Energy Efficiency
at the crossroad of the EU energy and cohesion policy

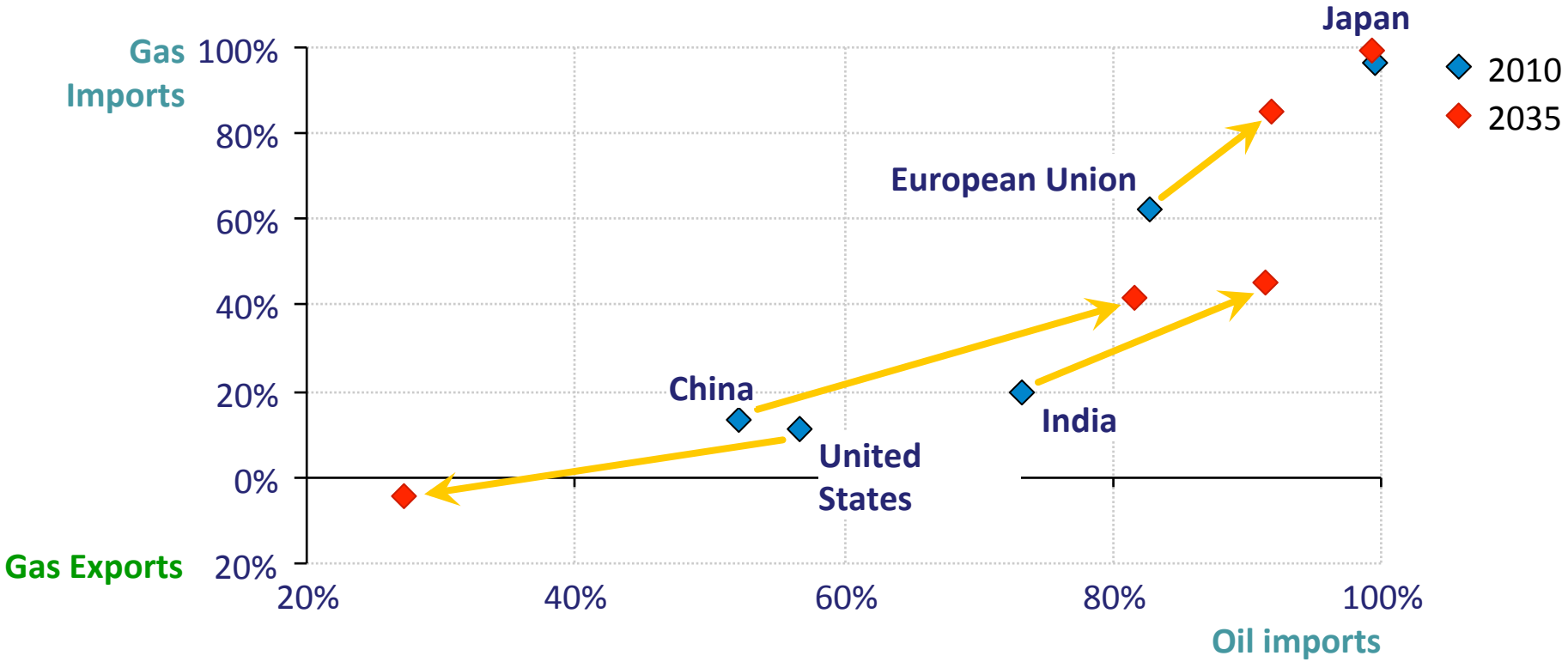
Tudor Constantinescu
Principal Adviser
European Commission – Energy

