



2030

FRAMEWORKfor**CLIMATE&ENERGY**
#EU2030

**Update on 2030 Energy & Climate Framework
and on its implications for the EU refining
industry**

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Europe's priorities

Our goals

Competitiveness



Security of
supply

Sustainability

Why a 2030 framework now?

Predictability
for policy-makers
and investors

Need for cost-
effective and joint
solutions

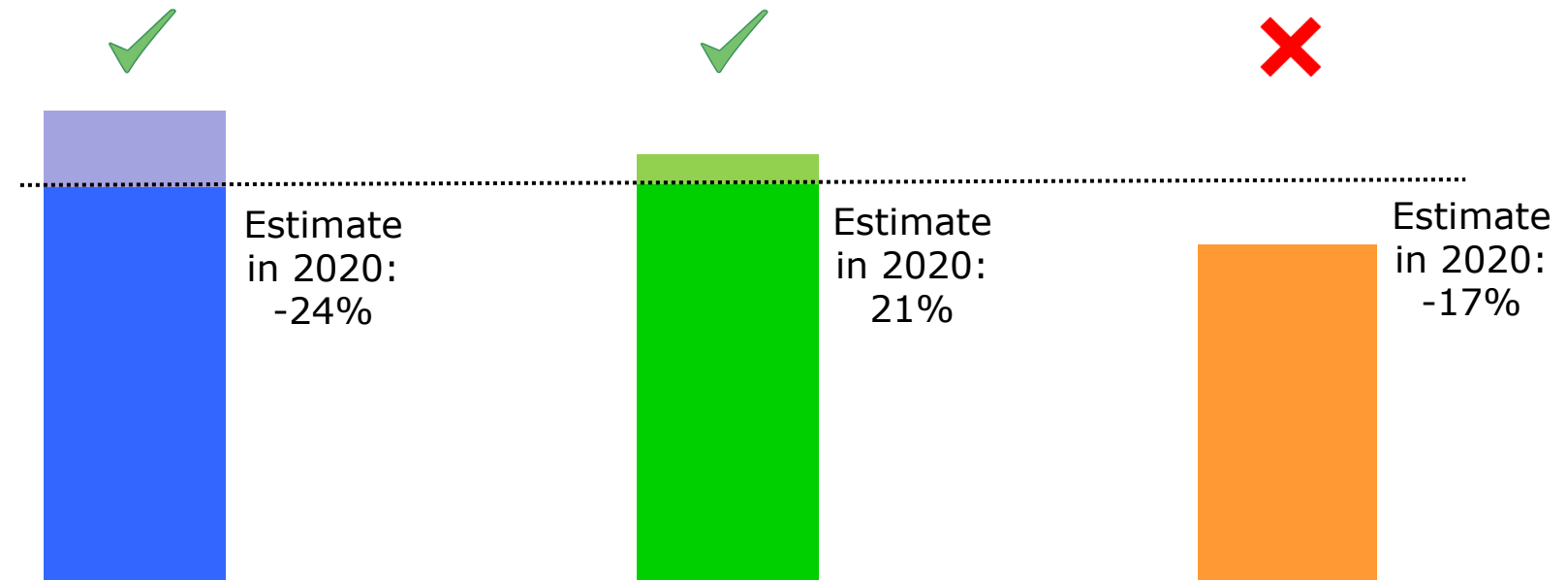
Speaking with
one voice

