



# European Energy Network

A voluntary network of European energy agencies

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# Clean energy transition: how the EU will re-power with renewable energy and shed dependence on Russian fossil fuels

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*Lisbon, 8 June 2022*

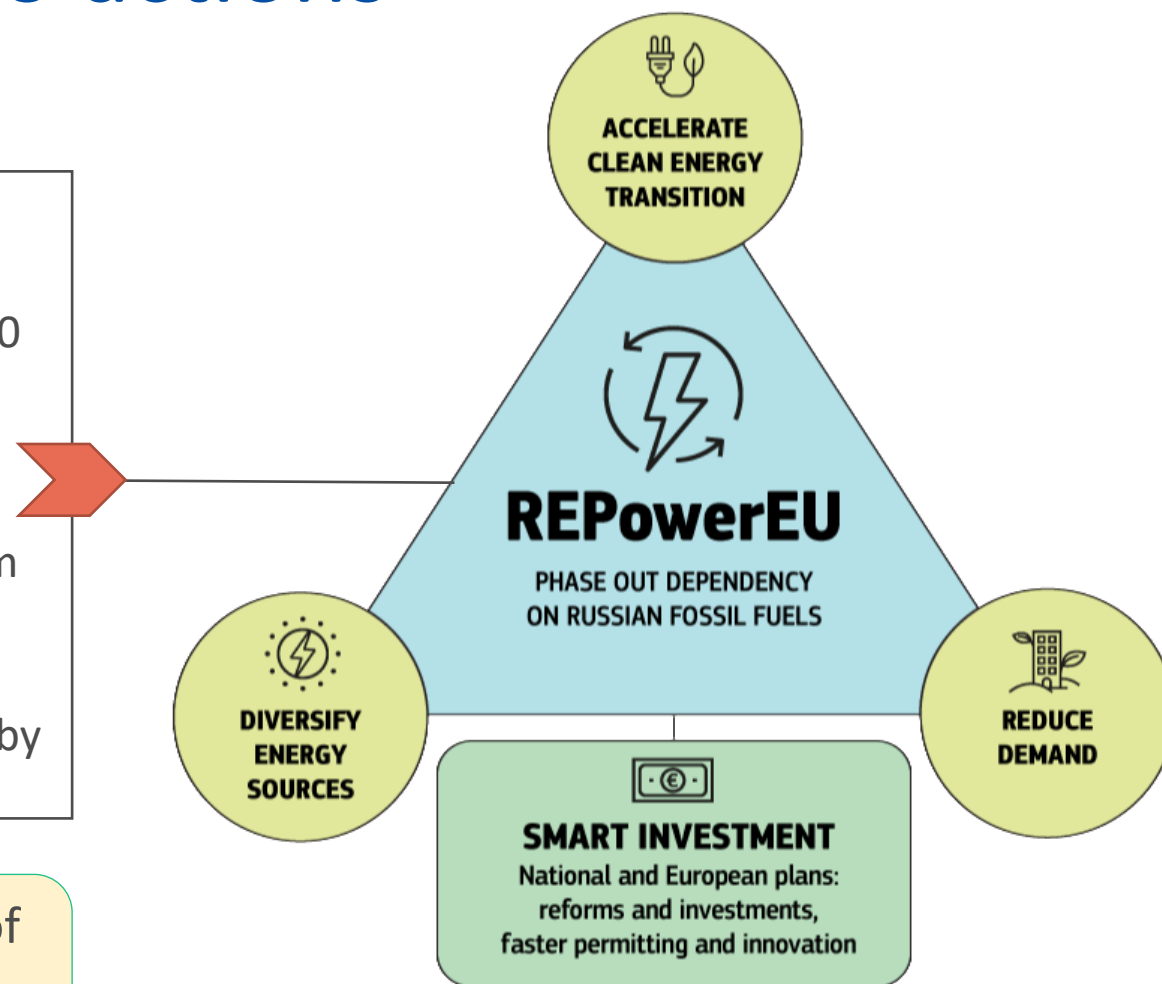
# REPowerEU: from goals to actions

## Independence from Russian fossil fuels by 2027

- Increase imports of **liquefied natural gas** (LNG) by 50 bcm
- Increase **pipeline gas** imports by 10 bcm
- Increase **biomethane** production by 3.5 bcm
- EU-wide **energy saving** to cut gas demand by 14 bcm
- **Rooftop solar** to reduce gas demand by 2.5 bcm
- **Heat pumps** to reduce gas demand by 1.5 bcm
- Reduce gas demand in the power sector by 20 bcm by deployment of **wind and solar**

