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# **REPORT**

on a 2030 framework for climate and energy policies (2013/2135(INI))

Committee on the Environment, Public Health and Food Safety Committee on Industry, Research and Energy

Rapporteurs: Anne Delvaux, Konrad Szymański

(Joint committee meetings – Rule 51 of the Rules of Procedure)

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#### MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

# on a 2030 framework for climate and energy policies (2013/2135(INI))

The European Parliament,

- having regard to the Commission Green Paper entitled 'A 2030 framework for climate and energy policies' (COM(2013)0169),
- having regard to the Treaty on the Functioning of the European Union, in particular Articles 191, 192 and 194 thereof,
- having regard to its resolution of 17 February 2011 on Europe 2020<sup>1</sup>,
- having regard to Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC<sup>2</sup>,
- having regard to Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC<sup>3</sup>,
- having regard to Regulation (EU) No 994/2010 of the European Parliament and of the Council of 20 October 2010 concerning measures to safeguard security of gas supply and repealing Council Directive 2004/67/EC<sup>4</sup>,
- having regard to Regulation (EU) No 347/2013 of the European Parliament and of the Council of 17 April 2013 on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC and amending Regulations (EC) No 713/2009, (EC) No 714/2009 and (EC) No 715/2009<sup>5</sup>, and to the Commission communication of 14 October 2013 entitled 'Long-term infrastructure vision for Europe and beyond' (COM(2013)0711), which sets out the first Union-wide list of energy infrastructure projects of common interest (PCIs),
- having regard to the Commission communication of 13 November 2008 entitled 'Second Strategic Energy Review: an EU Energy Security and Solidarity Action Plan' (COM(2008)0781),
- having regard to Directive 2002/91/EC of the European Parliament and of the Council of 16 December 2002 on the energy performance of buildings<sup>6</sup>,
- having regard to the proposal for a regulation of the European Parliament and of the

<sup>&</sup>lt;sup>1</sup> OJ C 188 E, 28.6.2012, p. 42.

<sup>&</sup>lt;sup>2</sup> OJ L 315, 14.11.2012, p. 1.

<sup>&</sup>lt;sup>3</sup> OJ L 140, 5.6.2009, p. 16.

<sup>&</sup>lt;sup>4</sup> OJ L 295, 12.11.2010, p. 1.

<sup>&</sup>lt;sup>5</sup> OJ L 115, 25.4.2013, p. 39.

<sup>&</sup>lt;sup>6</sup> OJ L 1, 4.1.2003, p. 65.

Council establishing the Connecting Europe Facility (COM(2011)0665),

- having regard to the Commission White Paper of 28 March 2011 entitled 'Roadmap to a Single European Transport Area Towards a competitive and resource efficient transport system' (COM(2011)0144), and to European Parliament's resolution of 15 December 2011 on 'the Roadmap to a Single European Transport Area Towards a competitive and resource efficient transport system'<sup>1</sup>,
- having regard to the Commission communication of 8 March 2011 entitled 'A Roadmap for moving to a competitive low carbon economy in 2050' (COM(2011)0112), and to Parliament's resolution of 15 March 2012 on a roadmap for moving to a competitive low carbon economy in 2050<sup>2</sup>,
- having regard to the Commission communication of 20 September 2011 entitled 'Roadmap to a Resource Efficient Europe' (COM(2011)0571), and to Parliament's resolution of 24 May 2012 on a resource-efficient Europe<sup>3</sup>,
- having regard to the Commission communication of 15 December 2011 entitled 'Energy Roadmap 2050' (COM(2011)0885), and to Parliament's resolution of 14 March 2013 on 'the Energy Roadmap 2050, a future with energy'<sup>4</sup>,
- having regard to the Commission communication of 10 October 2012 entitled 'A stronger European industry for growth and economic recovery' (COM(2012)0582),
- having regard to Parliament's resolution of 15 December 2010 on revision of the Energy Efficiency Action Plan<sup>5</sup>,
- having regard to the Commission communication of 27 March 2013 entitled 'Renewable energy progress report' (COM(2013)0175),
- having regard to its resolution of 21 November 2012 on the environmental impacts of shale gas and shale oil extraction activities<sup>6</sup>,
- having regard to its resolution of 21 November 2012 on industrial, energy and other aspects of shale gas and oil<sup>7</sup>,
- having regard to its resolution of 22 November 2012 on the Climate Change Conference in Doha, Qatar (COP 18)<sup>8</sup>,
- having regard to its resolution of 12 September 2013 on 'microgeneration small-scale

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<sup>&</sup>lt;sup>1</sup> OJ C 168 E, 14.6.2013, p. 72.

<sup>&</sup>lt;sup>2</sup> OJ C 251 E, 31.8.2013, p. 75.

<sup>&</sup>lt;sup>3</sup> OJ C 264, 13.9.2013, p. 59.

<sup>&</sup>lt;sup>4</sup> Texts adopted, 14.3.2013, P7\_TA(2013)0088.

<sup>&</sup>lt;sup>5</sup> OJ C 169 E, 15.6.2012, p. 9.

<sup>&</sup>lt;sup>6</sup> Texts adopted, 21.11.2012, P7\_TA(2012)0443.

<sup>&</sup>lt;sup>7</sup> Texts adopted, 21.11.2012, P7 TA(2012)0444.

<sup>&</sup>lt;sup>8</sup> Texts adopted, 22.11.2012, P7\_TA(2012)0452.

electricity and heat generation'1,

- having regard to the Commission communication of 6 June 2012 entitled 'Renewable energy: a major player in the European energy market' (COM(2012)0271), and to its resolution of 21 May 2013 on current challenges and opportunities for renewable energy in the European internal energy market<sup>2</sup>,
- having regard to the Commission communication of 15 November 2012 entitled 'Making the internal energy market work' (COM(2012)0663), and to its resolution of 10 September 2013 on making the internal energy market work<sup>3</sup>,
- having regard to the Commission report of 14 November 2012 entitled 'The state of the European carbon market in 2012' (COM(2012)0652),
- having regard to the Commission communication of 16 April 2013 entitled 'An EU strategy on adaptation to climate change' (COM(2013)0216),
- having regard to the Council conclusions of 14 March 2011, in which it reaffirmed the EU objective of reducing greenhouse gas emissions by 80-95% by 2050, compared with 1990 levels,
- having regard to its resolution of 23 October 2013 on the climate change conference in Warsaw, Poland, (COP 19)<sup>4</sup>,
- having regard to its resolution of 6 May 2010 on mobilising information and communication technologies to facilitate the transition to an energy-efficient, low-carbon economy<sup>5</sup>,
- having regard to the report of 10 June 2013, commissioned by the Commission from the Centre for European Policy Studies, entitled 'Assessment of cumulative cost impact for the steel industry'6,
- having regard to the Commission staff working document entitled 'Exploiting the employment potential of green growth' (SWD(2012)0092),
- having regard to its resolution of 12 June 2012 on 'engaging in energy policy cooperation with partners beyond our borders: a strategic approach to secure, sustainable and competitive energy supply'<sup>7</sup>,
- having regard to the joint report by the Commission and the International Labour Organisation entitled 'Towards a greener economy: the social dimensions',
- having regard to its resolution of 2 July 2013 on 'blue growth: enhancing sustainable

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<sup>&</sup>lt;sup>1</sup> Texts adopted, 12.9.2013, P7\_TA(2013)0374.