Europe is on its way to meeting its 2020 targets

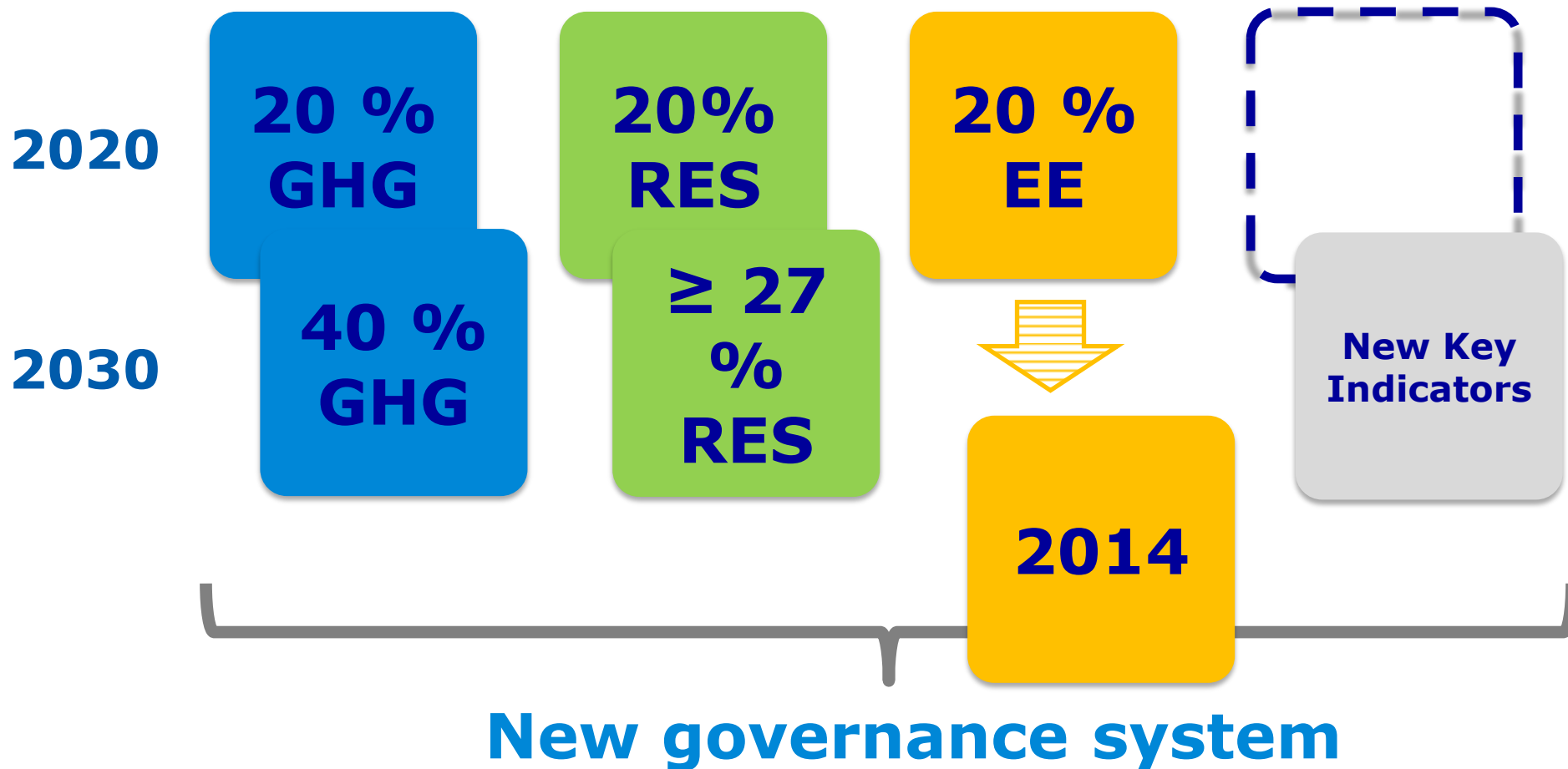
Reduce greenhouse gas levels by 20%

Increase share of renewables to 20%

Reduce energy consumption by 20%

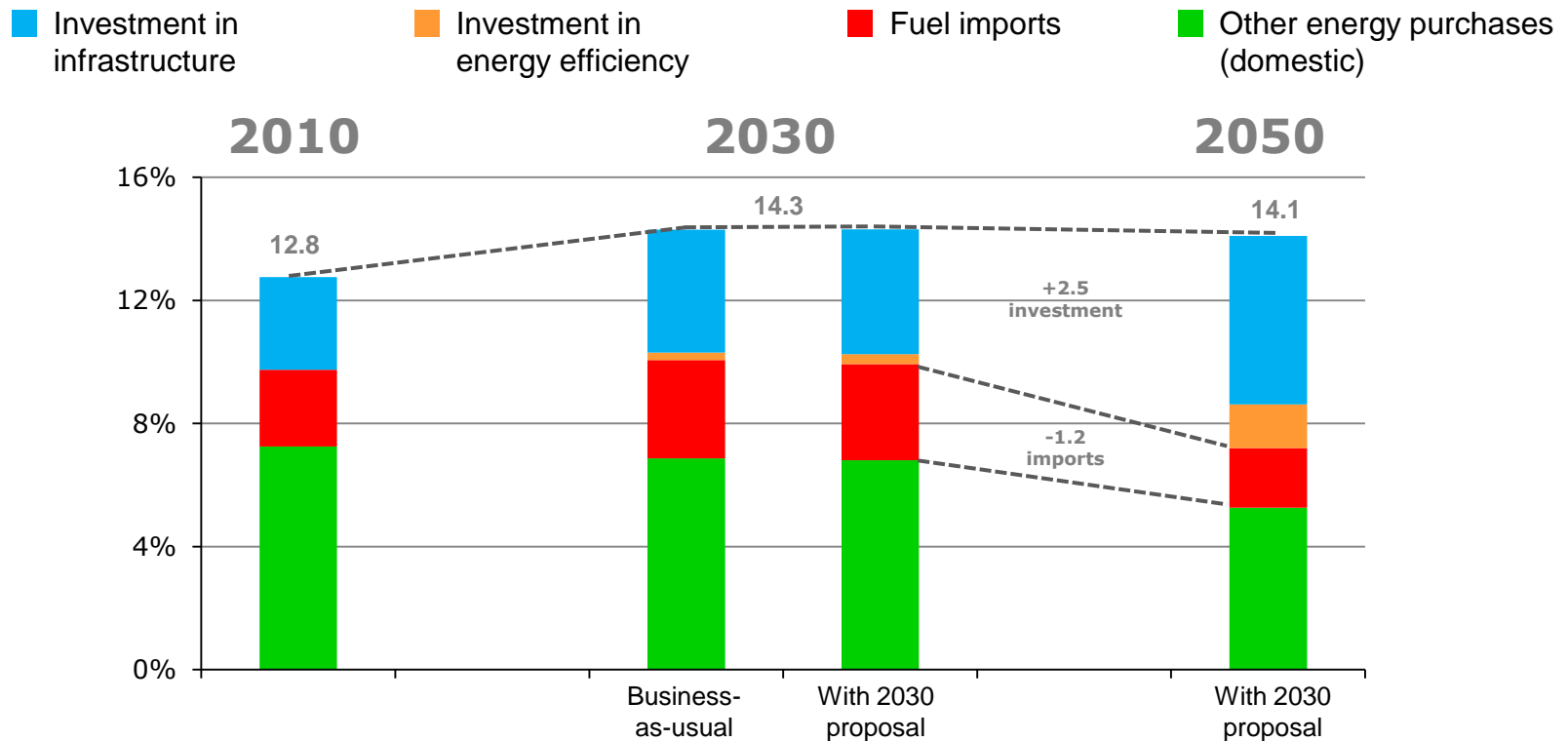


