

**DEPARTMENT FOR BUSINESS**  
**ENTERPRISE & REGULATORY REFORM**

# **EU Energy Policy: key issues and challenges**

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## **2007 Spring European Council**

- **Integrated climate and energy policy**
- **European Energy Action Plan**

## Objectives:

- Security of supply
- EU competitiveness and affordable energy
- Environmental sustainability and combating climate change

## Future Programme

- Third package of EU market liberalisation
- Renewables Directive
- EU ETS
- Greenhouse Gas emissions
- Energy Efficiency
- Strategic Energy Technology Plan
- International Energy Policy

# Energy Market Liberalisation

- Third package published tomorrow
- Ownership unbundling or “deep” ISO
- Powers for national regulators
- Cross-border regulatory cooperation
- Non-EU ownership restrictions

## Renewables/EU ETS/GHG Emissions (1)

- Targets for 2020
- Consider as a package
- Complex interactions
- Credible and cost effective
- Future costs
- Renewables and security of supply

## Renewables/EU ETS/GHG Emissions (2)

- ETS competitiveness concerns
- Basis for a global scheme
- Flexibility
- To December and beyond

# Energy Efficiency

- 20% target by 2020
- Transport, buildings, equipment
- Win/win
- More resource?

# Strategic Energy Technology Plan

- Framework for optimising EU value added
- Strengthening cooperation
- Low carbon technologies
- 12 CCS demos by 2015

# External Energy Policy

- Speaking with a common voice
- Energy security and climate change
- Diversity and supply
- Extending competitive markets
- Dialogues towards a low carbon economy