<sup>&</sup>lt;sup>2</sup> Texts adopted, 21.5.2013, P7\_TA(2013)0201.

<sup>&</sup>lt;sup>3</sup> Texts adopted, 10.9.2013, P7\_TA(2013)0344.

<sup>&</sup>lt;sup>4</sup> Texts adopted, 23.10.2013, P7 TA(2013)0443.

<sup>&</sup>lt;sup>5</sup> OJ C 81 E, 15.3.2011, p. 107.

<sup>&</sup>lt;sup>6</sup> http://ec.europa.eu/enterprise/sectors/metals-minerals/files/steel-cum-cost-imp\_en.pdf

<sup>&</sup>lt;sup>7</sup> OJ C 332 E, 15.11.2013, p. 28.

- growth in the EU's marine, maritime transport and tourism sectors'<sup>1</sup>,
- having regard to Rule 48 of its Rules of Procedure,
- having regard to the joint deliberations of the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy under Rule 51 of its Rules of Procedure,
- having regard to the report of the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy, and to the respective opinions of the Committee on Development and the Committee on Employment and Social Affairs (A7-0047/2014),
- A. whereas climate targets, sustainable growth, security of energy supply, economic and technological competitiveness and the completion of the single energy market are of the utmost importance for the EU, are deeply linked and must be addressed and considered on an equal footing;
- B. whereas this is acknowledged in the Treaty on the Functioning of the European Union (TFEU), which stipulates that the objectives of the Union's energy policy include the functioning of the energy market, security of (energy) supply, energy efficiency, energy saving, new and renewable energy sources, and interconnections, and that the Union's environmental policy must contribute to preserving, protecting and improving the quality of the environment, protecting human health, prudent and rational utilisation of natural resources and the promotion of measures at international level to deal with regional or worldwide environmental problems, and in particular combating climate change;
- C. whereas only binding targets offer the Member States the necessary flexibility to decarbonise their economies in the most efficient and cost-effective way, taking into account national circumstances and specificities;
- D. whereas the Council has set the objective of decarbonising the EU economy by 2050;
- E. whereas the 2030 framework for climate and energy policies needs to combine careful consideration of climate commitments (both long- and short-term) with the need to address compelling economic and social issues such as energy security, high energy costs for industry and households, and the need for job creation, economic recovery and a transition towards a sustainable growth model;
- F. whereas the various policy objectives, such as reducing greenhouse gas emissions, securing energy supply and underpinning economic growth, competitiveness and employment, must be based on cutting-edge technology that makes cost-effective use of resources;
- G. whereas the legal framework for the current climate and energy package, with binding objectives for the percentage of renewables and reductions in energy consumption and greenhouse gas emissions, expires in 2020; whereas an end to national requirements for

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<sup>&</sup>lt;sup>1</sup> Texts adopted, 2.7.2013, P7 TA(2013)0300.

- greater use of renewables could undermine the necessary growth in this sector;
- H. whereas the Commission stated in its aforementioned Energy Roadmap 2050 that people's well-being, industrial competitiveness and the overall functioning of society are dependent on safe, secure, sustainable and affordable energy;
- I. whereas significant investment is needed to modernise the energy system, with or without decarbonisation, which will have an impact on energy prices in the period up to 2030;
- J. whereas energy saving and energy efficiency are the fastest and cheapest routes to addressing issues such as energy security, external dependence, high prices and environmental concerns;
- K. whereas the cost-effective energy saving potential of the building sector is estimated to be 65 million tonnes of oil equivalent (Mtoe) by 2020;
- L. whereas the current climate of uncertainty surrounding the future direction of climate and energy policy is deterring much-needed investment in clean technology;
- M. whereas the Energy Roadmap 2050 states that decarbonisation of the energy sector and a high renewables scenario are cheaper than the continuation of current policies, and that over time the price of energy from nuclear and fossil fuels will continue to rise, whereas the cost of renewables will decrease;
- N. whereas the Commission's 'Roadmap for moving to a competitive low-carbon economy in 2050' estimates that improving local air quality would yield health savings of up to EUR 17 billion per year by 2030, and whereas the International Energy Agency (IEA) estimates that by 2035 2°C-consistent policies could cut the EU's annual fossil fuel import bill by 46 % or EUR 275 billion (1 % of EU GDP);
- O. whereas final energy prices have steadily increased over the last decade, and are therefore a growing preoccupation for EU citizens and a considerable cost for companies and industries:
- P. whereas attention must be paid to the impact of climate and energy policy, not only on the most vulnerable groups in society but also on low- and middle-income households, whose standards of living have been squeezed in recent years;
- Q. whereas the transport sector accounts for a significant share of both greenhouse gas emissions and energy consumption in the EU; whereas greenhouse gas emissions from the transport sector increased by 36 % between 1996 and 2007;
- R. whereas climate change poses an urgent and potentially irreversible threat to human development, biodiversity and national security that must be addressed by the international community;
- S. whereas the 2013 assessment of Working Group I of the Intergovernmental Panel on Climate Change (IPCC) shows that we have a choice in shaping our future but that the door of opportunity is closing rapidly, as we have already burned more than half of the

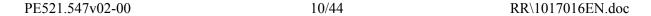
- 'carbon budget' that would give us a likely chance of limiting warming to 2°C, and that current planning cycles for major business and infrastructure investments urgently need to factor this into their decision-making;
- T. whereas the international community committed itself at the 2009 Copenhagen summit to limiting global warming to 2°C above pre-industrial levels during the 21st century, and whereas it is currently not on track to honour this commitment;
- U. whereas the IPCC's Fifth Assessment Report recently confirmed that we are not on track to honour the aforementioned climate commitment, as cumulative carbon emissions exceeding one trillion tonnes will lead to a temperature increase of more than 2°C, and whereas we have already accumulated about half of that amount; whereas current practices will thus lead to a rise of more than 2°C in less than 30 years; whereas we need to set ambitious targets and start acting on them now;
- V. whereas current emission trajectories are on a path to lead to 2°C warming within 20 to 30 years and to 4°C warming by 2100, according to the World Bank report entitled 'Turn Down the Heat';
- W. whereas in order to keep climate change below 2°C, the Council reaffirmed in 2011 the EU objective of reducing greenhouse gases by 80-95% by 2050, compared with 1990 levels;
- X. whereas UN Secretary-General Ban Ki-moon has invited heads of state to his Climate Summit in September 2014 with a view to making clear commitments to further action on climate change;
- Y. whereas, according to the UN Environment Programme's Emissions Gap Report 2013, current climate pledges for 2020 are not sufficient to prevent dangerous climate change, and whereas more ambitious greenhouse gas emissions reductions will therefore be needed after 2020;
- Z. whereas Eurostat figures show that the EU reduced its CO<sub>2</sub> emissions by 16.97 % between 1990 and 2011 and is on track to achieve its 2020 target in this regard; whereas more ambitious CO<sub>2</sub> emissions reductions are necessary for the EU to stay on track to meet its 2050 climate goals;
- AA.whereas UN Statistics Division figures show that global CO<sub>2</sub> emissions increased by more than 50 % between 1990 and 2010;
- AB.whereas verified EU emissions fell by 16 % from 2005 to 2012 in the sectors covered by the Emissions Trading System (ETS), and by 10 % in non-ETS sectors, indicating that the 2020 reduction targets of -21 % and -10 %, respectively, are likely to be achieved several years in advance;
- AC.whereas the 2050 low-carbon roadmap shows that domestic emissions reductions of 40-44 % are on a cost-effective trajectory for the very bottom end of the EU's 80-95% 2050 objective, such that a 2030 target of more than 44 % will be required in order to put them on a cost-effective trajectory for the middle or the upper end of that range;





