



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from:	General Secretariat of the Council
to:	Delegations
No. Cion doc.:	18597/11 ENER 408 ENV 973 POLGEN 232
Subject:	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Energy Roadmap 2050 = Council conclusions

As announced in doc.18582/11, delegations will find in Annex I a first draft of the above conclusions. This draft builds on the outline circulated on 6 March 2012 and the subsequent comments received from delegations. Furthermore, the outcome of the discussion at the Informal Energy Ministerial on 19-20 April on the Energy Roadmap 2050 was also taken into account in this draft.

The preparation of the conclusions will proceed according to the timetable set out in Annex II.

**Draft Council Conclusions
on the Energy Roadmap 2050**

The Council of the European Union,

RECALLING:

- conclusions on energy, adopted by the European Council on 4 February 2011,
- conclusions on "Energy 2020; A strategy for competitive, sustainable and secure energy", adopted by the TTE Council on 28 February 2011,
- conclusions adopted by the European Council on 29/30 October 2009, specially with regard to Section II (Climate change).

WELCOMING the Commission Communication, of 15 December 2011, on the Energy Roadmap 2050.

ACKNOWLEDGING that the Energy Roadmap 2050, as a basis for developing a long-term stable policy framework towards a decarbonised, sustainable, competitive and secure energy system in 2050, identifies key options to reduce uncertainty among investors, decision-makers and citizens.

1. Horizontal principles

1. **STRESSES** the urgent need for a major transformation in production, supply and consumption of energy in order to meet the EU's decarbonisation objective, in a sustainable, cost-efficient, technology-neutral and socially acceptable way, taking into account the potential and characteristics of each Member State, while at the same time ensuring security of energy supply and competitiveness.
2. **UNDERLINES** the importance to ensure and monitor the timely and full implementation of the priorities of the EU's Energy 2020 strategy, including the legislation called for by the strategy, and **RECOGNISES** the urgent need to define the 2030 framework to provide investor security and ensure a cost-effective transition while avoiding lock-in effects.

3. In parallel with the transition of the energy system towards more decarbonisation, RECOGNISES the need for political commitment to promote adequate actions for the general public, in particular concerning:
 - the role of the consumer, especially as regards demand-side management;
 - consequences of the transition on competitiveness, employment and jobs;
 - adequate resources to provide education and training of skills to meet the transition;
 - public awareness and acceptance;
 - measures addressing the consequences of transitional increase of energy prices for vulnerable consumers.
 4. ACKNOWLEDGES, under certain assumptions, the findings of the Energy Roadmap 2050 that decarbonisation of the energy sector is technically and economically feasible, and can in the long term be less costly than a continuation of current policies; and that investments will pay off in the long-term perspective, in terms of growth, employment, greater energy security and lower fuel costs.
 5. While RECALLING the competence of each Member State to define its own energy-mix and ACKNOWLEDGING that the Energy Roadmap 2050 does not replace national, regional and local efforts to modernize energy supply, URGES the Member States and the Commission to continue to pursue options which can meet the EU's decarbonisation objective in an economically efficient way and continue the efforts to fully tap the potential for cost-effective energy savings, while RECOGNISING the merit in developing a European approach to harvest synergies.
- 2. Key elements of a long-term strategy**
1. RECOGNISES that certain core elements would be required in the pathways towards a low-carbon 2050 energy system ("no-regret" options), in particular:
 - the need for increased energy efficiency to ensure a more energy efficient system and to create a stable framework for energy efficiency investments post 2020;