eceee , Brussels, 13 November 2013

Major energy challenges in Europe

- Import Dependency
- High Energy Prices
- Decarbonisation

Import Dependance Challenge

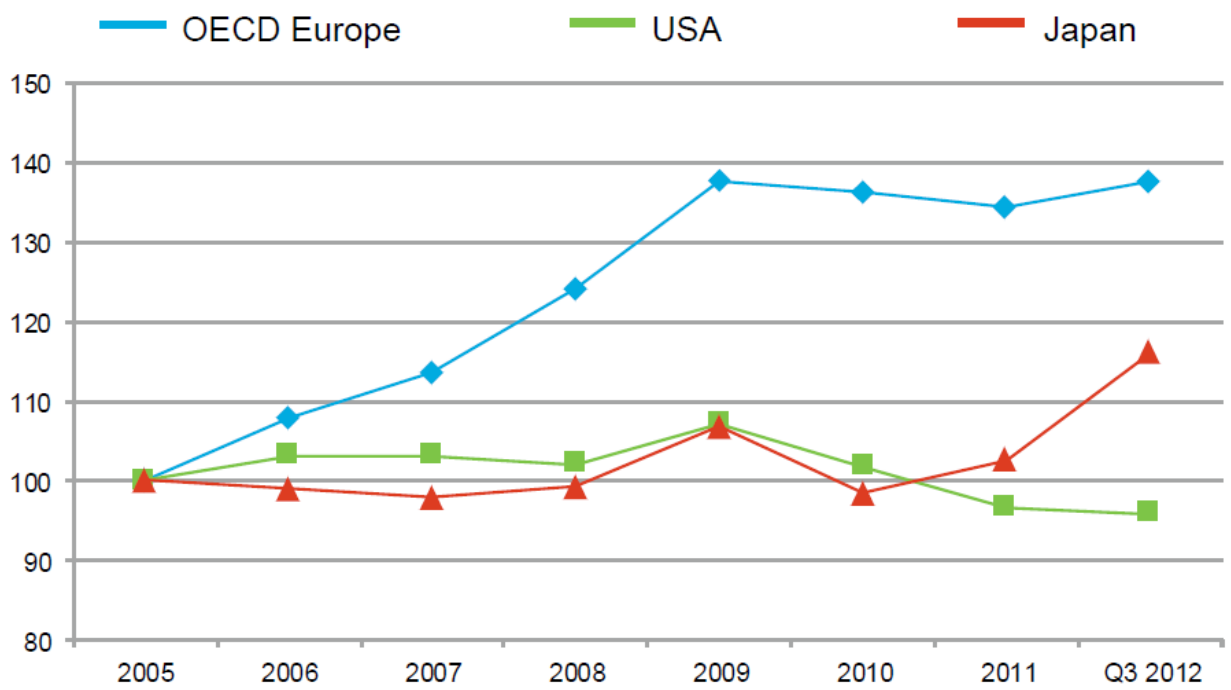


USA net Gas exporter?

Data Source: Gould, IEA
05/03/2013

Energy Prices Challenge

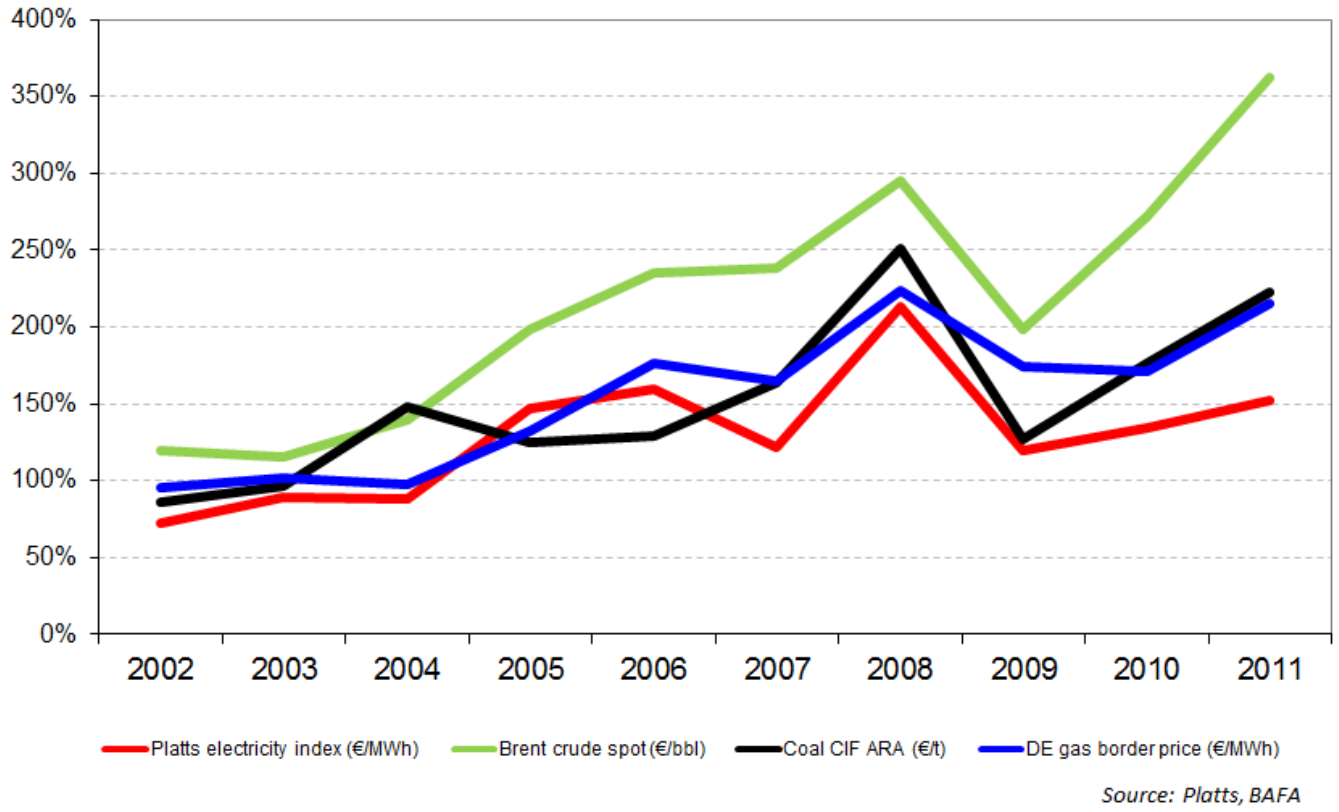
Evolution of end-user electricity prices for industry, taxes excluded (2005 = index 100)



