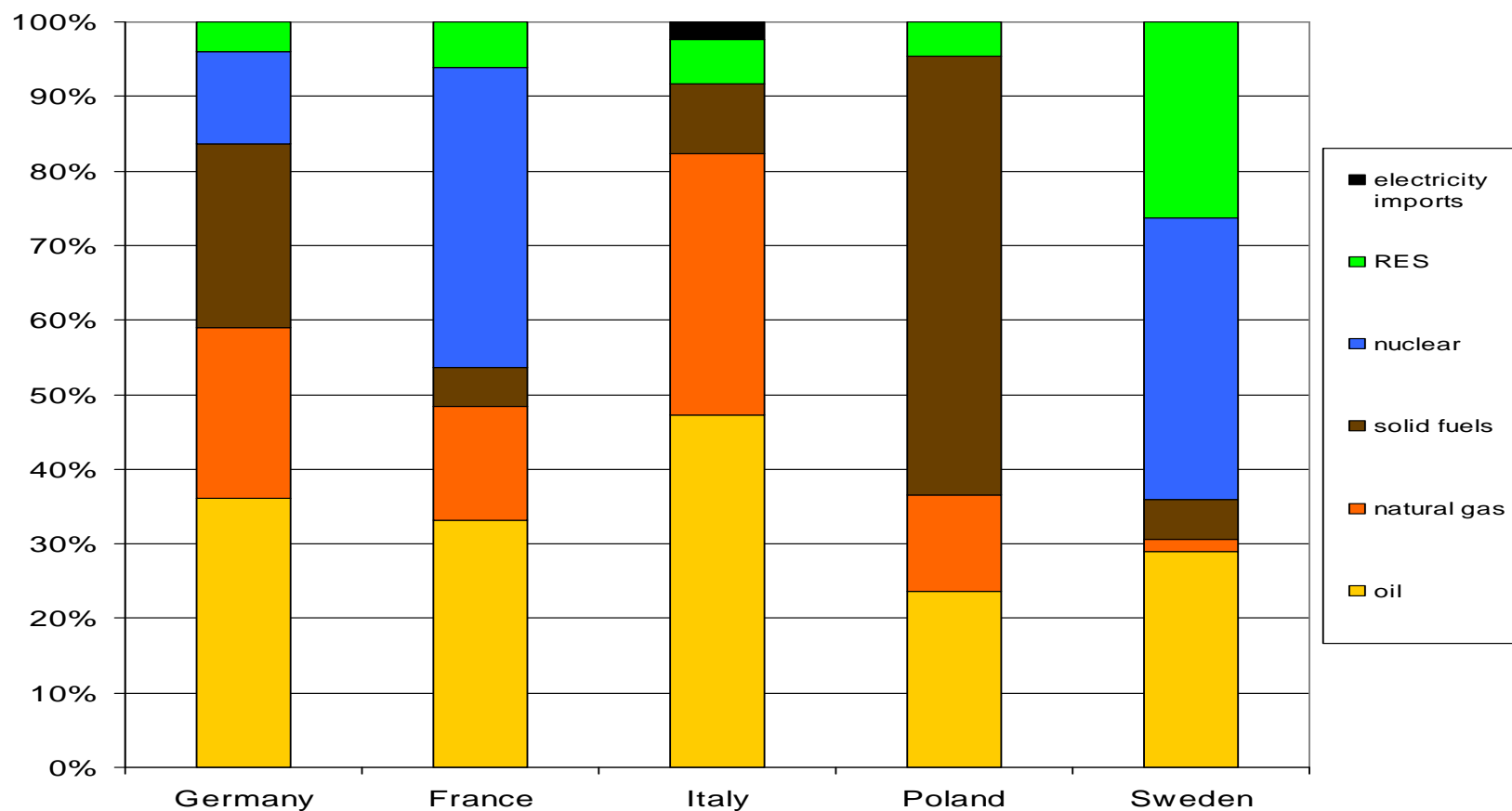
Security of Supply EU25 Final Energy Demand

