



European Commission



A resilient Energy Union with a forward-looking climate change policy

May 2019

TOWARDS A MORE UNITED, STRONGER AND MORE DEMOCRATIC UNION



'I want to reform and reorganise Europe's energy policy into a new European Energy Union. (...) We need to strengthen the share of renewable energies on our continent. This is not only a matter of a responsible climate change policy. It is, at the same time, an industrial policy imperative.'

Then candidate for European Commission President, Jean-Claude Juncker, Political Guidelines for the next Commission, 15 July 2014

The European Energy Union will ensure that Europe has secure, affordable and climate-friendly energy. Wiser energy use helps the fight against climate change and is both a spur for new jobs and growth and an investment in Europe's future.



legislative initiatives have been presented by the Juncker Commission



legislative proposals **have been adopted**

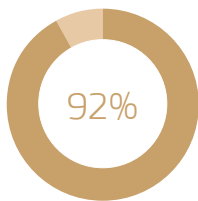
Europe is investing in the defence of its citizens and guarantees the security of their energy supplies. We give high priority to developing electricity interconnections. **We are investing in innovation and in the European industry** of the future, which needs to be both environmentally friendly and competitive.

For this work we have the most important mandate possible — that from our citizens. According to the last Eurobarometer on this subject, the vast majority of Europeans support our ambitious work to transform the European economy and implement the Paris Agreement.



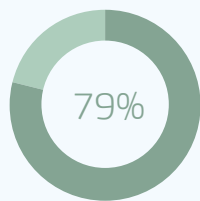
Eurobarometer results: A mandate from our citizens

The problem

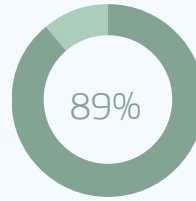


92% of EU citizens see climate change as a **serious problem**

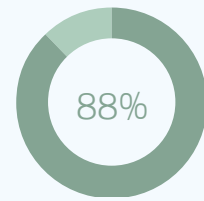
The solutions



79% agree that more public **financial support** should go to the clean-energy transition



89% believe it is important for their national government to **set targets** to increase renewable energy use



88% believe that their national government should **provide support** for more energy efficiency

THE EU ENABLED THE PARIS AGREEMENT TO ENTER INTO FORCE AND WAS INSTRUMENTAL IN MAKING IT OPERATIONAL



In November 2015 the **EU played a leading role in brokering the historic, ambitious and global Paris Climate Agreement** between 195 countries. The EU's ratification of the Agreement in October 2016 triggered its entry into force, less than one year later. The Paris Agreement is irreversible.

In Paris the EU committed to an at least 40% cut in emissions by 2030.

Greenhouse gas emissions and energy consumption are increasingly decoupled from economic growth. Between 1990 and 2017, the EU economy grew by 58%, while emissions decreased by 22%.

The EU and its Member States remain the largest provider of public climate finance, including to the multilateral climate funds, and have contributed € 20.4 billion in [climate finance for 2017](#).

In November 2018 in Katowice the EU was instrumental in adopting the so called Paris Rulebook, a set of measures making the Paris Agreement operational.

