

COUNCIL OF THE EUROPEAN UNION

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NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
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Subject:	Communication from the Commission on "A policy framework for climate and energy in the period from 2020 to 2030" - Policy debate

1. On 27 March 2013, the <u>European Commission</u> published the Green Paper "A 2030 framework for climate and energy policies" and launched a public consultation, which ended on 2 July 2013.

- 2. In its conclusions of 22 May 2013, the European Council welcomed the Green Paper and indicated that it would return to the issue in March 2014, once the Commission came forward with more concrete proposals, to discuss policy options in that regard, bearing in mind the objectives set for the COP 21 in 2015 ¹.
 - 3. On 22 January 2014, the Commission adopted the Communication "A policy framework for climate and energy in the period from 2020 to 2030", together with its impact assessment ². According to the Communication, the aim of the framework is to drive continued progress towards a low-carbon economy and a competitive and secure energy system. The framework proposes two targets: firstly, an EU target for reducing greenhouse gas emissions by 40% in 2030 compared to 1990 levels. That overall target would be reached through a reduction of 43% in the sectors covered by the EU Emissions Trading Scheme (ETS) and 30% in the non-ETS sector, both compared to 2005. Secondly, the Communication proposes a renewable energy target of at least 27%, which would be binding at EU level but would be fulfilled at national level through objectives decided by Member States themselves. Other main features of the proposed framework are a new governance framework based on Member States' national plans concerning e.g. greenhouse gas emissions in the non-ETS sector, energy savings and energy security. The Communication also emphasises the importance of energy efficiency in the future framework but does not propose new targets at this stage, and suggests a set of key indicators for a competitive and secure energy system in order to assess progress over time.
- 4. The Communication was accompanied by a legislative proposal to establish a market stability reserve for the ETS ³. The reserve, which would operate from 2021 onwards, is aimed at improving the resilience of the ETS to market shocks as well as enhancing market stability. Other documents issued alongside the Communication on the 2030 framework include a report on energy prices and costs, a recommendation on the exploitation of shale gas and a communication on industrial policy.

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¹ EUCO 75/1/13.

² 5644/14 + REV 1 (en) + REV 2 (pl) + ADD 1 + ADD 2.

³ Doc. 5654/14 + ADD 1 + ADD 2

- 5. The Commission presented the Communication on the 2030 framework to the <u>Permanent Representatives Committee</u> on 24 January. The <u>Working Party on the Environment</u> continued the examination of the Communication and the accompanying impact assessment at its meetings on 30 January and 10 February ⁴. The <u>European Parliament</u> adopted a non-legislative resolution on the 2030 framework on 5 February 2014 ⁵.
- 6. To encourage an exchange of views between Ministers on the proposed climate and energy framework until 2030, and with a view to contributing to the discussions at the March European Council, the <u>Presidency</u> has prepared the following two questions for the <u>policy</u> debate at the Council (Environment) on 3 March:
 - Do you consider that the overall approach of the 2030 framework for climate and energy policies provides the appropriate balance between ambition, in terms of reducing greenhouse gas emissions in line with the long-term climate objective, and flexibility for Member States to define the most appropriate ways to transition to a low-carbon economy taking into account their preferences, specific circumstances and capacities?
 - What do you see as the next steps in the discussion on climate and energy policies until 2030, taking into account the need to provide certainty for investors in the longer term and prepare for the international climate negotiations, and which aspects of the proposed framework would as a priority need to be further discussed and defined, for example in relation to efforts at EU and Member State level and in different sectors?

In order to facilitate the debate, delegations are requested to focus their interventions at the Council on key messages and to provide additional elements in writing.

⁵ P7_TA(2014)0094.

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Discussions started in parallel in the Working Party on Energy in preparation for a policy debate scheduled for the Council (TTE) of 4 March (see doc. 6069/14).