Context





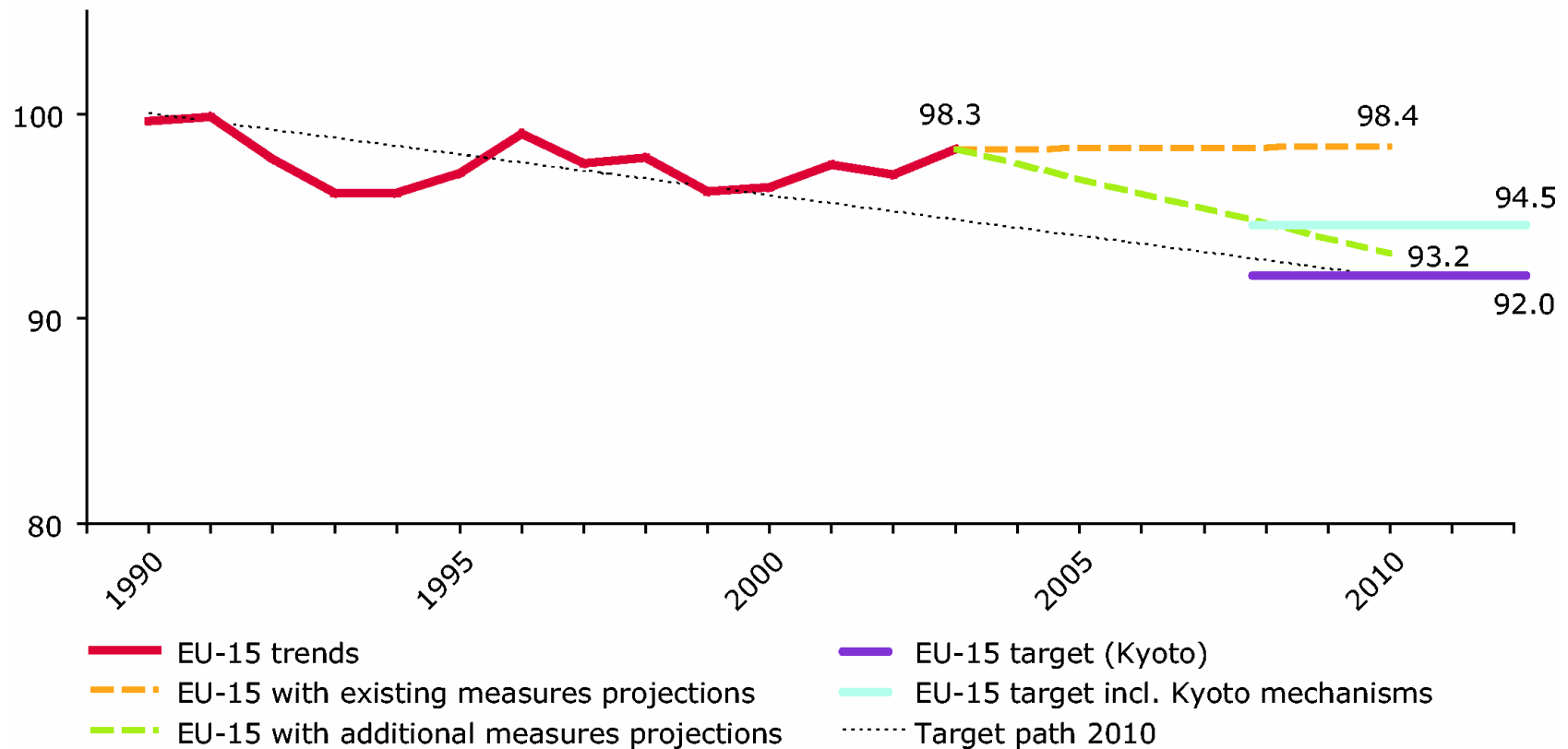
Security of Supply energy mix (2004)