- AD. whereas the European Environment Agency has estimated the minimum cost of not adapting to climate change at EUR 100 billion per year in 2020 and EUR 250 billion in 2050, for the EU as a whole;
- AE. whereas, while the EU is responsible for 11 % of global greenhouse gas emissions, according to IEA estimates, and EU CO<sub>2</sub> emissions measured in metric tonnes per capita are still higher than both the world average and the averages for emerging economies and developing countries, the European single market has the largest GDP of any economy in the world, along with significant diplomatic capacity; whereas even though the EU has limited capacity to lower global emissions by means of unilateral action, it therefore has a significant leading role to play in leveraging climate action by other economies, particularly in the context of reaching a binding international agreement in Paris in 2015; whereas the EU consequently needs to define a clear and ambitious position and ensure that the future agreement is ratifiable in all the Member States;
- AF. whereas the challenge of global climate change can only be addressed if ambitious EU policies are combined with commitments from third countries;
- AG. whereas for the EU greenhouse gas emissions reduction target and other EU climate action to be successful, they should be part of a global effort; whereas the 2030 framework should determine the EU's negotiating position as regards a 2015 global climate change agreement; whereas until an equitable global agreement has been reached, the competitiveness of the EU economy should be appropriately addressed;
- AH. whereas the reduction of greenhouse gas emissions will also have a positive impact on public health by reducing air pollution, especially in and around population centres;
- AI. whereas wind and solar energy production peaked at 61 % of total electricity output in Germany on 16 June 2013, showing that climate and energy policies are successful and should be seen as a role model when it comes to boosting regional coordination and cooperation;
- AJ. whereas, according to Eurostat, the EU had a 13 %share of renewables in 2011 and is on track to achieve its 2020 target in this regard;
- AK. whereas the EU is therefore on track to achieve its binding 2020 targets (for reducing greenhouse gas emissions and improving its renewable energy share), but not its indicative energy efficiency target of 20 %;
- AL. Whereas, according to the International Energy Outlook 2013, global energy use will grow by 56 % between 2010 and 2040 (with non-OECD Asian countries accounting for 60 % of the increase) and fossil fuels (including a remarkable share of coal) will continue to supply almost 80 % of world energy use through to 2040;
- AM. whereas investments in energy efficiency, renewable energy and the lowering of greenhouse gas emissions reinforce one another and are vital with a view to achieving the EU's energy and climate objectives; whereas it is of the utmost importance that they are treated on an equal footing and that ambitious binding targets are set for all three of these goals;

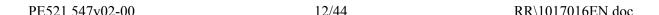
- AN. whereas investors and industries urgently need a clear long-term framework for EU climate and energy policy with greater levels of certainty, and thus clear price signals, in order to encourage medium- and long-term sustainable investment, reduce the associated risk and take advantage of opportunities on the global market for sustainable technologies; whereas a clear climate and energy strategy is crucial for the EU's industrial competitiveness, the stimulation of economic growth and job creation;
- AO. whereas the 2030 framework for climate and energy policies needs to combine careful consideration of climate commitments (both long-term EU goals and short-term international negotiations) with the need to address compelling economic and social issues such as energy security, high energy costs for industry and households, and the need for job creation and economic recovery;
- AP. whereas, on account of the limited availability of domestic resources, an ambitious EU transition to renewable energy is the only way to guarantee a secure energy supply at affordable prices in the future;
- AQ. whereas the Commission's Energy Roadmap 2050, endorsed by Parliament, states that, in order to decarbonise the economy, energy efficiency, renewable energies and energy infrastructure are the 'no-regret' options and that appropriate policies and instruments should be adopted;
- AR. whereas the IEA, in its Energy Efficiency Market Report 2013, has referred to energy efficiency as the world's first fuel, and whereas energy efficiency is the cheapest and fastest way to reduce the EU's energy dependence, enhance energy security, lower energy bills and fight climate change;
- AS. whereas the potential of renewables has not yet been fully exploited; whereas the Commission's Energy Roadmap 2050 states that they are to account for the major share of energy provision by 2050, necessitating specific milestone objectives up to that date so as to ensure that the prospects for renewable energy in the EU and diversification of energy supply on the European internal energy market are credible and stable, underpinning the EU's competitiveness and the security of its energy supplies and contributing to the development of new sectors and export opportunities;
- AT. whereas the development of renewables and increased energy efficiency will have a favourable impact on climate and energy objectives, strengthen the security of the EU's energy supplies, boost its technological lead and industrial competitiveness, stimulate growth and employment and generate high added value for the EU in the future;
- AU. whereas improving energy efficiency is the most cost-effective and fastest way to reduce the EU's energy dependence, while at the same time alleviating high energy bills for end users and creating jobs and growth for local economies;
- AV. whereas the EU's import bill for fossil fuels amounted to EUR 406 billion in 2011 (equivalent to over EUR 1000 per head of population), and whereas its dependence on energy imports is expected to grow; whereas this dependence leaves the Union vulnerable to world energy prices and political shocks, and compromises Union and Member State foreign policy autonomy; whereas it is vital, therefore, to make energy





- prices for end users as transparent as possible; whereas the EU must focus more closely on 'no-regret' energy efficiency, renewables and energy infrastructure options;
- AW. whereas money spent on importing fossil fuels contributes little to investment, jobs or growth in the Union, and whereas redirecting this money to domestic investment in energy efficiency, renewable energy and smart infrastructure would therefore stimulate the construction, automotive and high-tech industries and their downstream suppliers, creating high-quality, high-skilled jobs which cannot be exported/delocalised;
- AX. whereas, according to the IEA, two thirds of global energy efficiency potential will remain untapped in 2035 because this field is not a genuine political priority;
- AY. whereas studies by the Fraunhofer Institute have indicated that the EU can cost-effectively achieve energy savings of 40 % by 2030;
- AZ. whereas studies have shown that the EU has the potential to achieve cost-effective enduse energy savings of more than 40 % across all sectors of the economy (residential, 61 %; transport, 41 %, tertiary, 38 %; industry, 21 %); whereas realising this potential would result in net savings of EUR 239 billion per year on energy bills;
- BA. whereas more than 40 % of final energy in the EU is used for heating and cooling purposes, of which (according to the European Technology Platform on Renewable Heating and Cooling) 43 % goes to households, 44 % to industry and the rest (13 %) to services;
- BB. whereas it has been demonstrated that the biggest potential for cost-effective energy savings lies in the building sector, which is currently responsible for 40 % of the EU's final energy use and 36 % of its CO<sub>2</sub> emissions;
- BC. whereas studies indicate that improving energy efficiency reduces costs, benefiting both industry and individuals;
- BD. whereas, on the basis of current trends, global population is expected to exceed 9 billion by 2050 and global energy demand to increase by more than 40 % by 2030;
- BE. whereas ever-increasing energy prices have led to higher rates of fuel poverty in the EU;
- BF. whereas the May 2012 European Council acknowledged that energy efficiency can make a significant contribution to reversing current rises in energy prices and costs, which are mainly affecting the most vulnerable members of society;
- BG. whereas an ambitious energy savings target will increase net employment by 400 000 jobs by 2020, notably by creating much-needed employment in the construction sector, and improve public budgets by reducing unemployment costs;
- BH. whereas the completion of the internal energy market is a precondition for the EU's overall energy security, competitive energy prices and cost-effective fulfilment of its climate policy objectives;

