EU energy policy - security of supply and the external dimension

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Energy security conference, Pécs
2011. April 29
Which energy sources does the EU use?

- Oil: 36%
- Gas: 25%
- Nuclear: 14%
- Solid fuels: 18%
- Renewables: 7%
- Other: 1%
Where does our oil and gas come from?

**EU-27 Crude Oil Imports - 2006**
- Others: 32.3%
- Russia: 33.5%
- Saudi Arabia: 9.0%
- Norway: 15.8%
- Libya: 9.4%

**EU-27 Gas Imports - 2006**
- Others: 15.6%
- Russia: 42.0%
- Norway: 24.2%
- Algeria: 18.2%
Where does Europe stand in the global competition for energy?
NEW INTERNATIONAL LINEUP IN 2025?

Power as percentage of global power

Global Governance 2025; NIC; EUISSS
Between East and West

- Where is our energy sourced from?
- Where do raw materials come from?
- Where are the most competitive processing industries?
- Where do EU exports go to?
The EU benefits from a multipolar world.

- Europe needs cooperation
- We are closely dependent on the East
- There is huge economic potential in the West
Partnership instead of conflict - natural interests

- **North Africa and the Middle East**: Mediterranean Union
- **Eastern Partnership**: Euronest
- **Asia-Europe (ASEM) and EU-China Summits**
- **South America**: free trade talks with MERCOSUR
- **European Investment Bank**: provides funding and stability in areas of importance to the EU
How is the European internal energy market developing?
Which technologies are Europe and its Member States opting for?
Which energy infrastructure investments are likely?
How is industrial policy developing?
EU2020 and EU2050 energy strategy

- Greenhouse gas emissions to be cut by 80%
- 20% energy efficiency, 20% renewables,
- What about the remaining 80%?
- By 2050 EU electricity consumption will be up by 40%

We can only do it with the help of R&D!
SET Plan: ~80 billion euros

€1000 billion investment still needed!!!
Europe's internal energy market
3rd energy package
European energy infrastructure investment
Technological change
Technological change
Energy and ICT sectors

- Smart networks
  - integrating renewable energies
  - smart indicators

- Smart buildings
  - smart uses
  - smart urban planning
  - smart cars

- Transport
  - smart control

- Engines

- Dematerialisation
MORE ENERGY EFFICIENT:
→ buildings
→ transport
→ industry
→ energy supply systems
→ public sector.

+ implementing national energy efficiency plans
Efficient energy use

Energy labelling - electrical appliances, houses, cars, etc.

- New, innovative measures compulsory in the EU for:
  - new cars
  - new buildings
## Legislation, incentives, innovation

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<th>sector</th>
<th>innovative measures</th>
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<tr>
<td>Domestic</td>
<td>- energy efficiency certificates for buildings</td>
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<td>- energy efficiency objectives</td>
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<td>- new legislation on boilers</td>
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<td>- making solar water heaters compulsory</td>
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<td>- other financial incentives</td>
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<td>Transport</td>
<td>- developing more energy-efficient public transport infrastructure</td>
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<td>- road tax bands based on $CO^2$ emissions</td>
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<td>Industry</td>
<td>- defining energy-efficiency targets</td>
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<td>- encouraging SME energy efficiency</td>
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<td>Services</td>
<td>- encouraging public-sector energy efficiency</td>
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</table>
Legislation, incentives, innovation

an issue cutting across all sectors

- environmental policy  
  cutting CO² is key
- Industrial policy  
  market differentiation
- Transport policy  
  based on sectoral discussions
- Consumer protection policy  
  based on awareness-raising
- R&D policy  
  FP7 - CIP
- Innovation policy  
  projects based on EU2020 flagship initiatives
- Energy policy  
  20% target, by 2020

energy efficiency;
In the EU, our energy dependency has grown in line with our dependency on purchasing power, but decision-making processes don't yet reflect this.... Thank you for your attention.

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