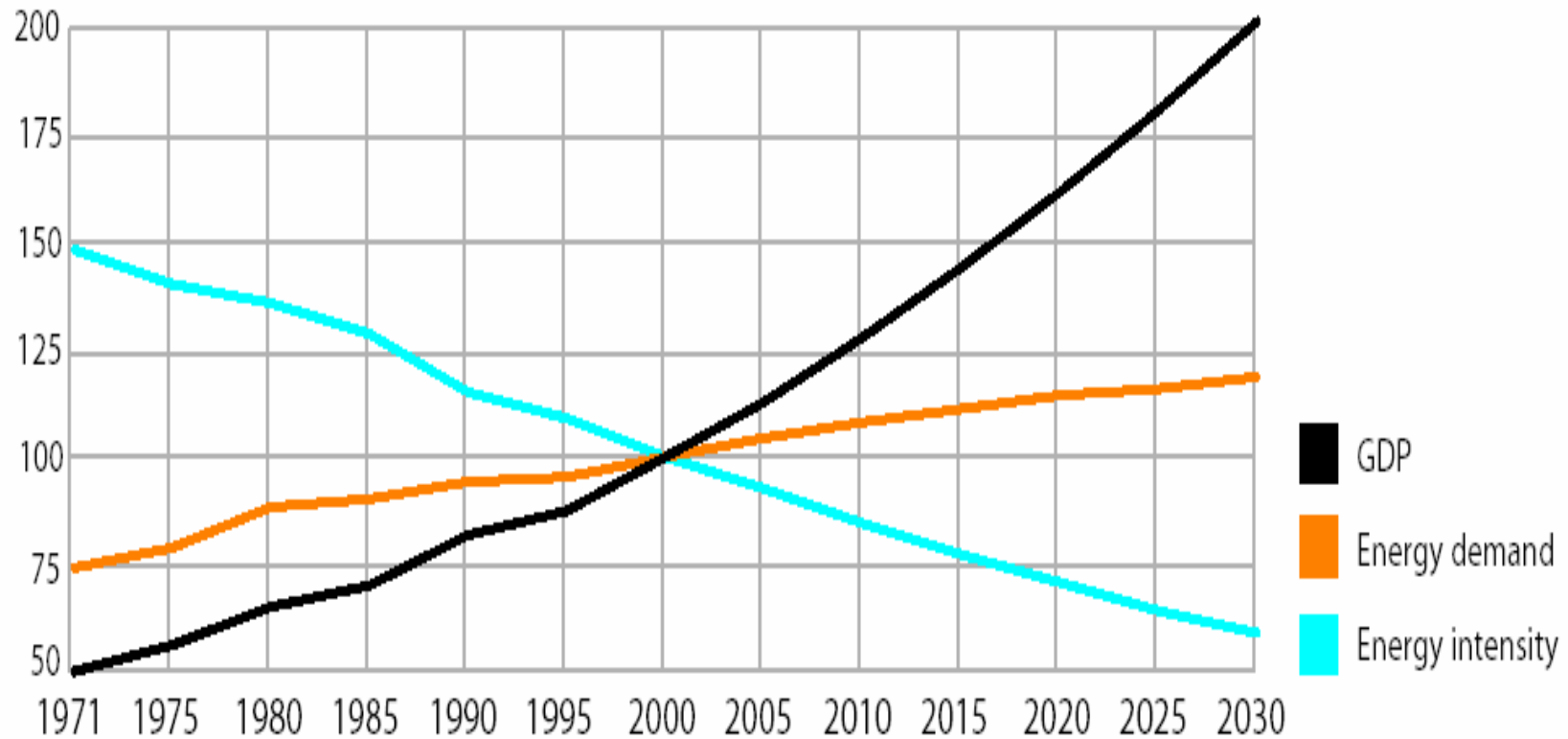
Sustainable Development (Kyoto)

GHG emissions (base year = 100)





Competitiveness



Long term development of GDP, energy demand and energy intensity for EU-25 (year 2000=100)





4 - Green Paper: six priority areas for common action

Green Paper

- Internal market → completing the internal European electricity and gas market
- Internal market for the Security of Supply → solidarity between Member States
- A more diverse, efficient & sustainable energy mix
- Environment → integrated approach to climate change
- A strategic European Energy Technology Plan
- Towards a coherent external energy policy





Internal market completing the internal European electricity and gas market

European grid code ... European Energy Regulator

A priority interconnection plan (Barcelona objective 10% interconnection between Member States)

Unbundling (provisions of the second electricity and gas Directives need to be fully implemented)

Investments in generation capacity





Internal market for the Security of Supply solidarity between Member States

European Energy Supply Observatory

**Improved network security (more cooperation
between transmission operators**

**Rethinking EU's approach to emergency oil and
gas stocks**





A more diverse, efficient & sustainable energy mix

Each Company or Member State can chose its own energy mix

A Strategic European Energy Review (SEER) will be prepared regularly

It might be appropriate to aim for EU minimum energy mix from secure and low carbon energy sources





Environment → integrated approach to climate change

**Making more from less leading on energy efficiency
(Action Plan on Energy Efficiency)**

**Increased use of energy sources (Renewable
energy road map)**

Carbon capture and geological storage





A strategic European Energy Technology Plan

The 7th RTD Programme support a basket of technology options:

- Energy efficiency,
- Clean Coal,
- Renewable,
- Underground Storage of CO₂,
- Advanced nuclear fission, fusion,
- Bio fuels for transport,
- Hydrogen,
- Fuel cells

Strategic Energy Technology Plan (there is a need for large scale integrated actions with critical mass)





Towards a coherent external energy policy

To agree on the aims of an external energy policy

Partnership with producers and transit countries

Reacting effectively to external crisis

Integrating Energy and policies with external dimension (*e.g. fostering relations with energy consuming countries through an international agreement on energy efficiency*)





Public Consultation

- *Public consultation on the Green Paper was launched on 25 March 2006*
- http://europa.eu.int/comm/energy/green-paper-energy/index_en.htm

Thank you for your attention