Increase the target of renewable energy from 40% to **45%** by 2030

Increase the target of energy savings from 9% to **13%** by 2030



# Energy savings (i)

## Achieving short-term energy savings through behavioural change

- Key sectors: **heating** in households and services, **transportation**
- **Information campaigns** on individual actions : turn down heating, draught proofing, encouraging train and cycle use, ...
- **Incitement and supporting actions** : rebates on energy-efficient appliance purchase, reduced VAT on high efficiency heating systems, ...

## Potential savings

**-5 % gas** use (+/- 13bcm)

**-5 % oil** use (+/- 16mtoe)

# Energy savings (ii)

## Accelerating mid- to long-term energy efficiency measures

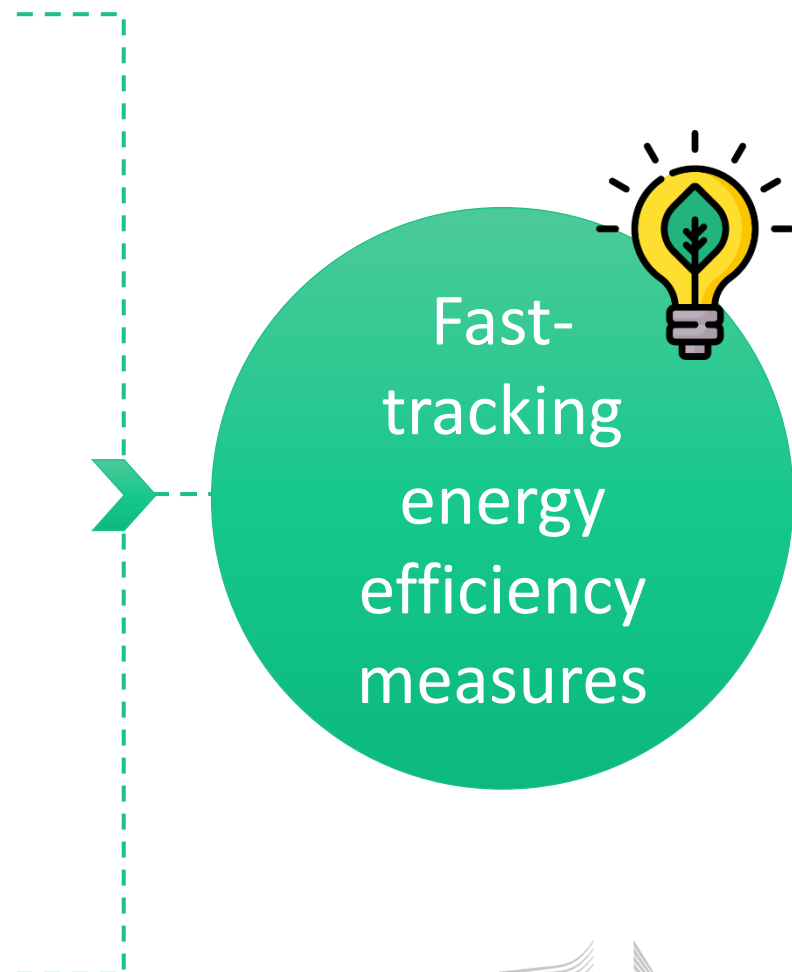
- Strengthen regulatory framework through FitFor55: increased target for energy savings from 9% to 13% by 2030
- Increase transport energy efficiency e.g. motorway speed limits, minimum share of electric vehicles, ...