Source: International Energy Agency

The internal market helps keeping prices in check

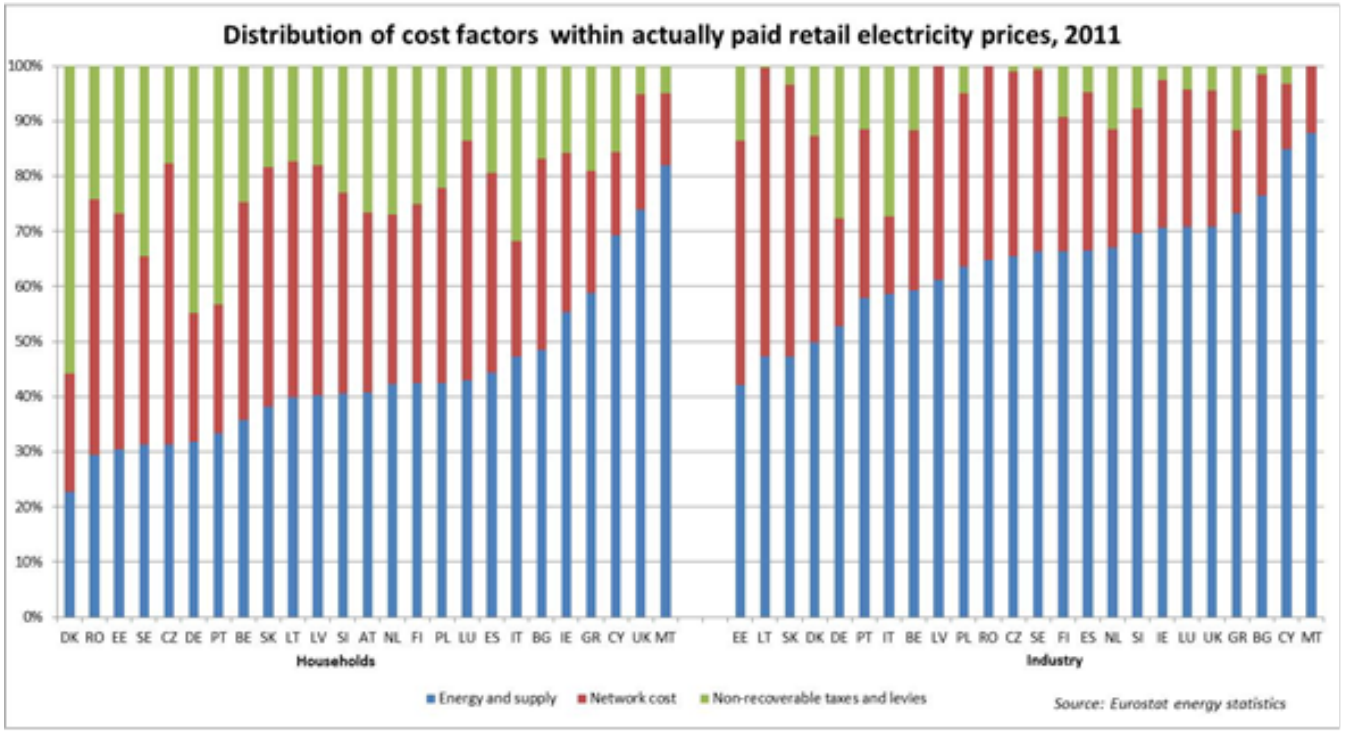
Wholesale electricity prices in the EU have risen three times less than the import price of gas and four times less than the price of crude oil in the last 10 years.