- BI. whereas without coordination and cost-effective implementation the various subsidies for different energy sources and technologies distort competition and hinder the completion of the internal energy market, without increasing investment certainty;
- BJ. whereas in 2011 fossil fuel subsidies for electricity alone in the EU amounted to EUR 26 billion, a figure that does not include gas and oil subsidies;
- BK. whereas the conclusions of the European Council meeting of 22 May 2013 called for priority to be given to phasing out environmentally or economically harmful subsidies, including for fossil fuels;
- BL. whereas studies indicate that upgrading and developing the grids and providing more interconnections are an important way of improving the internal market, reducing energy costs and boosting the competitiveness of industry, as long as a cost-benefit analysis is used to target the relevant investments;
- BM. whereas studies show that overall system costs and effects vary significantly among different generation sources; whereas such aspects should also be considered in the process of framing EU climate and energy policies;
- BN. whereas the IEA estimates that the increasing decentralisation of energy supply will shift investment needs in respect of energy infrastructure from the transmission level to the distribution level, with distribution grids requiring three quarters of such investment in 2030;
- BO. whereas Eurostat figures show that around 40 % of EU residents already live in urban areas and that urbanisation is increasing, and whereas renewable energy sources alleviate the particulate pollution present in the atmosphere; whereas transportation accounts for a considerable proportion of emissions and will be positively affected by efficiency efforts;
- BP. whereas the Commission stated in its Energy Roadmap 2050 that upgrading the grid is unavoidable and, more importantly, that the cost will be the same no matter which future energy scenario is chosen, even if it is decided to follow the business-as-usual scenario; whereas it is consequently essential to develop a smart, interconnected grid and to choose a scenario based on renewable energy and energy efficiency, as this is the only way to achieve the goals of sustainability, competitiveness, energy independence, energy security and affordable energy prices;
- BQ. whereas, according to the European Competitiveness Report 2012, the sustainable energy and environmental technology sector offers significant business and job creation opportunities;
- BR. whereas the European Competitiveness Report 2012 recommends that, in order to remain competitive, EU firms focus on 'exploiting the business opportunities offered by global environmental and societal goals and challenges';
- BS. whereas, according to estimates given in the Commission's Energy Roadmap 2050, all the decarbonisation scenarios assessed require a renewable energy share of between 55 % and 75 % of final energy consumption in 2050; whereas, according to the same estimates,





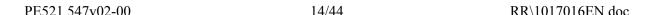
- the share of renewable energy beyond 2020 will plummet if additional measures are not taken;
- BT. whereas the EU is currently a global leader in renewable energy technology, with around half a million jobs already having been created in this sector; whereas a higher share of renewables will result in longer-term sustainable growth and increased energy security;
- BU. whereas the renewable energy sector contributes 1 % of EU GDP and directly or indirectly employs about 1.2 million people, 30 % more than in 2009; whereas in 2020 2.7 million people in the EU will be employed by the renewable energy sector;
- BV. whereas the renewable energy and energy efficiency sectors have been growing despite the crisis, and are expected to bring further increases in the EU's GDP in the future;
- BW.whereas studies have shown that China is the most attractive country for investments in renewable energy, while the US, India, Japan, Canada and Australia are also among the most attractive countries;
- BX. whereas there is a need to ensure the EU's competitiveness in the global market;
- BY. whereas increased research into various new and sustainable kinds of energy and the exchange of best practice offer the best chances of a long-term solution to the problem;
- BZ. whereas sustainable development is based on a balance between the three pillars of environmental, economic and social development;
- CA. whereas the local and regional levels play an essential role in promoting and implementing the measures needed to move towards a low-carbon economy;

#### **Targets**

- 1. Welcomes the Commission Green Paper on a 2030 framework for climate and energy policies and expects the European Council to address these issues with ambitious, realistic, cost-effective and flexible responses that will maintain a sustainable competitive advantage for the EU, with its energy knowledge and expertise, and work in both the short and long term;
- 2. Welcomes the Commission's announcement that it will present additional data by the end of this year, for instance on the composition of energy prices in the Member States; calls for this data to be available to end consumers and taken into account in the context of any future policy proposals;
- 3. Notes the recent publication of the first part of the IPCC's Fifth Assessment Report, adopted on 27 September 2013, which confirms that 95 % of global warming is due to human activities (compared with the figure of 90 % given in the Fourth Assessment Report in 2007) and warns of the possible consequences of inaction for the stability of our ecosystem;
- 4. Calls on the Council and the Commission to adopt and implement, as part of the EU's 2030 framework for climate and energy policies, a multi-faceted approach based on

mutually reinforcing, coordinated and coherent policies and ambitious binding targets for the reduction of greenhouse gas emissions, renewable energy sources and energy efficiency; asks the Commission and the Member States to take greater advantage of the interactions between these three targets, since they are the most appropriate tools for achieving the EU's climate and energy objectives in a cost-effective way in the time horizon to 2030, providing investment certainty, and boosting and strengthening competitiveness and energy security in the EU;

- 5. Calls on the Commission and the Member States to set a binding EU 2030 target of reducing domestic greenhouse gas emissions by at least 40 % compared with 1990 levels; considers that the level of ambition must be consistent with a cost-efficient trajectory for meeting the 2°C objective; stresses that such a target should be implemented by means of individual national targets taking into account the individual situation and potential of each Member State;
- 6. Calls on the Commission and the Member States to set a binding EU 2030 energy efficiency target of 40 %, in line with research on cost-effective energy saving potential; stresses that such a target should be implemented by means of individual national targets taking into account the individual situation and potential of each Member State;
- 7. Calls on the Commission and the Member States to set a binding EU 2030 target of producing at least 30 % of total final energy consumption from renewable energy sources; stresses that such a target should be implemented by means of individual national targets taking into account the individual situation and potential of each Member State;
- 8. Points out that all sectors of the economy will need to contribute to reducing greenhouse gas emissions if the EU is to deliver its fair share of global efforts; believes that early agreement on the 2030 framework for climate and energy policies is necessary in order for the EU to prepare itself for international negotiations on a new, legally binding international agreement and provide Member States, industry and other sectors with a clear, legally binding framework and targets for making the necessary medium- and long-term investment in emissions reduction, energy efficiency and renewable energy;
- 9. Notes that decarbonisation paths will rely on differing shares of sustainable technologies in the Member States: renewables, nuclear energy, and carbon capture and storage if it becomes available in time; notes that the integration of a higher share of renewables will require significant extensions of transmission and distribution networks and additional dispatchable back-up capacity and/or storage capacity;
- 10. Recalls that any additional costs will be passed on, directly or indirectly, to end consumers, and takes the view that mitigating the additional cost of decarbonising the EU energy system is therefore a prerequisite for maintaining EU competitiveness;
- 11. Recalls that the Member States remain competent for choosing their own energy mix and should thus decide on the optimal mix for meeting energy policy objectives, in particular that of decarbonisation:
- 12. Considers that a strong binding energy efficiency target is of primary importance in order to make the most efficient use of energy within the Union, and that a knock-on effect of