A renewed ambition for 2030



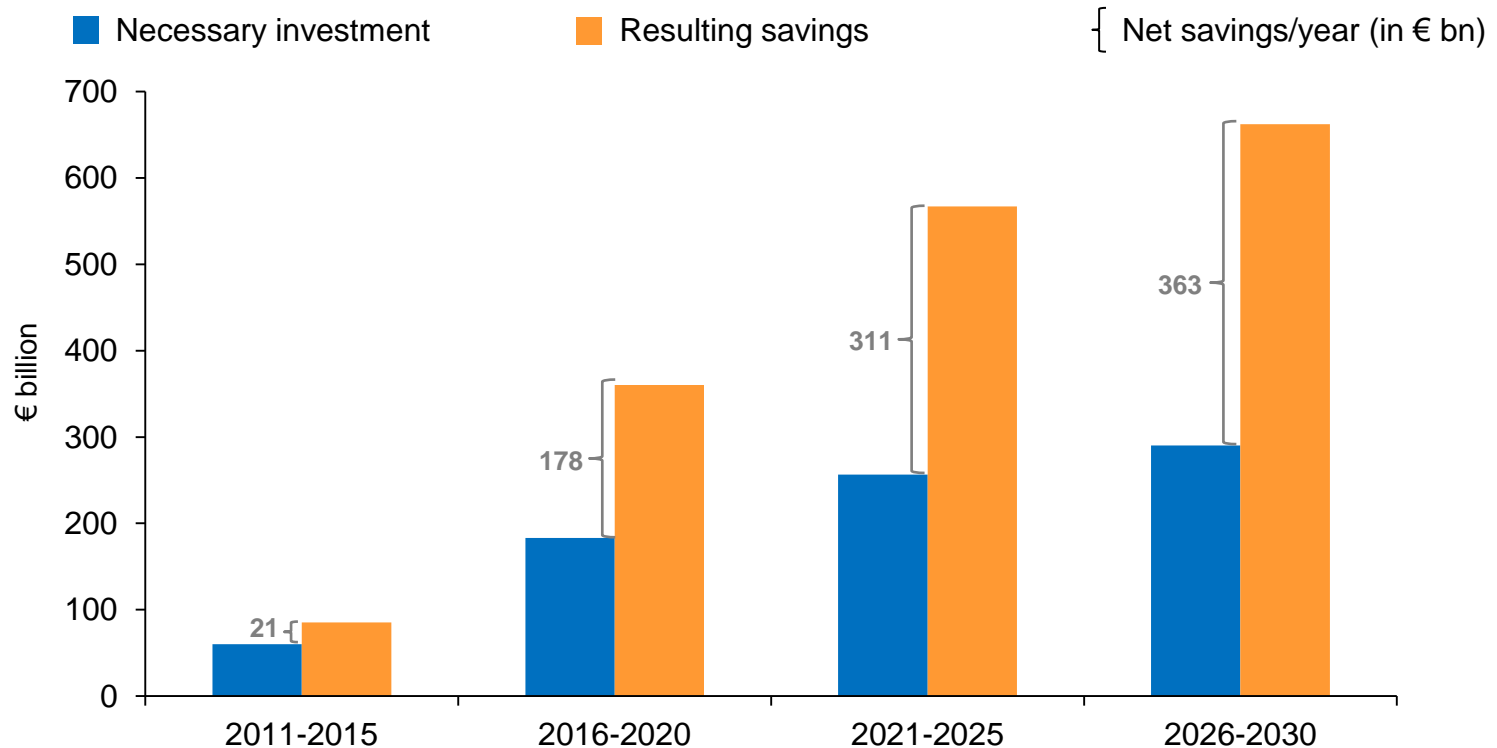
Energy costs to rise in all scenarios until 2030, but clear benefits from decarbonisation

Energy costs, broken down by components (annual average in % of GDP)



