Council adopts negotiating guidelines

“We are ready,” the EU’s chief negotiator on Brexit, Michel Barnier, told reporters upon his arrival at the General Affairs Council meeting in Luxembourg on April 27, where national ministers in charge of Brexit talks were refining draft negotiating guidelines prior to their formal adoption by EU leaders at a summit on April 29. Questioned on the impact the outcome of the UK general elections of June 8 might have on the EU’s negotiating stance, Commission Vice-President Frans Timmermans stated that it is of utmost importance that the EU27 remain united going into upcoming Brexit negotiations. Furthermore, he said the results of the British elections would in no way change anything from the Union’s perspective, as the move by Mrs May was purely an internal matter for the UK and that “our [the EU’s] position is determined by the interests of the EU27”.

Source: Dods

Council seeks cut in annual energy savings target

The Maltese presidency of the EU Council has proposed to lower the binding 1.5% annual energy savings requirement under the EU’s energy efficiency law after 2020. A leaked compromise proposal would require Member States to achieve savings of just 1.4% of final energy sold to customers each year between 2021 and 2030. Last November, the European Commission proposed to continue the current 1.5% target after 2020 under the revised Energy Efficiency Directive (EED).

A number of countries, including Germany, France, Sweden, Denmark and Ireland, are unlikely to support the weakening of the target. While many Member States have other concerns over issues such as flexibility and costs, the level of the binding energy efficiency obligation has so far not been one of them, they said.

The latest draft follows a meeting on 17 March, where Member States discussed a previous proposal to make the EU’s overarching 2030 energy efficiency target indicative. The Commission wants a binding 30% target at EU level.

Both industry providing energy efficient solutions and civil society criticised the proposal to water down the 1.5% target.

Randall Bowie, chief consultant for insulation manufacturer Rockwool International, warned that the move sends a bad signal to the market. The binding 1.5% target gives a long-term investment horizon in the EU renovation market, he said, adding that it takes around 5–10 years to set up a production line in the insulation area.

Dora Petroula, energy savings coordinator at environmental group CAN Europe, pointed out that the current requirement already includes “loopholes that allow countries to do less”. “Countries’ immediate priority should be to eliminate these loopholes, and not to avoid real climate action even further,” she said.

Malta is hoping to reach an agreement on a Council position on the EED revision by June.

Source: Ends Europe
ELECTRICITY

Key electricity trends 2016

Overall production of electricity rose slightly in the OECD last year, but each region saw different changes in production shares by fuel type, says the International Energy Agency. An assessment of monthly data shows that in 2016, OECD net electricity production grew by 0.9% compared to 2015. Within this small overall change there was a large increase of 9.5% in geothermal, solar, wind and other renewables generation and a smaller, but still significant, increase of hydro, 2.2%. Combustible fuels and nuclear fell by 0.2% and 0.1%, respectively. For more data, please click here.

Source: International Energy Agency

ELECTRIFICATION OF TRANSPORT

Report sees 25% of EU energy savings in transport

According to a report by Ricardo, tapping into the potential for a fivefold increase in annual energy savings in transport would allow the EU to scrap an exemption for the sector from its savings obligation.

This potential would cover savings needed in other areas once fuel used for transport would need to be factored in when countries count their annual energy savings under the Energy Efficiency Directive (EED), the report indicated.

This means it would be feasible to continue to apply a 1.5% annual energy savings target for all Member States though the next decade, said the Coalition for Energy Savings, which commissioned the report.

Government representatives are currently considering to water down the binding annual 1.5% energy savings target to 1.4% after 2020, while the European Commission's EED reform proposal would allow EU governments to continue ignoring fuel used for transport when setting national energy savings targets.

With transport accounting for 30% of EU energy use and further provisions allowing governments 25% leeway in setting their reduction objectives, real energy saving obligations amount to just 0.75% a year, the Coalition argues. "All Member States bar Sweden have used this loophole," its secretary general Stefan Scheuer said while presenting the report in Brussels.