## Financing

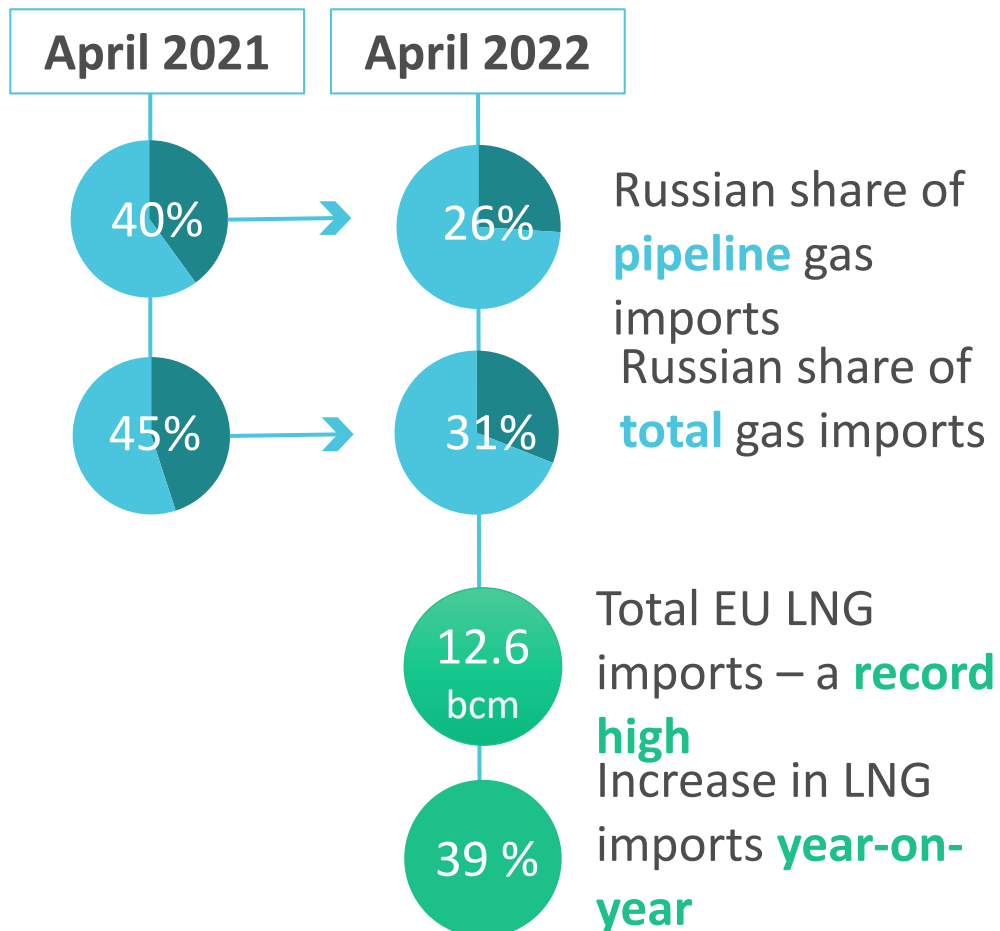
- RRP and MFF (cohesion funds, InvestEU, JTF, ETS, LIFE ...)
- Technical assistance for financing and investments
- European Energy Efficiency Financing Coalition

## Governance and partners

- Covenant of Mayors, 100 Climate-neutral and Smart Cities Mission
- Energy savings partnerships with specific sectors
- 5 ➤ Islands initiative, Initiative on Coal Regions, ...



# Diversification of gas supplies



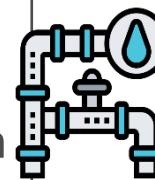
## LNG

- **EU-US** Joint Statement and Task Force on European Energy Security
- EU **Energy Purchase Platform**
- Trilateral agreement with **Egypt** and **Israel**
- Increased imports via **Japan, Korea, Qatar**
- Untapped potential in **sub-Saharan Africa**