Source: Platts, BAFA

Distribution of cost factors in retail prices

Figure 33: Distribution of cost factors within actually paid retail electricity prices, 2011

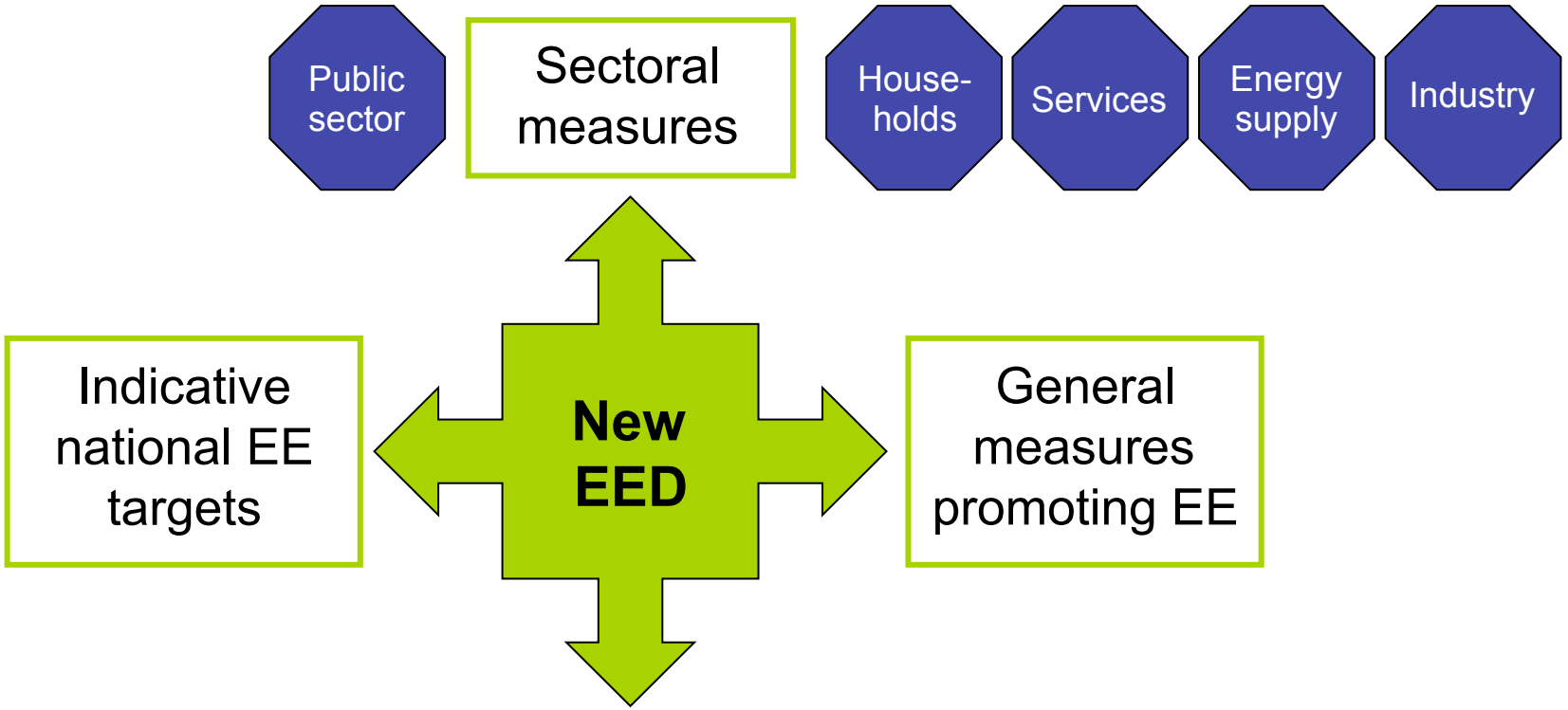


How to address energy challenges in Europe

- Complete the internal market and place consumers into focus
- Improve EE- attract investments, behaviour change
- Increase RES – lower technology costs, market integration measures, reform support schemes
- Make use of available energy resources, develop synergies between RES and fossil fuels (e.g. Power to Gas)
- Improve and develop infrastructure – interconnections, smart grids
- Diversify energy supplies

- **Act on Technologies – Regulations - Financing**

LEGISTLATION
NEW ENERGY EFFICIENCY DIRECTIVE



EU Funding for Sustainable Energy – MFF 2014-2020

- **Cohesion Policy** to allocate some 23 billion € (estimate!) to investments in energy efficiency, renewable energy, smart grids and urban mobility, including research and innovation in those areas in complementarity with Horizon 2020
- **Horizon 2020:** some 5.4 billion € to be allocated to research and innovation in "Secure, clean and efficient energy"
- **Connecting Europe Facility:** some 5 billion € to be allocated to investments in TEN-E infrastructure of highest European added value