- such a target will be that less effort will be needed to meet the greenhouse gas emissions and renewable energies targets;
- 13. Believes that binding overall targets combining shared national efforts are the most costefficient and flexible means of giving the Member States the necessary flexibility and respecting the principle of subsidiarity;
- 14. Calls on the European Council, in order to maintain the continuity of the progress made at the EU level and provide long-term certainty, to set ambitious, realistic targets for the 2030 framework for climate and energy policies, taking into account the most cost-effective path that enables the EU to honour the long-term commitment made by Parliament and the Council to reducing the EU's greenhouse gas emissions by 80-95 % by 2050, compared with the 1990 level;
- 15. Calls on the Commission to simplify its climate and energy policies in order to achieve greater consistency, flexibility and cost-effectiveness of EU policies;
- 16. Emphasises that the EU's 2050 decarbonisation goal will only be met if there is a transition away from fossil fuels, and that policies which might lock them in must therefore be avoided; recalls that ambitious long-term energy efficiency and renewable energy policies will help to avoid such a locking-in; stresses, in this connection, the IEA's recent findings that renewable energy policies are cheaper in the long term than relying solely on carbon pricing, because they incentivise the timely scaling-up of the broad portfolio of renewable technologies needed to decarbonise the power sector completely in the long term;
- 17. Is convinced that the best way of securing the EU's current and future energy needs is a balanced and differentiated energy mix, which reduces dependence on single sources of energy without creating new forms of dependence, bearing in mind that the Commission advises reducing our fossil energy dependence; urges the Member States to take these factors into account:
- 18. Calls on the Commission to develop, together with the industry sectors affected and as part of the 2030 framework for climate and energy policies, sector-specific roadmaps allowing industry actors sufficient flexibility;
- 19. Considers that, although many energy policy objectives can be attained by raising energy prices and thereby reducing economic activity, the challenge is to attain these objectives at the same time as increasing economic activity;
- 20. Calls for the necessary resources to be made available for research and development in relation to renewable energy sources and energy-saving technologies;
- 21. Sees a broad consensus for the establishment of a new binding CO<sub>2</sub> reduction target, based on a revised and well-functioning ETS;
- 22. Takes the view that both long-term EU policy objectives and specific policy tools for reducing greenhouse gas emissions must consistently be based on 1990 as the reference year;

- 23. Takes the view that the EU could increase its ambition for CO<sub>2</sub> reduction if other major emitting countries in the developed and developing world commit to contributing their fair share of a global emissions reduction effort;
- 24. Points out that the binding 2020 target for renewable energy sources (RES) has made the EU a frontrunner in RES technology innovation; stresses that the continuation of this policy, with binding RES targets, will further strengthen the EU's position in this field; takes the view that the development of RES contributes to achieving the greenhouse gas emissions reduction target, decreasing the need for fossil fuel imports and increasing the diversification of our energy sources; considers, therefore, that the EU should set a binding RES target in its 2030 framework; believes that a forward-looking energy and climate policy must be implemented which is coherent with the EU's industrial policy agenda for competitiveness;
- 25. Considers that, in order to allow maximum utilisation of RES capacity, the 2030 framework and targets should focus on developing and optimising the overall power system;
- 26. Takes the view that the EU is well on the way to achieving the 2020 renewables expansion target of 20 %; stresses that expansion at national level, which is somewhat uncoordinated and is proceeding extremely quickly, is having a serious impact on the EU internal energy market (inter alia through loop flows); takes the view that energy supply systems must be more reliant on renewables in future; insists that all relevant aspects of energy supply systems be factored into decisions on further expansion of renewables;
- 27. Takes the view that support schemes, if well-designed, flexible and predictable, are an appropriate tool for incentivising the cost-efficient development and deployment of RES and energy efficiency; stresses that any national RES support schemes should gradually move towards a more integrated system of support at EU or sub-EU level, taking into account both technology maturity levels and regional and geographical differences, which could provide a framework closer to the market, investment certainty and a level playing field; sees an important role for the Commission in providing guidance in this regard, including the compliance of support schemes with internal market and state aid rules, bearing in mind the importance of the Horizon 2020 programme for research and innovation;
- 28. Considers that the 2030 policy framework should be incorporated into a longer-term vision specifically looking forward to 2050, in line with the various roadmaps adopted by the Commission; believes, in this context, that EU policies for 2030 on greenhouse gas emissions reduction, renewable energy and energy efficiency should be regarded as milestones towards achieving longer-term goals, as part of a comprehensive approach ensuring that they are cost-effective, predictable and sustainable;
- 29. Considers that EU regional policy has a key role to play in promoting renewable energy production and energy efficiency on a Europe-wide scale; notes that differing geographical conditions make it impossible to apply a 'one-size-fits-all' energy policy to all regions;
- 30. Recognises that subsidies for all energy sources, including fossil fuels and nuclear energy,



may have significant repercussions on energy prices; notes that some renewable energy sources, such as onshore wind and solar photovoltaics, are close to being cost-competitive with conventional energy sources, and considers that the associated support schemes should therefore be adapted, and subsidies phased out over time, so that the funding can be reallocated to research and development programmes on energy technologies such as next-generation renewable energy sources and storage technologies; stresses, however, that this should be announced well in advance to avoid any harmful effects on the sector, and that it requires reformed energy market design, streamlined administrative and grid connection procedures and better transparency in energy markets; deplores the retroactive changes made by some Member States to support schemes, which have damaged investor confidence and investment levels in renewable energy sources; asks the Commission to study how energy-only markets can be redesigned in such a way as to guarantee returns on investments in variable renewables, which have the effect of bringing wholesale prices down while also having an impact on investment returns; stresses that a clear RES policy, combined with R&D programmes, is necessary to drive down the costs of all renewable technologies and to enhance innovation and the development and deployment of newer and less mature technologies; asks the Commission to study the overall impact of priority dispatch, including on general energy costs;

- 31. Highlights, at the same time, the need for the EU to reduce its dependence on imported fossil fuels; notes that a number of subsidies granted for fossil fuels, nuclear energy and some mature RES technologies are creating structural market distortions in a number of Member States; calls upon the Member States to phase out such subsidies, and in particular environmentally harmful direct and indirect subsidies on fossil fuels, as soon as possible;
- 32. Calls on the Commission to prepare, in conjunction with the Member States, roadmaps for each country, with clear commitments to phasing out subsidies;
- 33. Asks the Commission to compile an inventory of all national and European subsidies and support schemes for renewable energy sources, and calls on the Member States, in collaboration with the Commission, to introduce coherence and transparency at the EU level;
- 34. Acknowledges that investments in renewable energy have become significantly more difficult, notably on account of the retroactive changes adopted by certain Member States; calls for a stable and predictable 2030 framework for legal policies and measures, based on an ambitious binding renewables target, which will make a significant contribution to creating jobs and minimising uncertainty, lower the investment risk and reduce capital costs and thus the level of support needed;
- 35. Notes that long-term targets provide political stability and reinforce investor confidence, thereby minimising risk premiums for investors, a critical factor in the development of renewables, which are capital-intensive technologies; notes that the absence of targets would lead to a significant rise in the cost of renewables, whereas investments made possible by a long-term target would drive down technology costs and decrease the need for specific support;
- 36. Points out that the Commission's 2050 low-carbon roadmap shows that renewables and