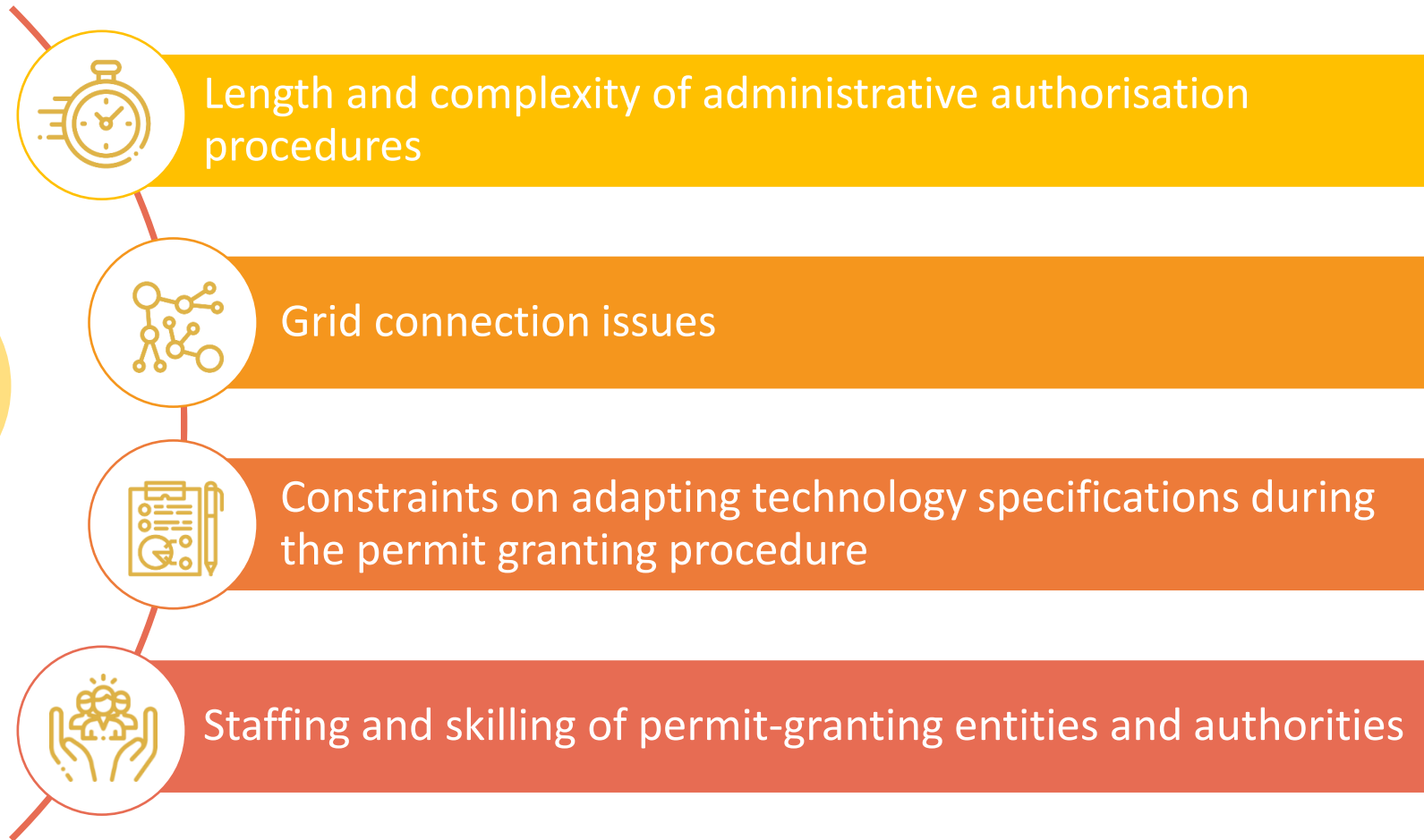
## Pipelines

- Norway
- Algeria
- Azerbaijan



# Increasing renewables share : Permitting (i)

## Issues to address



# Increasing renewables share : Permitting (ii)

Commission guidance on  
**good/best practices**

**Solutions  
proposed**

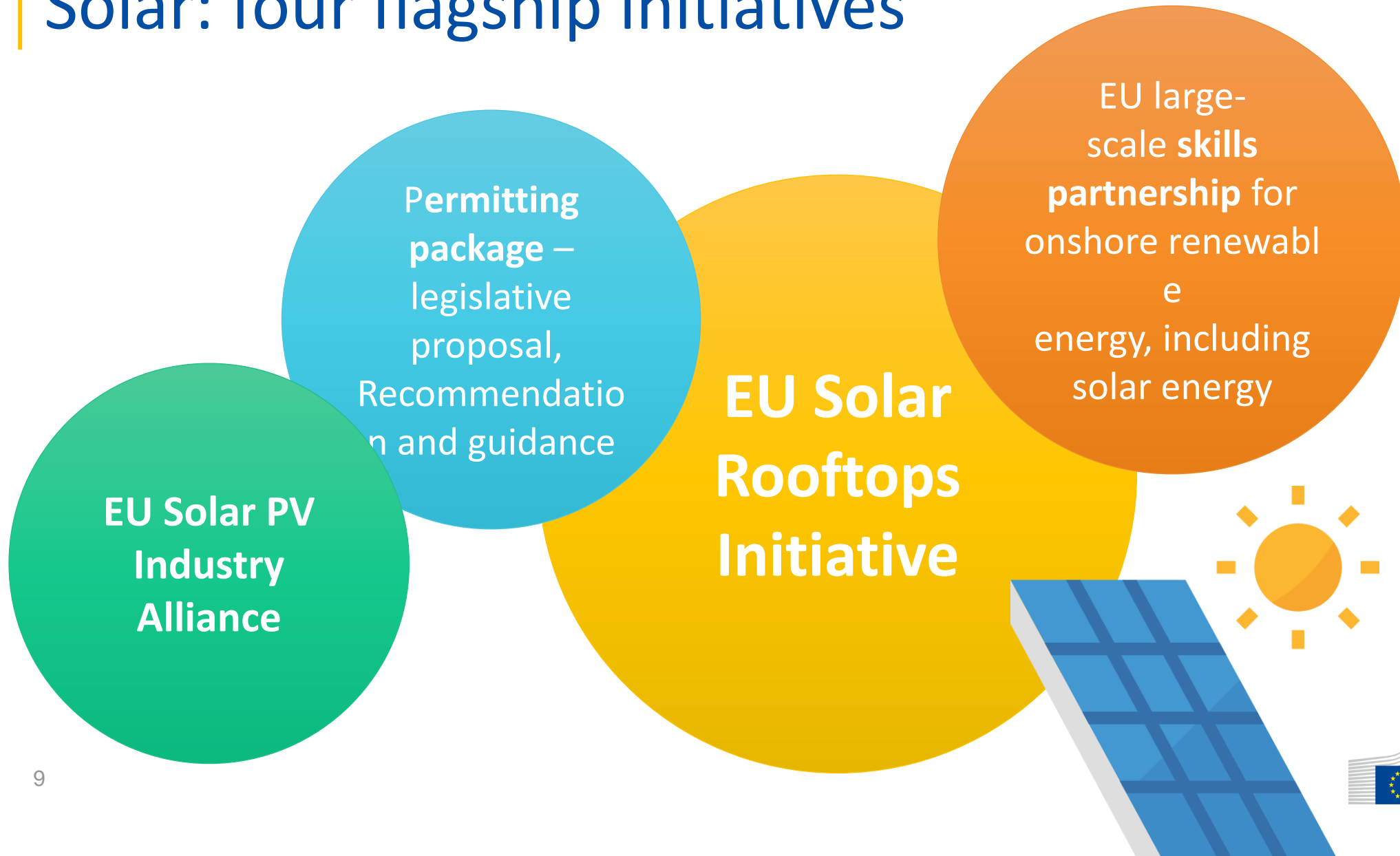
Recommendation on **speeding  
up permitting-granting  
procedures** and facilitating  
**Power Purchase Agreements**

Amendment of **REDII** on  
permitting - establishing  
“**renewable go-to areas**”:  
areas where environmental  
impact has been identified as





# Solar: four flagship initiatives



# Renewable gases

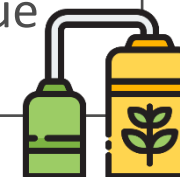
## Hydrogen

- Renewable **hydrogen accelerator** : 10 million tonnes of both domestic production and imports by 2030
- **Regulatory framework**: delegated acts and standards
- Accelerate hydrogen projects with **IPCEI funding**
- Faster deployment of **infrastructure** supported by **CEF funding**
- **Progress report** on hydrogen uptake by 2025
- A global **hydrogen facility** and **green hydrogen partnerships**

