Achieving EU binding targets

IES workshop on EU post 2020 climate and energy governance

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How to ensure that the 2030 EU targets for RES and EE are met in the absence of binding national targets?

> The EU targets need to be taken seriously, both by the Member States and by the European Commission.

1. Member States need to contribute adequately to the target achievement

2. The EC needs to ensure that Member States deliver and close the gap if they do not
How to ensure the achievement of the EU renewables target?

> Member States need to contribute adequately to the target achievement

- A pure pledging approach does not provide a reliable governance framework, as they do not guarantee EU target achievement → need for a back-up mechanism/gap filler
- The question of burden sharing will come up sooner or later; Member States need to know their fair share, either before they plan/pledge or in the iteration process → define benchmarks for national contribution
- Member States need to know what is the consequence of their pledge:
  - Is the pledge binding? Can it be adjusted?
  - Will it have financial consequences (e.g. access to EU funding)?
  - Will there be an EU gap filler? Will it consider national pledges?
  - What are the expected costs of a gap filler and how will these costs be shared among Member States?
    - → Allow comparison of national effort and the contribution to an EU mechanism
- Member States need to know their commitments in other climate policy fields which will influence their RES planning (energy efficiency, Non-ETS effort sharing) → challenging timeline
How to ensure the achievement of the EU renewables target?

> The EC needs to ensure that Member States deliver and close the gap if they do not

- Need for guidance and legal provisions to ensure that national plans are comparable and will actually be implemented
  - Template for national action plans (in addition to guidance published with State of the Energy Union report)
  - Legal basis for infringement procedures
- Smart use of EU funds could provide incentives to Member States to pledge higher, or to cooperate on target achievement
- Electricity market design that fosters flexibility could facilitate RES deployment
- Need for back-up mechanism/gap filler in case that pledges do not add up to the EU target; open questions:
  - How should such a mechanism be designed?
  - How would such EU mechanism interact with national support schemes and action plans?
  - When should such an EU mechanism kick in?
How to ensure the achievement of the EU energy efficiency target?

> Additional effort needed to meet 2020 and 2030 target (increased to 30%?)
> No binding target, but already several EU measures in place (Ecodesign, EED) → EC plays a more prominent role than for RES
> Still, the two governance layers apply:

**Member States need to contribute adequately to the target achievement**
- Strengthen national planning
- Strengthen „binding measures“ approach, e.g. increase savings obligation and reduce loopholes of Art 7 EED
- Additional pressure through Non-ETS effort sharing

> The EC needs to ensure that Member States deliver and close the gap if they do not

- Strengthening and better enforcement of Art. 7 EED
- Strengthening of other EU directives/instruments for EE (EPBD, Ecodesign)
- EU funds and risk sharing facilities could provide incentives for further EE investments
- If this is not enough a back-up instrument/gap filler needs to be envisaged
Conclusions

> To ensure that the EU targets are met, the 2030 governance framework needs to be further defined and clarified

> **Renewables**: In the absence of top down national targets, a new governance system is required
  - The burden sharing of the EU target needs to be discussed sooner or later, even in a world of voluntary pledges/planning
  - “What if” question needs to be answered from the beginning: need for back-up mechanism, clarity about financial implications and incentives

> **Energy efficiency**: strengthening and enforcement of existing mechanisms appears more promising than the set-up of a new governance system
  - Strengthening of national planning and of binding measures approach
  - EU funds/risk sharing facilities and (threat of) gap filler could provide additional dynamics
Ecofys work on 2030 governance

- Towards 2030 project
- Supporting the German government in the discussions on the EU 2030 energy and climate policy framework
- Supporting the German government in the European renewables policy discussion
- Work on energy efficiency discount rates and implications for increasing the energy efficiency target for Friends of the Earth
- Report “Driving regional cooperation forward in the 2030 renewable energy framework” for Heinrich Böll Foundation
- Report “Building on the Renewables Directive. The way forward for a new renewables governance system in the EU” for CAN Europe / Greenpeace
- Etc.
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