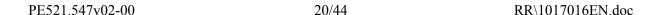
- improved energy efficiency could result in annual savings of between EUR 175 billion and EUR 320 billion for the Union;
- 37. Underlines the substantial job creation potential of renewable energy (3 million jobs by 2020) and energy efficiency (2 million jobs by 2020)<sup>1</sup>;
- 38. Believes that, in order for RES production to be efficient, improvements in grid flexibility, infrastructure and energy transport capacity are required;
- 39. Calls on the Commission, with a view to the rapid integration of renewables, also to make proposals for a core market comprising those Member States favourable to such integration which wish to cooperate rapidly in the common production, distribution and use of electricity;
- 40. Believes that the impact of various energy sources on the environment and the climate should be comprehensively monitored;
- 41. Points out that the cheapest energy is energy that is never used; stresses, in this connection, that increased energy efficiency should be seen as one of the cornerstones of the EU's climate and energy policy; is convinced that energy efficiency helps to conserve resources, to reduce energy bills, energy dependence on imported fuels, trade deficits and health impacts, and to improve the long-term international competitiveness of the EU economy, as well as facilitating the reduction of the EU's greenhouse gas emissions; points out that research suggests that achieving the EU's cost-effective energy saving potential of 40 % would result in greenhouse gas emissions reductions of at least 50 % by 2030 and increase the share of renewables in the energy mix to 35 %; calls on the Member States to implement the Energy Efficiency Directive and the Energy Performance of Buildings Directive promptly and fully; stresses that the potential of each economic sector and each economic situation need to be taken into account in designing new policies on energy efficiency, and that the move towards improved energy efficiency should focus on the whole of the energy supply and demand chain, including transformation, transmission, distribution and supply, along with industrial, building and household consumption, and transport; recognises the benefits of awareness-raising campaigns on energy efficiency;
- 42. Acknowledges that current policies will fail to bring the EU into line with its 2020 energy efficiency target; recalls the Commission's promises to set binding energy efficiency targets for 2020 and agree on additional measures for the Member States if and when the sum of their individual targets did not match the EU's 20 % objective; recalls that the 2030 objectives must be framed as milestones towards a longer vision for 2050, so as to take account of long investment cycles; asks the European Council to set binding energy efficiency targets for 2020 and 2030 as the cornerstone of a sustainable energy and climate policy;
- 43. Emphasises that a single greenhouse gas emissions target delivered mainly through the ETS mechanism will fail to tackle the large energy efficiency potential of non-ETS sectors, while resulting in much of the 2030 decarbonisation effort being made through

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<sup>&</sup>lt;sup>1</sup> Commission staff working document of 18 April 2012 entitled 'Exploiting the employment potential of green growth' (SWD(2012)0092).

- the ETS sectors at a higher cost than necessary; notes that many of the barriers to the delivery of energy efficiency improvements are non-financial in nature and cannot be tackled by the ETS as part of a single approach to greenhouse gas emissions targets;
- 44. Stresses that the reduction of energy use in buildings should be a central element of the EU's long-term energy efficiency policy, given that the renovation of existing buildings has enormous cost-effective energy saving potential; stresses that the current rate and quality of building renovation needs to be scaled up substantially in order to allow the EU to reduce the energy consumption of the existing building stock by 80 %, relative to 2010 levels, by 2050;
- 45. Notes that a sectoral energy efficiency target for buildings would drive the necessary transformation of the building stock, ultimately ensuring that the huge energy resource it represents is tapped; acknowledges that most of the barriers in this field are legal, administrative and financial in nature, rather than technological, and that market transformation takes time and will depend to a great extent on long-term goals coupled with intermediate targets for 2020, 2030 and 2040 in order to bring the entire building stock to a level of energy consumption close to zero by 2050;
- 46. Asks the Commission to work on developing better methods and tools for calculating and monitoring progress that could help in the design of a more consistent and transparent EU approach to energy efficiency, and to work with the Member States to overcome political obstacles; notes that energy intensity relative to economic output has been improving for decades, mainly for economic reasons; believes that energy efficiency can also be a significant driver for material sciences and that more should be done to help EU industries further improve their energy intensity and their competitiveness (in particular via selfgeneration of heat and power), which will help to reduce the risk of carbon leakage; asks the Commission to evaluate and assess the progress and evolution of energy efficiency in the EU in comparison with the EU's main global competitors, to improve energy projections in the light of specific non-economic drivers of energy efficiency improvements and the benefits of energy savings, and to elaborate on favourable conditions for energy efficiency investments in the context of the revision of state aid guidelines; asks the Commission to continue to assess, in a timely manner, the progression of energy savings in the EU in relation to the implementation of the Energy Efficiency Directive and the upcoming review thereof;
- 47. Notes that the ETS is currently the main instrument for reducing greenhouse gas emissions from industry and the energy sector while at the same time promoting investments in sustainable technologies in a cost-effective and economically efficient way; notes, therefore, that structural improvement of the ETS is necessary in order to increase its ability to respond efficiently and automatically to economic fluctuations, thereby eliminating the need for ad hoc market interventions and restoring investors' certainty through a system that is predictable and reliable in the long term; calls for urgent structural reform of the ETS, to be proposed in 2014, to deal with the current oversupply of allowances and the mechanism's inflexibility; stresses that the reform of the ETS should ensure that it remains fully market-based;
- 48. Reminds the Commission that Parliament has already called for legislation to be proposed

- at the earliest appropriate date with a view to adjusting the 1.74 % annual linear reduction requirement so as to meet the requirements of the 2050 CO<sub>2</sub> reduction target;
- 49. Takes the view, furthermore, that the Commission should propose mandatory earmarking of auction revenues for innovative, environment-friendly technologies; believes that the provisions regarding sectors and subsectors at risk of carbon leakage should be maintained, and could be reviewed in the light of a binding international agreement on combating climate change, so as to provide the greatest possible certainty for industry;
- 50. Notes that the EU needs a comprehensive policy framework for 2030 that encourages investment in, and the long-term decarbonisation of, non-ETS sectors, which are responsible for 60 % of EU greenhouse gas emissions; underlines the significant unused energy efficiency potential in specific sectors such as buildings and transport (with an estimated energy efficiency potential of 61 % and 41 %, respectively); stresses that non-ETS sectors can significantly ease the EU's carbon reduction effort; calls on the Commission and the Member States, therefore, to continue with an ambitious framework for non-ETS sectors to 2030 while preserving the Member States' flexibility to define their own ways of meeting their effort-sharing targets; acknowledges that targets for non-ETS sectors should be based on a bottom-up assessment of each sector's potential;
- 51. Stress that the ambition of the non-ETS sector targets (effort-sharing) is rather limited compared with the targets for the ETS sectors, and that highly disputed credits, for example for industrial gases, are still allowed in the context of effort-sharing, whereas they are not allowed in the ETS;
- 52. Asks the Commission to present, as soon as possible, a proposal whereby those credits that can no longer be used in the ETS would also be excluded from effort-sharing, and asks the Member States to commit themselves immediately to following the same line as that imposed on industry;
- 53. Asks the Commission to propose a more ambitious framework for the non-ETS sectors (effort-sharing);
- 54. Stresses that insufficient account has been taken of the impact of methane (CH<sub>4</sub>) on global warming, considering that its global warming potential (GWP) is 80 times higher than that of CO<sub>2</sub> over a 15-year period, and 49 times higher over a 40-year period; calls on the Commission to analyse the impact of methane more fully in connection with greenhouse gas emissions reduction policies, to evaluate the possibilities and to propose a CH<sub>4</sub> emissions reduction plan adapted to the particular situations of certain sectors and Member States;
- 55. Calls on the Commission to come forward with a specific framework for transport, as the transport sector accounts for around a quarter of EU greenhouse gas emissions and energy consumption in the EU, making it the second-biggest greenhouse-gas-emitting sector, after energy production;
- 56. Sees an important role for advanced biofuels in reducing greenhouse gas emissions in transport, while increasing energy security and contributing to growth and jobs;