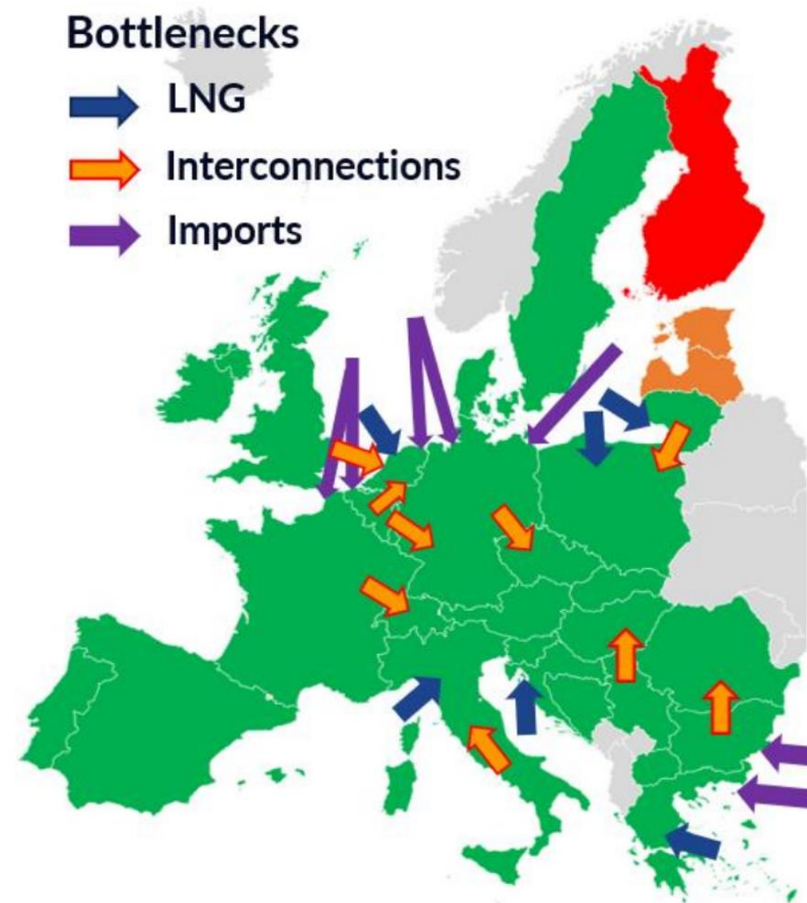


## Biomethane

- Dedicated plan to **double production by 2030** to 35 bcm bio-methane a year
- **EUR 36 billion investment needs** eligible for EU co-financing : CAP, RRF, cohesion policy funds ...
- Establishment of an **industrial biogas and bio-methane partnership** to stimulate the renewable gases value chain



# Gas infrastructure



# Complemented by:



- Action Plan for Short Term Market Interventions and **Market Design**



- Strategy on **international energy engagement**

# Short term intervention measures

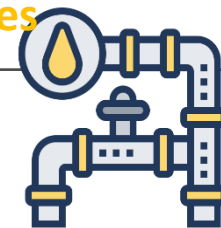
## Electricity market

- Prolongation of **taxation/regulatory measures** removing infra-marginal returns of certain generators
- Temporary extension of scope of regulated retail prices to **SMEs**
- Measures to subsidize the **input cost of marginal power generation technologies**
- Exceptional use of **congestion rents** to finance emergency measures targeting consumers and businesses
- Accelerate use of **demand response**