Energy efficiency is key

Estimated savings from current commitments on energy efficiency



Connecting and diversifying

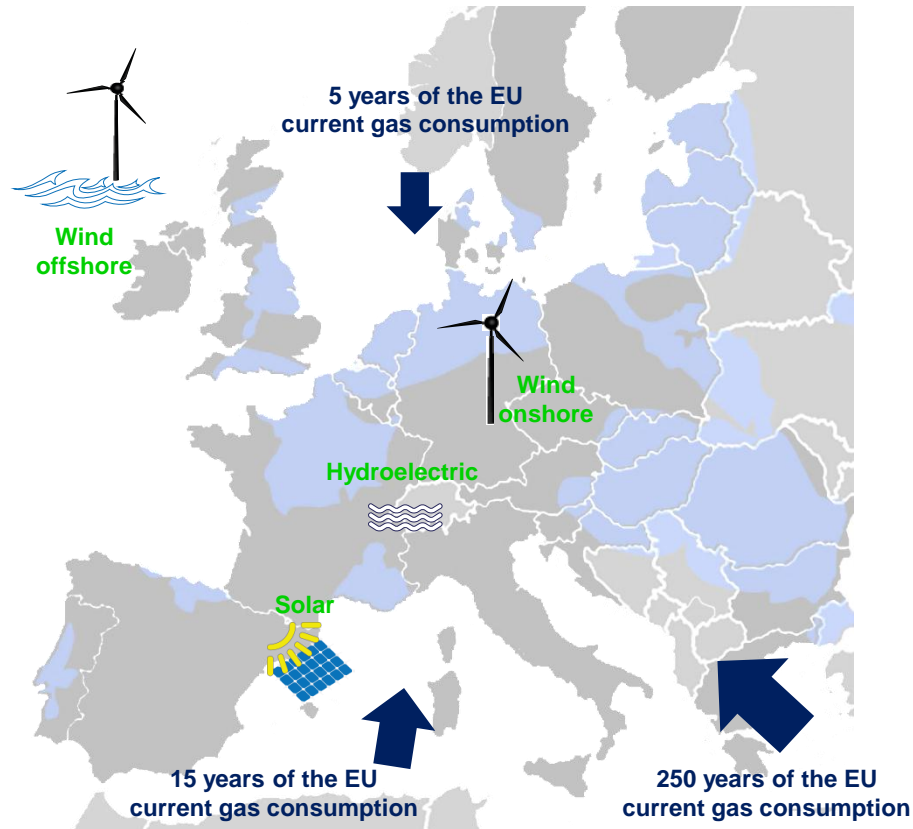
Reaping the benefits of a fully integrated energy market up to 2030

Internal market:
€ 43 - 70 bn per
year in gas and
electricity

Potential for
renewable energy

Future potential
for gas sources

Potential for
shale gas

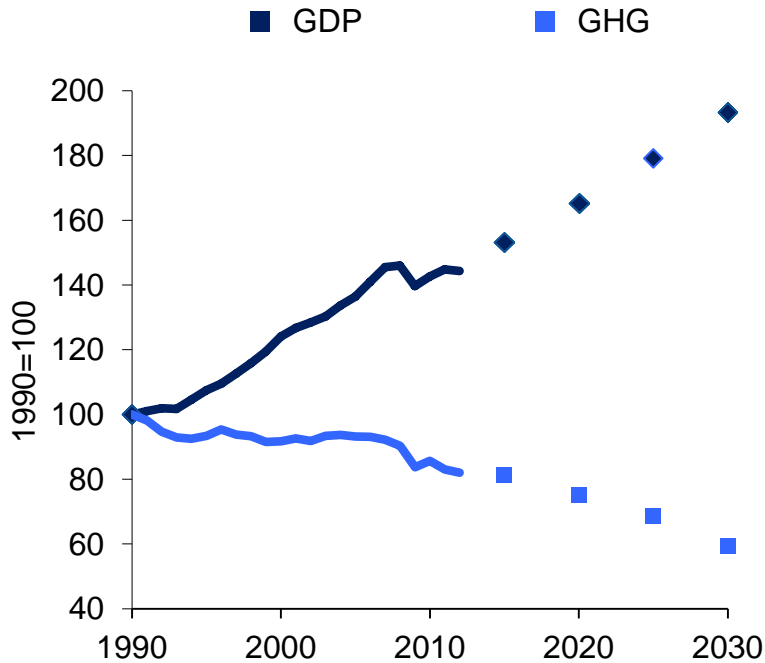


Industry competitiveness and other concerns addressed....