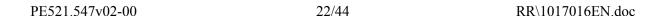


- 57. Notes the importance of complete carbon accounting under the Fuel Quality Directive with a view to reducing the lifecycle greenhouse gas emissions from transport fuels; stresses that the Fuel Quality Directive can play an important role in promoting sustainable biofuels in a 2030 framework for climate and energy policies;
- 58. Calls on the Commission to define a set of indicators to assess the progress made by specific non-ETS sectors, especially as regards the sustainability performance of buildings;
- 59. Sees an important role for cogeneration and efficient district heating and cooling in increasing energy efficiency, optimising the use of renewable energy sources to generate heat or electricity, and improving local air quality both at present and in the future; calls on the EU to consider the full integration of the heating and cooling sector in the pathways towards a sustainable energy system; notes that this sector currently accounts for about 45 % of final energy consumption in the EU; calls on the Commission, therefore, to gather the requisite data on the sources and uses of heating and cooling and the distribution of heat to different groups of final consumers (e.g. residential, industry, tertiary); calls on the Commission and the Member States, furthermore, to support the readily available efficient heating and cooling solutions;
- 60. Underlines the significant potential of district heating and cooling in increasing energy efficiency by recycling heat from electricity production in combined heat and power plants, waste incineration plants and industrial energy processes, which would otherwise be wasted; notes, moreover, that this provides an integrated solution in urban areas which will allow the EU to reduce its reliance on energy imports and keep the cost of heating and cooling affordable for citizens;
- 61. Calls on the Commission and the Member States to analyse the remaining potential of renewables for heating and cooling and to look into synergies between increased consumption of renewables and the implementation of the Energy Efficiency Directive and the Building Directive;
- 62. Notes that the ICT sector, which is a major consumer of electricity, with data centres in the EU accounting for up to 1.5 % of total electricity consumption and consumers being increasingly aware of the carbon footprint of the IT and cloud services they use, has vast potential for energy savings and could become a role model for energy efficiency and RES promotion;

#### **Coherence of policy instruments**

- 63. Reiterates that the 2030 framework for energy and climate policies has to deliver on its objectives in the most cost-effective manner; believes that this could be achieved by sending clear investment signals and avoiding overcompensation and excessive complexity and regulatory burden for industry; considers that the framework should therefore allow the Member States flexibility and freedom within the limits it establishes and provide stability and clarity for investment decisions; calls on the Member States to comply fully with the EU framework;
- 64. Stresses the importance of enhanced coordination in addressing the many challenges in

- the climate and energy field, creating a transparent EU energy market and establishing exchanges of best practice on energy matters at EU level, so as to make national measures more efficient and consistent; believes that the 2030 framework for climate and energy policies should include provisions requiring the Member States to discuss with neighbouring countries any plans for significant changes in their energy supply;
- 65. Recalls that a clear, coherent and consistent policy and regulatory framework, based on a holistic approach, is key in order to bolster the economy, generate growth, secure stable and affordable energy prices and help stimulate the necessary investment in the 'no-regrets' options (renewables, energy efficiency and smart infrastructure), as specified in the Commission's Energy Roadmap 2050, in a cost-effective and sustainable way; notes that inconsistency between our 2020 targets has contributed to the current low carbon price;
- 66. Stresses that with a view to long-term green investment, it is essential that industry is given regulatory certainty for the medium to long term, and calls for ambitious binding targets for greenhouse gas emissions, renewable energy and energy efficiency;
- 67. Stresses that the most coherent approach post-2020 is to set an EU-wide 2030 greenhouse gas emissions target taking into account the emissions reductions resulting from the EU 2030 objectives for energy efficiency and renewable energy; notes that a so-called 'package approach' made up of energy efficiency, renewable energy and greenhouse gas emissions targets, defined in line with existing cost-effective energy saving potential, would enable the EU to meet its competitiveness, energy security and decarbonisation goals with a lower CO<sub>2</sub> price and a smaller burden on industry than if it only had a greenhouse gas emissions target;
- 68. Notes that the Union has proposed an international review process to assess preliminary pledges before the conclusion of the 2015 climate agreement; calls, therefore, for the Council to agree on a review process with a clear timetable so as to ensure that the Union's greenhouse gas emissions reduction target and other related targets are reviewed and improved where necessary;
- 69. Emphasises the need for a comprehensive analysis of tools and targets, and of their coherence, so as to ensure the proper functioning of the internal market; stresses that the greenhouse gas emissions target must be ambitious enough to provide additional incentives beyond those achieved through the energy efficiency and renewable energy targets, and be in line with the reduction levels considered scientifically necessary to avoid dangerous climate change;
- 70. Asks the Commission to examine the interactions between climate and energy objectives in order to achieve the most efficient policies at EU level, so as to avoid the problems encountered when targets and measures have not been set coherently, taking into consideration not only national GDP but also the capacity and potential of each Member State to achieve cost-efficient emissions reductions; recalls that energy efficiency improvements in non-ETS sectors, such as buildings and transport, will result in significant greenhouse gas emissions reductions, making it possible to decrease the decarbonisation efforts undertaken in other sectors;



- 71. Asks the Commission to enhance the efficiency and cost-effectiveness of the three-target approach by means of coordinated and coherent policies that would truly benefit from the interactions existing between these targets;
- 72. Notes that discussion of the 2030 objectives should be based on firm economic analysis of their potential impact, broken down by country and by sector; asks the Commission to publish all available data and analysis on the subject in order to ascertain whether the burden placed on the Member States would be unequal;
- 73. Believes that the Member States and regions should be encouraged to improve cooperation in order to optimise research, development, innovation efforts and the efficiency of renewables expansion, including with regard to offshore wind energy; regrets the fact that, to date, the cooperation mechanisms introduced under the Renewable Energy Sources Directive 2009 have hardly been utilised, and calls for increased use of these mechanisms; takes note of the Commission's findings that better use of the existing scope for cooperation could bring considerable benefits, such as boosting trade; emphasises that regional integration has a huge role to play in deploying renewable energy sources cost-effectively; considers, in this connection, that the Commission has an important role to play in coordinating, financially supporting and preparing appropriate analyses of renewable energy resources and of the potential of each Member State, and as a driver for the gradual convergence of national RES policies;
- 74. Notes that the EU needs to fulfil its commitment to reducing greenhouse gas emissions through policies that prevent the development of highly greenhouse-gas-intensive unconventional fossil fuels such as tar sands;
- 75. Calls on the Commission to submit an analysis of how different energy sources, including renewable ones, can be developed more sustainably and cost-effectively, taking into account environmental impact, total system costs, aspects relating to dependence on raw materials (particularly rare earths, which are scarce in Europe), resource efficiency and lifecycle;
- 76. Calls on the Commission to submit an analysis of how stable sources of renewable energy such as hydropower (in particular pump storage facilities), sustainable biomass and geothermal power can, together with fossil fuel sources, complement variable renewable sources; asks the Commission to propose sustainability criteria for solid and gaseous biomass, taking into account lifecycle greenhouse gas emissions in order to limit the inefficient use of biomass resources;
- 77. Highlights the important role of resource efficiency in achieving the EU's climate and energy objectives; urges the Commission and the Member States to integrate resource efficiency objectives effectively in other key policy areas, to exchange best practice and to phase out subsidies that lead to inefficient use of resources;
- 78. Calls on the Commission to set up an easily accessible, online best practice database for resource efficiency;
- 79. Recalls that the timely transposition and implementation of EU legislative acts, especially in the environment and energy sectors, is both an obligation and a necessity in order to

avoid market fragmentation;