The equivalent of 4.5 million tonnes of oil (Mtoe) could be spared each year by combining transport sector interventions – such as boosting public transport and cycling or moving freight off the roads – with energy and CO2 taxes and measures to increase uptake of electric and other low-emissions vehicles, the report suggested.

This could boost the contribution of the transport sector from 9% of the 8.9 Mtoe average reduction seen in final energy consumption between 2014 and 2020 to over a quarter of an envisaged 17 Mtoe annual saving in the decade from 2021, the report concluded.

"National transport measures have a great potential and together with the untapped savings in buildings and industry will allow reaching truly 1.5% savings per year," Scheuer said.

MEPs and national governments are currently also negotiating the level of the overall energy efficiency target for 2030, which the Commission proposed to set at 30%. EU leaders called for a less ambitious non-binding 27% improvement in 2014, while the European Parliament backed last summer a binding 40% target.

Source: Ends Europe

Lead MEP calls for 25% EV target for 2025

The European Commission should adopt a target to ensure at least a quarter of all vehicles sold by EU manufacturers run on electricity by 2025, MEP Bas Eickhout (V/NL) has suggested.

A recent draft position authored by Eickhout, who leads the European Parliament’s work on the EU’s low-emission mobility strategy, sought to boost the uptake of electric cars by urging Member States to speed up the deployment of infrastructure for alternative fuels.

According to figures released by the European Environment Agency, electric vehicles only represented 1.1% of all new vehicle sales in 2016, down from 1.2% in 2015. Up to 12 countries could face legal action by the Commission for failing to produce their national roll-out plans required under EU law.

Eickhout’s draft position also called on the Commission to set CO2 limits for both cars and vans at 70 g/km by 2025 and 50 g/km by 2030. CO2 standards for heavy-duty vehicles in 2025 should be presented “without delay”, it added, in line with a recent draft recommendation being discussed in the Parliament’s environment committee.

However, the Commission’s proposal is only expected to come out around Easter 2018.

The mobility strategy was tabled by the Commission last July, and the transport committee is set to vote on the Parliament’s position in September.

Source: Ends Europe

RENEWABLES

Renewables assuming greater role in the EU energy mix

The European Environmental Agency EEA published a report in which it outlines how renewable energy sources are steadily increasing their share in energy consumption across the European Union, and further reducing the need for CO2-emitting fossil fuel energy. This trend is driving down greenhouse gas emissions from electricity generation, buildings’ heating and cooling, and transport.

The EEA report shows that renewables have become a major contributor to the energy transition occurring in many parts of Europe. Growth in renewables continues to bolster climate change mitigation in the EU. The EU-wide share of renewable energy use increased from 15% in 2013 to 16% in 2014. This upward trend continued also in 2015, as renewable energy accounted for the majority (77%) of new electricity-generating capacity for the eighth year in a row. Recent data from Eurostat showed that the EU-wide renewable energy use finally reached 16.7% in 2015 – which is close to the EEA's 16.4% preliminary estimate published in December 2016. This steady EU-wide progress in renewables since 2005 enables the EU to stay well on course to reach its target of 20% by 2020.

Source: International Energy Agency
At Member State level, the shares of renewable energy use continues to vary widely, ranging from over 30% in Finland, Latvia and Sweden, to 5% or less in Luxembourg and Malta.

The uptake of renewable energy since 2005 allowed the EU to cut its fossil fuel consumption and greenhouse gas emissions by about a tenth in 2015 – comparable to the annual fossil fuel use and greenhouse gas emissions of Italy. Three quarters of these greenhouse gas reductions attributable to renewables came from the development of renewable electricity production. Coal was the most substituted fuel across Europe, representing about one half of all avoided fossil fuels, followed by natural gas (28% of all avoided fossil fuels). In both 2014 and 2015, the largest reductions in fossil fuel use and CO2 emissions due to the uptake of renewable energy sources took place in Germany, Italy and the United Kingdom.