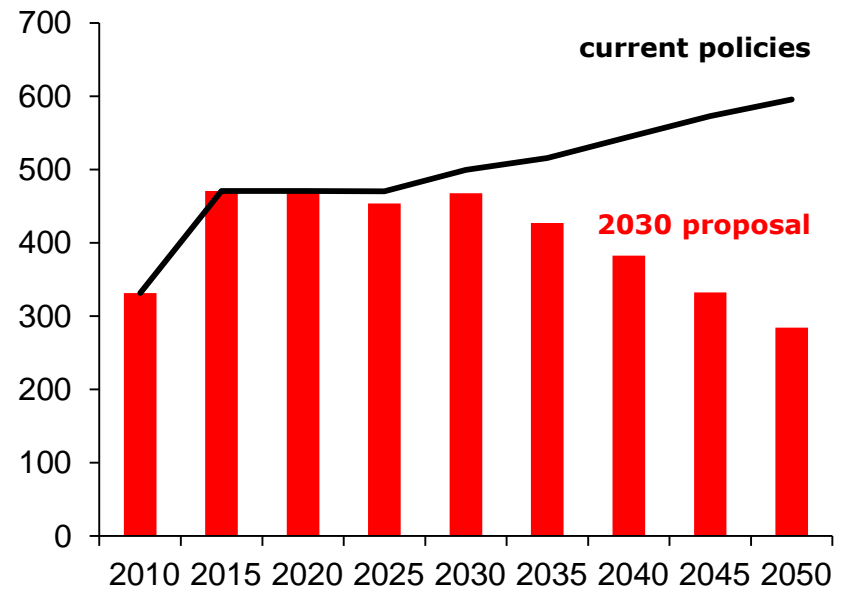
- ❑ For energy-intensive industries exposed to international competitiveness, we will limit the risk of carbon leakage now and in the future.
 - In this decade the Commission aims to guarantee continuity in the methodology of the composition of the carbon leakage list.
 - Post-2020 we should continue with an improved and better focused system of free allocation, if other major economies do not take comparable action.
- ❑ The Commission also proposes a set of key energy indicators relating to the internal market, energy security and competitiveness. One example is energy price differentials with major trading partners.
- ❑ The Commission has not proposed new targets for the transport sector after 2020: the future of EU transport development should be based on alternative, sustainable fuels as an integrated part of a more holistic approach to the transport sector.
- ❑ No reform of ETS before 2021 (4th trading period)

...but key to Framework is reduced import dependency

Decoupling GDP from greenhouse gas emissions (GHG), 1990-2030



Reducing the EU fuel import bill with our 2030 proposal (import expenditure, in € billion)



Some key results from the IA

	2010	2030	2050	2030	2050	2030	2050
		Reference		2030 GHG40		2030 GHG40/EE	
GHG reductions vs 1990	-14.7%	-32.4%	-43.9%	-40.6%	-79.6%	-40.3%	-80.1%
GHG reductions in ETS vs 2005	-13.3%	-36.0%	-59.3%	-43.0%	-87.1%	-38.0%	-86.2%
Share of RES <i>(gross final energy consumption)</i>	12.4%	24.4%	28.7%	26.5%	51.4%	26.4%	50.8%
Share of oil <i>(primary energy mix)</i>	35.1%	32.3%	30.5%	32.8%	13.5%	32.1%	15.6%
Primary consumption of oil in reference (Mtoe) and % change compared to reference	621	520	498	-3.3%	-62.1%	-10.7%	-63.0%
Energy savings <i>(rel. to 2007 baseline projections for 2007)</i>	-	-21.0%	-	-25.1%	-	-29.3%	-
Net energy import dependency (2010=100)	100	96	101	89	56	83	50
Fossil fuel net imports, average annual 2011-2030 (bn €) and corresponding 2010 value	332	461	548	452	377	441	343

Next steps

- ❑ Follow-up on the European Council conclusions:
 - European Council to agree on the 2030 framework by October 2014 at the latest.
 - For June European Council, progress to be made on:
 - ✓ Impact at MS level of EU-wide targets for GHG reductions and RES;
 - ✓ Mechanisms which will result in an overall fair effort sharing;
 - ✓ Measures to prevent potential carbon leakage in order to ensure the competitiveness of Europe's energy-intensive industries;
 - ✓ A review of the Energy Efficiency Directive and an energy efficiency framework.
 - Interconnection objectives to be attained by 2030
 - In-depth study on EU Energy Security and comprehensive plan for the reduction of EU energy dependence by June 2014.
- ❑ Carbon leakage beyond 2020: workshops and consultation