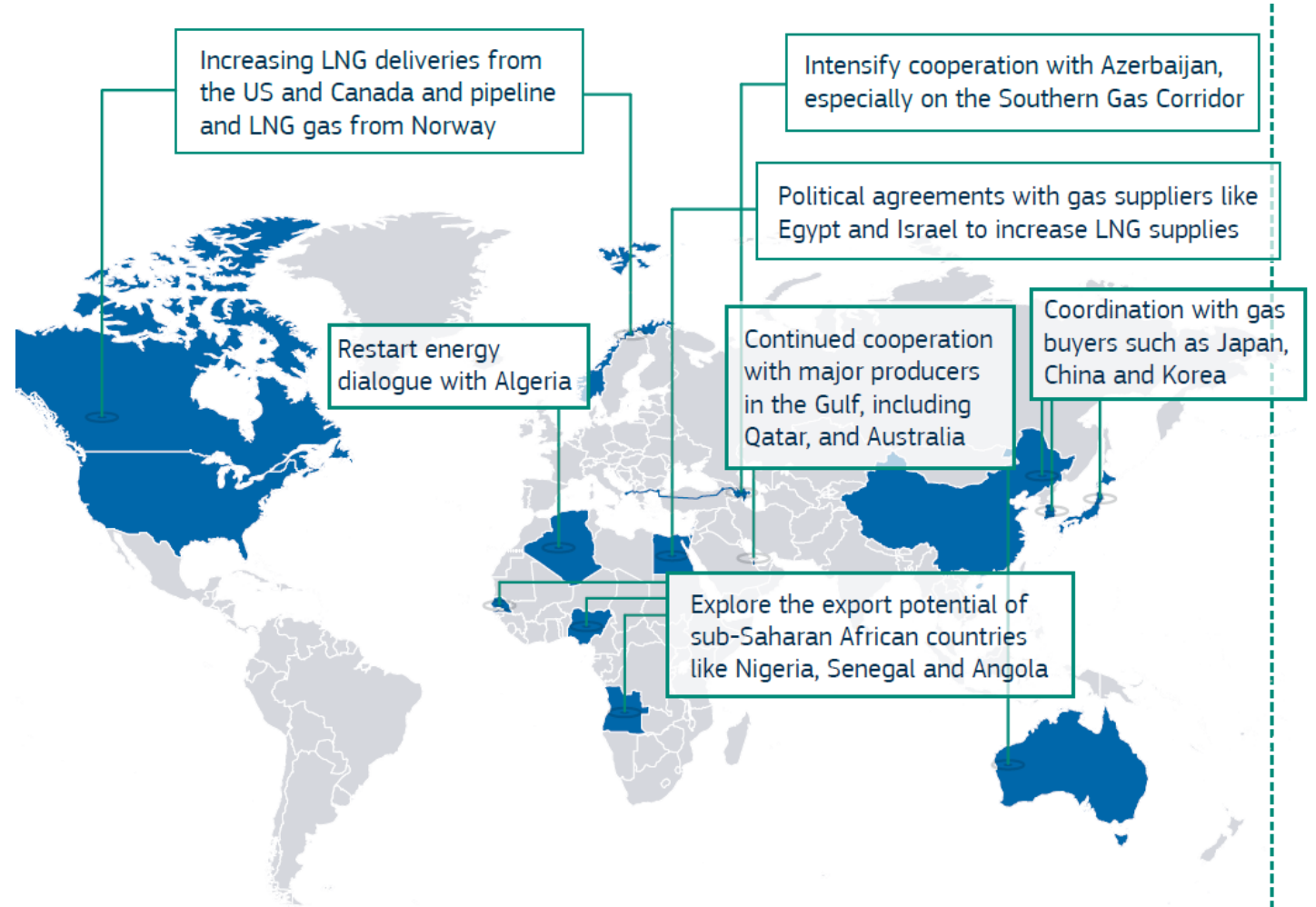
## Gas market

- EU **Energy Purchase Platform**
- Extend **retail price regulation** for gas
- Emergency **liquidity support** measures – to relieve commodities traders
- Measures to **address price volatility on EU gas exchanges**
- **Preparedness**



# International Energy Engagement Strategy

The **EU Energy Platform** will play a key role to pool demand, coordinate infrastructure use, negotiations with the international partners and prepare for joint gas and hydrogen purchases.



# International Energy Engagement Strategy

The **REPowerUkraine** initiative will help ensure energy supply and rebuild the Ukrainian energy sector after the war.



Enable electricity trading with Ukraine and Moldova following the emergency synchronization



Ensure reverse flows of gas to Ukraine via Slovakia, Hungary and Poland and to Moldova and Ukraine via Romania through the Trans Balkan pipeline



Assist in the reconstruction of the necessary nuclear safety capacity in cooperation with the International Atomic Energy Agency



Open the EU's voluntary gas purchasing platform to Ukraine, Moldova, Georgia and the Western Balkans



Promote ambitious energy and climate policies and market reforms including through the Energy Community framework

# International Energy Engagement Strategy

The **REPowerEU** Plan sets out that an additional 14 million tonnes (mt) of renewable hydrogen – on top of the 6 mt already planned under the Fit for 55 initiative – can replace approximately 27 bcm of imported Russian gas by 2030. This includes 10 mt of imported hydrogen.



## **HYDROGEN PARTNERSHIPS:**

Mediterranean Green Hydrogen Partnership, cooperation with the Gulf region, MoC with Japan by end 2022, Strategic Partnership with Ukraine in 2022



## **EU REGULATORY POWER:**

standards, certification scheme, trading hubs in Europe for Euro-denominated transactions



## **GLOBAL EUROPEAN HYDROGEN FACILITY:**

Kick-start the global renewable hydrogen market



# International Energy Engagement Strategy

- Promote the **international phase-out of unabated coal power generation and fossil fuel subsidies**
- Accelerate the global green energy transition by facilitating sustainable investments and connectivity through **Global Gateway**
- Implement the **Joint Energy Transition Partnership with South Africa** and explore similar partnerships with other countries in view of COP27
- Implement the **EU-Africa Green Energy Initiative**, bringing electricity access to 100 million people in Africa
- Boost the **roll-out of renewables and energy efficiency and savings across the world**, including in Western Balkans, Africa, the Mediterranean and the Indo-Pacific
- Ensure fair access to **critical raw materials** through dialogue, partnerships and the EU trade policy
- Make **energy efficiency and savings** a global priority and facilitate the global transition to a more circular economy
- Push forward the **Global Methane Pledge**

