

---

## ENERGY TRANSITION: EU UNITY'S MISSING JIGSAW PIECE?

- 20.04.2018

---

EurActiv (20 April 2018)

Decarbonising Europes economy and meeting the targets of the Paris Agreement are among the EUs main priorities. Depending on the level of ambition and the course the EU energy policy ship takes, the result could be either a more united or divided continent.

At the 4th annual EU Energy Summit in Brussels last week (12 April), all the movers and shakers of energy policy were in agreement on at least one point: the EUs necessary shift to a low carbon economy has to be fair and include everybody.

But one countrys ambitious energy policy is another countrys unfair transition, as every member state has its own economic, societal and geographical factors to take into account. These factors have to be balanced with the drastic need to cut emissions and tackle climate change.

That is why figures like EU climate boss Miguel Arias Cañete and European Parliament energy committee chair Jerzy Buzek acknowledge that getting the legislation right will affect how united member states are around a successful energy transition.

In his keynote speech, Cañete warned that an increasingly fluid and uncertain geopolitical situation both inside and outside the EU, indirectly referring to Russia, could slow down Europes decarbonisation efforts.

Faced with these challenges, the Spanish Commissioner insisted that unifying Europe around an ambitious energy policy is more urgent than ever, calling on member states and the Parliament to remember that as talks on the Clean Energy Package for 2030 continue.

An informal energy summit in Sofia on Thursday (19 April) was the last attempt to try and unlock talks between member states and EU institutions ahead of a new round in May. But several national capitals are still unwilling to compromise.

### **Money makes the difference**

Ditching carbon-intensive energy sources means increasing renewable energy capacity and energy efficiency measures. EU negotiators are currently locked in trilateral talks on both files and sources have told EURACTIV that little headway has been made in the previous two sessions.

Spanish MEP José Blanco López, who is the Parliaments lead man on renewables, hopes to convince his Commission and member state counterparts to back 35% rather than 27%. At

Thursdays summit, he warned that decarbonisation is a duty, not just an option.

The Socialist and Democrats lawmaker also cited a recent report by the International Renewable Energy Agency (IRENA) which concludes that a target of 34% is cost-effective, echoing recent statements by the Commission, which is also in favour of raising ambition.

### **Momentum builds behind higher renewables target**

Europe could pursue a more ambitious renewable energy target for 2030 and still keep costs affordable, according to a new European Commission-backed study, which suggests a 34% benchmark ahead of all-important institutional talks.

That is because its 2016 Clean Energy Package renewables target of 27% was based on analysis dating back to 2014 and a recent fall in renewable energy prices has moved the goalposts.

The head of the Commissions energy directorate, Dominique Rostori, acknowledged that the situation is completely different, we could not have predicted how much prices would fall, suggesting the Parliament may have an ally in the ongoing negotiations.

### **Proof in the pudding**

Renewable energy success stories continue to emerge across Europe as a result. The Netherlands is set to open the first subsidy-free offshore wind farm, Scotland had a record-breaking year in 2017 and Bosnia made its first foray into wind power.

Countries and companies previously associated with fossil fuels are also taking the plunge into clean energy. Poland may still rely heavily on coal but it is on the face of things seeking to readdress that by moving into wind power.

Polish transmission system operator PSE insists that the country could tap into 8GW of offshore wind and that 4GW could be exploited by the end of the next decade. Perhaps surprisingly, Poland already ranks seventh in the EU in terms of wind capacity.

But Joanna Flisowska of Climate Action Network (CAN) Europe warned that these positive plans concern the distant future and should not hide the fact that what is happening now is severely undermining the prospects of the renewable energy transition in Poland.

One of the main reasons behind Polands continued use of coal is the alleged societal cost of phasing out the fossil fuel and resulting job losses. But around 12,000 jobs could be created by just offshore wind, meaning with enough investment, employment could be guaranteed.

For countries like Poland, as well as the Czech Republic and Greece, shifting away from fossil fuels could mean reaping numerous advantages, including better air quality, future-proof jobs and reduced health bills. But it is clear that that is not going to happen overnight.

Norwegian energy giant Statoil, which is rebranding itself as Equinor to illustrate its shift of focus away from the extractive business, is also investing in projects like the world's first floating wind farm off the coast of Scotland.

But successes are not always what they appear. Portugal recently generated more than 100% of its power needs from clean energy. However, the Iberian peninsula's continued isolation from the rest of Europe means that a true Energy Union is still an unfulfilled goal.

Portugal breaks 100% renewables mark but remains isolated

Portugal produced more power from clean energy sources in March than it actually needed, marking the first time in the 21st century that renewables have topped 100% of its production. But a dearth of energy connections with the rest of Europe remains problematic.

### **Level policymaking playing-field**

Energy policy is no different from any of the EU's other competences and setting EU-wide targets is challenging. Every member state differs when it comes to topography, energy demand and economic situation.

That is why member states are asked to come up with their own national climate and energy plans so that targets can be set accordingly. That process is not without its critics though, as starting points have garnered criticism, particularly in laws like the Effort Sharing Regulation.

The youngest EU members Bulgaria, Croatia and Romania appear to be the bloc's star pupils as they met their 2020 renewable targets nearly five years ahead of schedule. But critics insist that only shows the benchmarks should have been higher to encourage more investment in the first place.

Member states are currently in the process of drafting their set of plans for the next decade and Energy Union boss Maroš Šefčovič recently urged governments to do their homework and submit them on time.

Some national capitals have already indicated the direction in which they will go in the next decade, with Belgium revealing nuclear power will be phased out and Finland confirming it will ban coal power by 2030.

Energy policy up to 2030 has now firmly reached the business end of things and three Clean Energy Package files could become law under the ongoing Bulgarian Presidency. Further progress is likely to be made under the Austrians, who will take over in July.

Time will tell whether the path determined by those laws will be totally fair on all member states but as more and more evidence of the negative effects of climate change emerges, it is clear that energy policy will have to be effective to help the climate.