- Other **European Structural and Investment (ESI) Funds**: European Agricultural Fund for Rural Development and European Maritime and Fisheries Fund
- **LIFE+** and **COSME** might also be relevant for certain aspects

Timetable and steps involved

Partnership Agreement

COM sends Position Paper

Done (autumn 2012)

Informal dialogue

Ongoing, continuous

Draft to be submitted by all MS

H2 / 2013

COM informal observations

H2/ 2013

Official submission

After adoption of regulations

COM formal observations

COM adoption decision

End 2013 / Early 2014

Programmes

Same steps

Same timing as PA or a few months later

Thematic Objectives



1. **Research and innovation**
2. **Information and Communication Technologies**
3. **Competitiveness of Small and Medium-Sized Enterprises (SME)**
4. **Shift to a low-carbon economy**
5. **Climate change adaptation and risk management and prevention**
6. **Environmental protection and resource efficiency**
7. **Sustainable transport**
8. Employment and support for labour mobility
9. Social inclusion and poverty reduction
10. Education, skills and lifelong learning
11. Increased institutional capacity and effectiveness of public administration

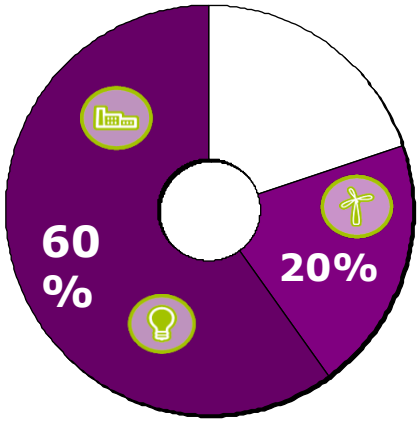
Concentrating resources to maximise impact in Cohesion Policy

Proposed concentration of ERDF investments on:

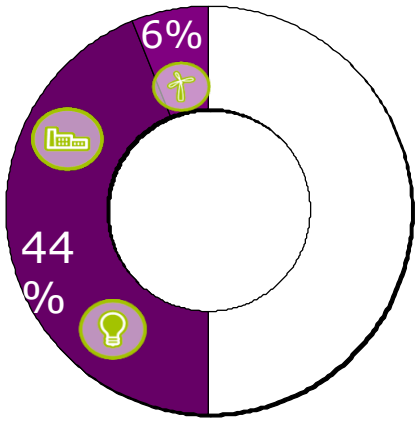
energy efficiency & renewable energy

research & innovation

competitiveness of SMEs



More developed & transition regions



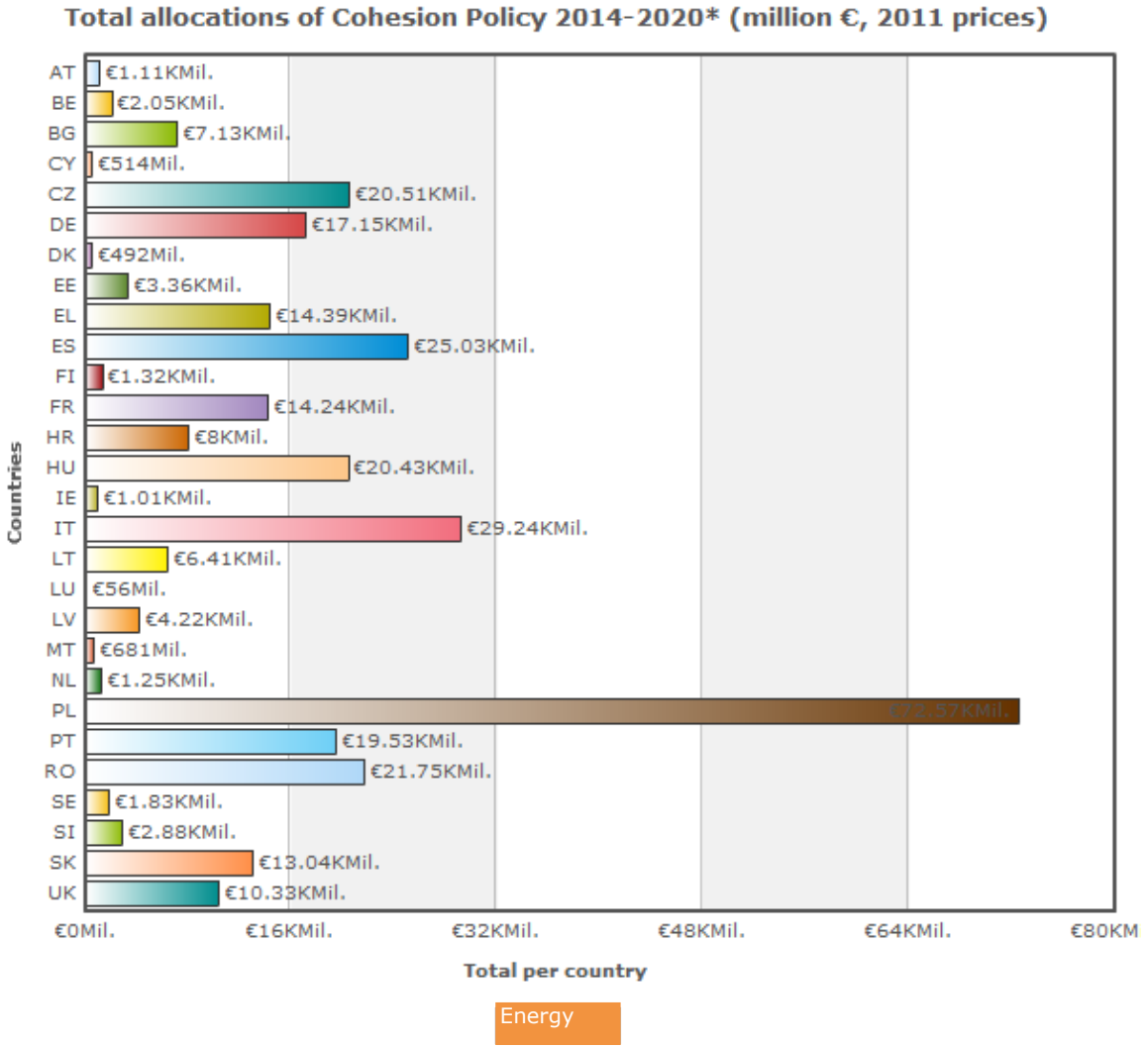
Less developed regions

-flexibility – different regions have different needs, special arrangements for ex-convergence regions

-No more ceiling for investing in EE in housing (currently maximum 4% of ERDF)

-June Trilogue - Revised allocations for low carbon economy – 12%, 15%, 20%

Cohesion Policy, Total allocations 2014-2020



European Commission

Thank You for Your Attention!

http://ec.europa.eu/energy/index_en.htm