# Integrated climate and energy planning

- The first **National Energy and Climate Plans (NECPs)** were adopted in 2019 for the period 2021-2030.
- NECPs have been instrumental in ensuring consistence of energy policies, investments and reforms, by ensuring complementarity between the recovery funding, process under the Governance Regulation, other funding streams (e.g. Cohesion, Common Agricultural Policy Plans) and the European Semester.
- The NECP updates in June 2023 (draft) and June 2024 (final) are not only the **right moment** but also a **unique opportunity to capture most recent changes in national and EU energy policy in a 2030 perspective across all its dimensions** (including demand, supply, infrastructure and 'Fit for 55' ambition).
- **The Commission will prepare guidance for, and in close cooperation with, Member States** on updating NECPs in line with recently adopted strategies and legislative proposals, **in a coherent fashion** and in line with **REPowerEU**.

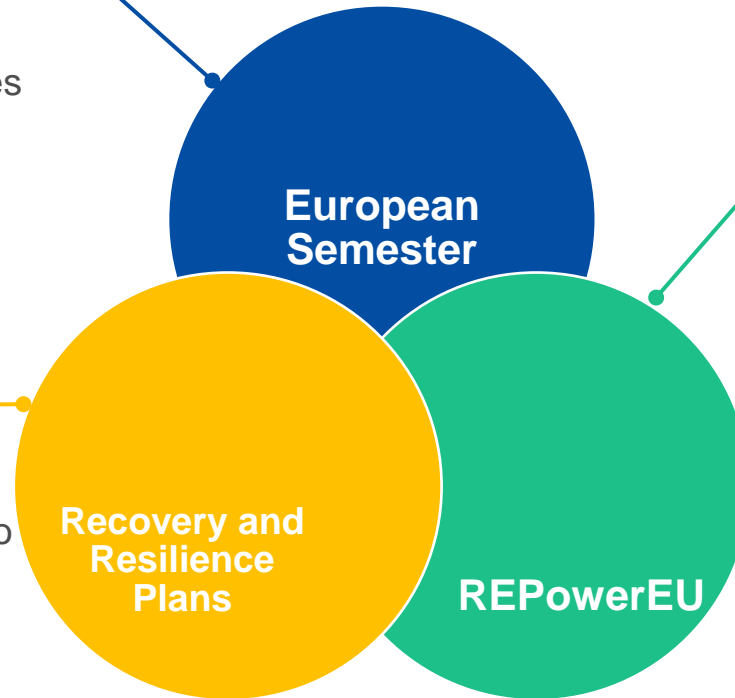
# Interlinkages between REPowerEU, RRP and the European Semester

## European Semester

- Country Report: identifying challenges linked to REPowerEU
- Country-specific recommendations: translating the EU-wide REPowerEU objectives in national objectives

## Recovery and Resilience Plans

- Additional reforms and investments to address REPowerEU objectives
- CSRs are the basis for preparing the RRP: each plan needs to address all or a significant subset of challenges identified in the relevant CSRs



## REPowerEU

- Diversifying of supplies: higher levels of biomethane and hydrogen, higher LNG imports and pipeline imports from non-Russian suppliers
- Accelerating the reduction of EU's dependence on fossil fuels: increasing energy efficiency in buildings and industry, increasing the share of renewables

# Financing and delivery of the RepowerEU

## ➤ Mobilising the available EU Funds

- Next Generation EU including Recovery and Resilience Facility\*, MFF (Cohesion policy funds, InvestEU, LIFE, CEF ...) and EU ETS Funds (Modernization and Innovation Funds)
- Technical assistance

➤ to complement national, private funding, International Financial Institutions (IFIs) support and

➤ to be implemented by the Member States

\* Including additional funding from the EU ETS and voluntary transfers possibilities from the Cohesion policy funds and EAFRD



# Thank you / Obrigada!

[https://ec.europa.eu/commission/presscorner/detail/en/ip\\_22\\_3131](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_3131)





# Thank you!

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at national and local levels**

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