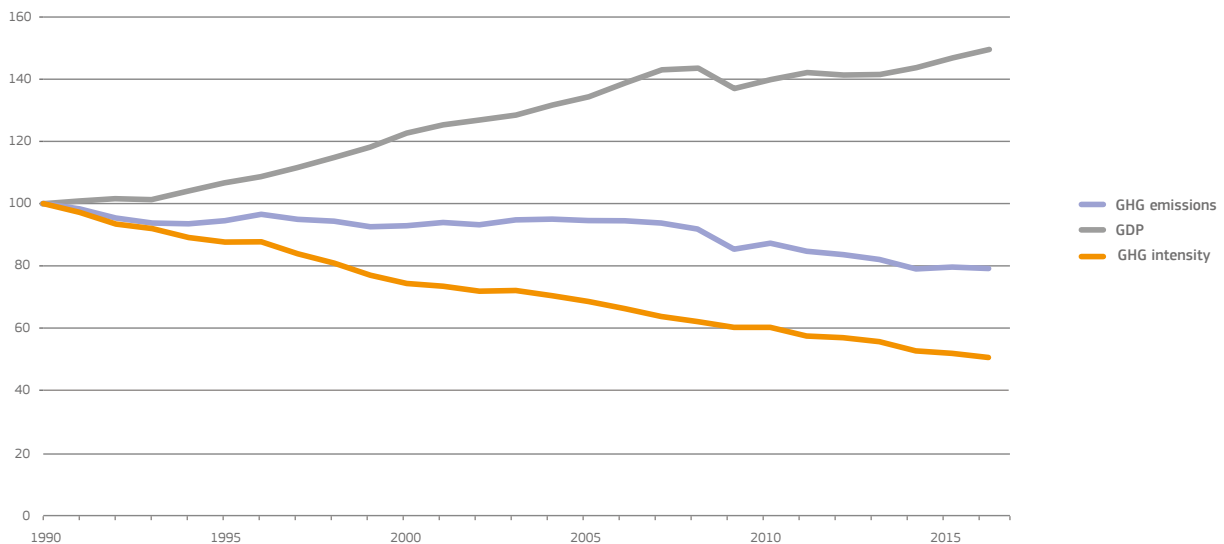
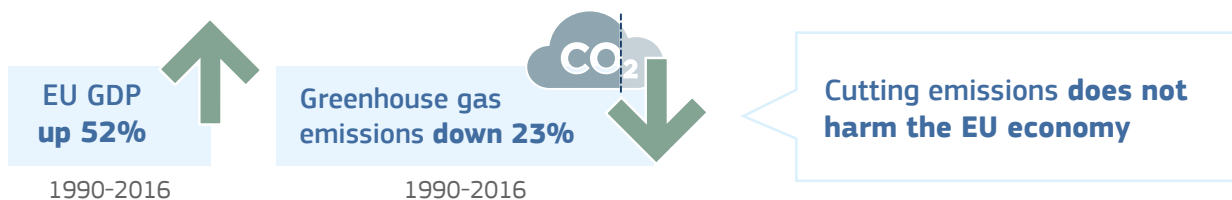


Figure 1: Changes in EU GDP (in real terms), EU greenhouse gas (GHG) emissions, and EU GHG emissions intensity of the economy

[Source: Fourth state of the Energy Union report; COM (2019) 175]

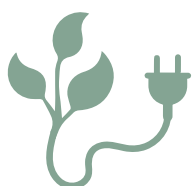


Source: Eurostat

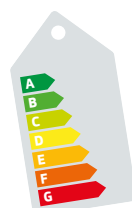
SETTING THE RULES FOR A CLEAN, SELF-RELIANT AND COMPETITIVE FUTURE

The Energy Union has resulted in a comprehensive and legally binding framework for reaching the Paris Agreement goals, while simultaneously helping to modernise the European economy and its industry. This legislation includes the complete revision of the EU Emissions Trading System, which is the cornerstone of European climate policy. We are also accelerating the transition to low-carbon emissions in **other parts of our economy**. We have adopted a strategy for low-emission mobility and legislation on cutting CO₂ emissions from road transport, including emission standards for cars, vans and lorries promoting **cleaner mobility**.

Our 2016 **Clean Energy for All Europeans** set of measures was designed to show that the clean energy transition is the growth sector of the future — that's where the **smart money** is.



By mobilising up to **€177 billion** of public and private investment per year from 2021, this package can generate an increase of up to 1% in GDP over the next decade and create **900,000 new jobs**.



Clearer and simpler energy efficiency labelling rules will help households save almost €500 per year, increase industry revenue by over €55 billion per year and save as much energy by 2020 as Italy consumes annually.