Global investments in renewables continued to show steady growth over the past decade. This has led to a doubling of global renewable electricity capacity between 2005 and 2015. The EU plays a leading role in developing clean energy technology and is ranked second after China in installed and grid-connected domestic renewable electricity capacity. Still, some non-EU countries are seeing faster progress, something observed also in terms of the share of renewable-energy related jobs in the labour force where in 2015 the EU was overtaken by other countries, such as Japan and China.

The EU and its Member States will need to step-up their climate and energy efforts if they want to meet EU ambitions to become a sustainable, low-carbon economy by 2050, the report says. Key challenges remain, including the formulation of adequate policies that deliver targets, agreeing on an EU monitoring system and improving innovation capabilities to reap the full benefits of the energy transition in Europe.

Source: European Environment Agency

Record global renewable power deployment in 2016

A record 138.5 gigawatts of renewable electricity generation capacity was installed worldwide in 2016 despite a fall in investment, according to an annual report published jointly by the UN Environment Programme, Bloomberg New Energy Finance (BNEF) and the Frankfurt School of Finance and Management.

The proportion of global electricity coming from renewable sources, excluding large hydro, rose from 10.3% in 2015 to 11.3% in 2016 and prevented the emission of an estimated 1.7 gigatonnes of CO2, the report stated. The 8% increase in deployment compared to 2015 came in parallel with a fall in total investment in the sector to $241.6 billion. This is the lowest level since 2013, partly reflecting a fall in the cost of renewables.

"Lower costs per megawatt hour in solar PV, onshore wind and offshore wind is a big factor in the decline in investment," said the report’s lead author, Angus McCrone. A notable shift in the mix was from residential solar to commercial scale installations.

However, there was also an underlying slowdown in investment that did not show up in 2016 because of the time lag between investment decisions and the completion of projects, McCrone added.

But this could be temporary as the recent Paris climate change agreement is likely to drive a rapid rise in investment, the lead editor of the report, Ulf Moslener, said. “I would not see this as a new trend, but rather a little blip," he added.

Wind, solar and other renewables accounted for 55% of new installed capacity, far outstripping the 54 GW of coal and 37 GW of gas-fired generation deployed last year, the report showed.

Its authors saw last year as marking a “new era” of cost competitive green power, where investor decisions are made on a purely market basis.

Source: Ends Europe

SMART BUILDINGS

Member States to push for less ambitious EPBD

The latest proposal for a Council position on the revised EPBD scraps the European Commission’s proposal to require the equipping of at least one in ten parking spaces in buildings with a vehicle charging point. Instead, only one charging point per car park would be needed, according to Malta’s draft compromise. Under the proposals, the mandatory charging infrastructure would apply to non-residential buildings with more than ten parking spaces when they are either being built or renovated.

Moreover, Malta seeks to tone down the language on long-term renovation strategies. Instead of including “specific” 2030 and 2050 milestones, these long-term goals would be “indicative”, it suggests.

The text also calls for making the proposed EU scheme for “rating the smart readiness of buildings” voluntary. This would include rules for calculating a ‘smart readiness indicator’ to measure how well-adapted a building is to take part in demand response programmes, for example.

Several stakeholders voiced concerns over Malta’s draft compromise text: “What we see in the Council’s proposal is the will to keep the ambition bar low and most provisions voluntary,” the Buildings Performance Institute Europe (BPIE) said. The BPIE is a non-governmental organisation, providing research for companies and EU institutions on the energy performance of buildings across Europe, for both new and existing buildings.

A paper by the think tank showed that the energy consumption of residential buildings has fallen by over 2% per year since 2010 thanks to Member State programmes supported by EU legislation and funding. But more ambition is needed to achieve the EU’s commitments under the Paris Agreement, it added.

“Triggering renovation requires creating tools to stimulate the renovation market, defining requirements to get rid of the worst performing buildings while driving better energy performance,” the BPIE said.

In terms of timing, the Maltese presidency hopes to reach an agreement with the other Member States on a negotiating position by the end of June to begin talks with the European Parliament.

Source: Ends Europe