- that a higher share of renewable energy beyond 2020 is a major pre-requisite for a more sustainable energy system and, while CONSIDERING the increasingly competitive nature of renewable energy, RECOGNISES that in 2030, all the decarbonisation scenarios explored in the Commission Communication suggest shares of renewable energy of around 30% in gross final energy consumption;
 - the urgent need for new, smart and flexible infrastructure and fully integrated network planning, as proved necessary;
2. EMPHASISES from a security of supply perspective, both at national and international level, the benefit of maintaining more than one dominant technology solution in order to facilitate adaptations in a technology-neutral European energy system that should be environmentally sound and socially acceptable.
 - 2a. NOTES that gas continues to play a role in the transition of the energy system as indicated in the Energy Roadmap 2050.
 - 2b. RECOGNISES the need to consider the full integration of the transport sector in the pathways towards a low-carbon 2050 energy system.
 3. CONSIDERS that adequate, predictable and robust carbon pricing and other market-oriented instruments are efficient tools to achieve greenhouse gas emissions reduction and can provide an incentive for investments in safe, sustainable and clean low-carbon technologies across the EU; EMPHASISES that emissions trading needs to play an increased role in the long-run, while mechanisms need to be in place to avoid carbon leakage.
 4. EMPHASISES that transition of the energy system towards decarbonisation will require public and private investments in R&D and technological innovation and UNDERLINES the importance of facilitating market driven technology solutions; RECOGNISES the importance of the continued implementation, improvement and financing of the European Strategic Technology (SET) Plan and of other technology initiatives, as appropriate.

3. Internal energy market

1. STRESSES that the EU climate and energy policies and the further improvement of the EU-wide energy market will be key to delivering the EU energy and climate change objectives in a cost-effective way; while EMPHASISING the need for a fully integrated market by 2014, NOTES the importance of full implementation in all Member States of the internal energy market legislation as well as the need to eliminate energy islands in the EU by 2015.
2. HIGHLIGHTS the importance of ensuring that policy and regulatory developments in Member States would eliminate remaining "bottlenecks" and do not create new barriers to electricity and gas or energy market integration and that energy policy developments need to take full account of how each national system could be affected by decisions in neighbouring countries; EMPHASISES the important role of greater coordination of national policies in this respect.
3. RECALLS that markets must continue to play the main role in financing energy infrastructure investments, with costs recovered through tariffs and the inclusion of external costs, while ACKNOWLEDGES that there are some projects, which may require limited public support and EMPHASIZES that any contribution from public finance should be based on clear and transparent criteria.
4. RECOGNISES that the first response to clearly identified energy market distortions has to be measures to improve market functioning. Therefore, CALLS for the rationalization and the phasing out of environmentally or economically harmful subsidies including fossil fuels.

4. External

RECALLS the November 2011 TTE Council Conclusions on strengthening the external dimension of the EU energy policy, the need for a broader and more coordinated EU approach to international energy relations in order to meet global energy challenges and climate change and to address competitiveness and carbon leakage related issues, while at the same time ensuring the safe, secure and diversified supply of energy.

5. Follow-up

1. With a view to reducing long term regulatory uncertainty, INVITES the Commission to propose a 2030 policy framework once an analysis of the first results of the climate and energy package has been reviewed and at the latest by February 2014, based on the no-regrets options identified in the Energy Roadmap 2050 and lessons learned from the 2020-framework, including the interactions between different targets, instruments, and national support schemes, taking into account the impact on Member States, the various potential energy mixes and national conditions in Member States and of international developments such as carbon leakage and adverse effects on competitiveness.
 2. INVITES the Commission to regularly monitor and report on already put in place measures and legislation described in the Energy Roadmap 2050, making full use of existing reporting mechanisms, and to proceed with appropriate actions as a result of the monitoring. While STRESSING that urgent decisions have to be taken on the basis of the current information and the Energy Roadmap 2050, FORESEES regular review of the Energy Roadmap 2050.
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TIMETABLE

15 December	<ul style="list-style-type: none"> – Communication on Energy Roadmap – circulation of timetable
9 January	preliminary comments/questions on the Communication
10 January	WPENER: presentation of Communication and IA /examination
(tbc) 7 February	Conference on the Energy Roadmap (Brussels)
1 March	deadline for comments on the Communication
6 March	circulation of conclusions outline
13 March	WPENER: presentation of conclusions outline / preliminary reactions
23 March	deadline for comments on outline
19-20 April	Informal Energy Ministerial
23 April	circulation of 1st draft conclusions
24 April	WPENER: presentation of draft conclusions
30 April	deadline for comments on 1st draft
2 May	circulation of 2nd draft conclusions
3 May	WPENER: examination of conclusions
7 May	deadline for comments on 2nd draft
8 May	circulation of 3rd draft conclusions
10 May	WPENER: examination of conclusions
16 May	deadline for comments on 3rd draft
22 May	circulation of 4th draft conclusions
29 May	WPENER: examination of conclusions
6 June	Coreper
15 June	TTE