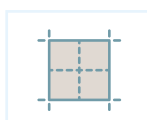


Legislation covers energy efficiency, renewable energy, the design of the electricity market, security of electricity supply and governance rules for the Energy Union. We are also accelerating clean-energy innovation by renovating Europe's historically inefficient buildings. The building and housing sector accounts for 40% of Europe's energy consumption. It needs much more investment, and at the initiative of the Commission, the European Investment Bank launched a brand new financial instrument, the

Smart Finance for Smart Buildings initiative. This initiative will help reduce the gap. It will also create local jobs and reduce energy poverty by using EU funds intelligently in a cost-effective way. This shows that 'energy efficiency first' is more than just a slogan: practical solutions strongly support our transition to a low-carbon economy and help us attain our Paris Agreement commitments.



Our work on energy security has ensured that no Europeans are left isolated. Newly **agreed legislation on the security of gas supplies** puts solidarity first. Member States have agreed to help their neighbours in the event of a serious energy supply crisis. The new rules ensure regional coordination to better prepare for and manage shortages; no European households will be left in the cold.



Properly interconnected electricity lines and gas pipelines form the backbone of an integrated European energy market anchored on the principle of solidarity and the creation of a well-diversified and competitive gas market. As President Juncker has said, we have a preference for pipelines that unite rather than pipelines that divide.

Our diversification strategy is developing around priorities such as the implementation of the Southern Gas Corridor, the development of a liquid gas hub in the Mediterranean and the promotion of access to liquefied natural gas (LNG) and gas storage, for which we adopted a strategy in February 2016.

Our preference is for strong regional cooperation, and it is delivering concrete results: key gas infrastructure is being implemented in the Baltic region. We have financially supported the construction of the gas interconnectors between Poland and Lithuania and the Balticconnector between Finland and Estonia. We have approved State aid for the Klaipeda LNG terminal in Lithuania and we are actively facilitating the establishment of a new northern corridor linking Norway to Poland through Denmark.

The Commission continues to support and **invest in electricity and gas infrastructure** to make the European energy system more competitive so that it will ultimately deliver a **better deal for European consumers**.

INVESTING IN A SUSTAINABLE FUTURE

Examples of Juncker Plan projects in the energy sector

The Juncker Plan has already generated €251.6 billion in investment and has mobilised other sources of European financing, including the Structural Funds and significant private investments, to fund numerous projects in the areas of renovation and energy efficiency, renewable energies and the new circular economy.

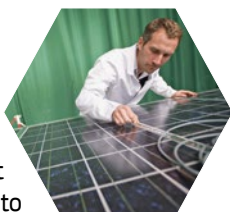
Tripla energy-efficient complex

Tripla is a construction project in Helsinki's Pasila district, to be completed in phases between 2019 and 2021. It will have **Finland's** largest shopping centre, offices, apartments and a new railway station. Tripla will create enough renewable energy to cover nearly all of its needs and will be fitted with recycling, water processing and waste processing systems.



Smart solar panels in France

In **France**, the European Investment Bank is lending €15 million to Sunpartner Technologies to invest in research and development and increase its production levels. This small company makes **smart solar panels** to be used in innovative ways, such as to dim windows with your smartphone and power billboards off the grid.



New wind farms in Greece

In **Greece**, the European Investment Bank is providing €24 million to Terna Energy Group to build and operate three **new wind farms** with 18 turbines. This renewable energy source will have a huge impact on the transition to the low-carbon economy.



A new gas pipeline from Bulgaria to Austria

The European Investment Bank is lending €50 million to Transgaz in **Romania** to build a 478-kilometre stretch of a new **gas pipeline** from Bulgaria to Austria via Romania and Hungary. This important cross-border project will increase competition, which is good for the consumer, as well as bringing thousands of jobs to the region.



Energy-efficient social housing in Spain

In **Spain**, the European Investment Bank is providing €40 million to build more than 500 **energy-efficient social housing** units in Navarra. These will be nearly zero-energy buildings (NZEB), i.e. buildings with very low energy consumption owing to their design and the materials used in their construction. The project will create more than 700 jobs during the construction phase.



Smart gas meters in Italy

In **Italy**, the European Investment Bank is providing €300 million in financing to Italgas to install **smart gas meters**. This will improve the efficiency of the gas distribution system, as well as increasing customer information and awareness. The project will allow consumers to read their meters remotely and more frequently, which will lead to cost savings as well as a reduction in energy consumption.