- 80. Asks the Commission to assess the evolution of energy savings in the EU;
- 81. Notes that the indicative national efficiency targets published in 2013 under the 2012 Energy Efficiency Directive clearly do not add up to the EU's agreed level of ambition of 20 %; insists that the Commission should not wait any longer to propose new policies and measures, including a binding energy efficiency target for 2020, and should include a binding energy efficiency target in its upcoming communication on the 2030 framework, in order to ensure coherence between targets;
- 82. Underlines the importance of local and regional climate and energy initiatives, as they can contribute significantly to national mitigation efforts and the further development of decentralised energy generation; recommends that the Commission support such initiatives, especially via the targeted development of existing financing programmes in the climate and energy field; encourages the Commission and the Member States to remove any obstacles that hamper local and regional authorities in delivering on the EU's climate and energy objectives;
- 83. Notes that the current EU energy and climate framework fails to reflect the differences in energy usage between cities and off-grid rural areas; notes that certain energy challenges are more acute in rural areas (poor energy efficiency, energy affordability, the high carbon footprint of solid and liquid heating fuels);
- 84. Calls on the Commission to draw up a rural energy strategy as part of the 2030 framework for climate and energy policies, in order to analyse some of the particular challenges confronted by off-grid energy consumers and make a series of policy recommendations to the Member States;
- 85. Believes that the 2030 framework for climate and energy policies should incorporate instruments available within EU regional policy in order to achieve the 2030 targets, and that this should include better use of the European Structural and Investment Funds for the development of decentralised renewable energy projects, clean fuel projects in urban and rural areas and energy efficiency projects;

#### **Energy security**

- 86. Emphasises that security of energy supply is crucial for EU citizens and businesses; underlines the importance of the 2030 framework for climate and energy policies addressing the need for increased energy security, environmental sustainability, economic and industrial competitiveness in the EU, affordable energy prices for all Europeans, increased resilience to global energy shocks, and job creation, along with social aspects, through measures such as the diversification of energy supply routes, suppliers and sources;
- 87. Stresses the need to ensure the energy security and eventual self-sufficiency of the EU, to be achieved primarily by promoting energy efficiency and savings and renewable energy, which will, together with other alternative sources of energy, reduce import dependence; notes the emerging interest in the exploration of oil and gas fields in the Mediterranean





- Sea and the Black Sea; believes that, in the context of the EU policy on oil and gas drilling at sea, emphasis should be put on preventing potential hazards and delineating exclusive economic zones for the Member States concerned and relevant third countries in accordance with the UN Convention on the Law of the Sea, to which all the Member States, and the EU itself, are signatories;
- 88. Stresses that in order to achieve security of supply the Member States can choose their national energy mix and take advantage of all their own energy resources, provided that they meet the Union's long-term energy and climate objectives and ensure safe, environmentally sustainable and socially acceptable practices, including in the context of exploration and extraction activities, while also taking into account possible harmful cross-border effects;
- 89. Stresses that, as the EU pursues its goal of energy security, one of the priorities is to develop a model of cooperation between the Member States by ensuring the swift completion of the EU internal energy market, including, in particular, the construction of interconnectors and the elimination of cross-border barriers; believes, furthermore, that completing and modernising the EU infrastructure linking the north, south, east and west will enable the EU to make the best use of the comparative advantages of each Member State, and calls for further efficient and sustainable support for decentralised, micro-scale and community-owned energy production and smart energy infrastructure at the distribution level, along with storage and demand response programmes to allow local balancing of supply and demand in all the Member States; stresses the need for further development of macro-regional power markets in the EU, such as the Nord Pool and Central West markets; stresses, therefore, the need for strong coordination between the Member States' policies and for joint action, solidarity and transparency, as national energy policy decisions can affect other Member States; suggests that it would be desirable to determine whether and how the expertise and facilities of the Agency for the Cooperation of Energy Regulators could be put to use in carrying out the above tasks, and how better cooperation between transmission system operators could be ensured;
- 90. Calls for the Commission, when coming forward with legislation on hydraulic fracturing, to include a mandatory environmental impact assessment for both the exploration and extraction of shale gas; stresses, moreover, that there is insufficient data on the chemicals used in the hydraulic fracturing process; calls on the Commission, therefore, when coming forward with such legislation, to ensure transparency as regards all data on these chemicals in order to secure the highest possible level of public health and environmental protection;
- 91. Takes the view that carbon capture and storage (CCS) could play an important role in reducing greenhouse gas emissions (as acknowledged in the Commission's 2050 low-carbon roadmap and its Energy Roadmap 2050), at least for a transitional period, especially for energy-intensive industries; notes, however, the lack of public and private investment in this area; calls on the Commission to analyse the best way forward as regards the development of CCS technologies in the EU, and to propose appropriate measures within the 2030 framework in order to mobilise stakeholders and the necessary funding; stresses that both renewables and CCS have a role to play in the future EU energy mix and should not be regarded as being in competition with one another; asks the

- Commission, furthermore, to intensify exchanges of best practice and information with the US and Canada on CCS technology;
- 92. Points out that gas will play an important role in the transformation of the EU energy system and recognises the potential of natural gas to provide flexibility in the energy supply system in the short to medium term; believes that a coherent policy and regulatory framework should not disincentivise switching from high-carbon power generation to natural gas; calls on the Commission and the Member States, with regard to the internal gas market, to review all gas contracts based on obsolete pricing mechanisms, including the crude oil index, and urges the Commission to assist in exploring the possibility of renegotiating these contracts and of strengthening short-term gas trading capacity; underlines recent developments in the global energy market and recalls the important contribution that LNG can make to the EU's energy supply thanks to its impact on the EU internal energy market, the geopolitics of energy in the EU's neighbourhood and relations with traditional supplier countries;
- 93. Highlights the great offshore wind potential of the North Sea; emphasises the importance of the North Sea offshore grid in enabling cost-effective deployment of renewables in the North Sea; acknowledges, in this connection, the importance of the North Sea Countries' Offshore Grid initiative and calls on the Member States concerned and the Commission to give it more prominence and support;
- 94. Stresses that active forestry, which increases growth and hence the absorption of carbon dioxide, is an important and cost-effective way of helping to attain the climate targets; notes that each extra cubic metre of forest produced by means of active cultivation absorbs approximately 1.3 tonnes of carbon dioxide; calls on the Commission and the Member States to devise incentives for owners of woods to contribute actively to increased climate benefits, for example by focusing on regional measures which increase lasting forest production and absorption of carbon dioxide;
- 95. Agrees with the Commission that the European level can help reduce state intervention at all levels, thereby reducing the risk of market fragmentation; calls on the Commission, therefore, to continue with the unbundling process and the creation of an optimal power system; calls on the Member States to implement fully and in a timely manner the third legislative package on the internal energy market in order to remove all remaining obstacles to completion of the single market; highlights the importance of eliminating remaining infrastructure bottlenecks, instances of market failure, and distortion or abuse of dominant position, tackling lack of transparency and ensuring that no new barriers to electricity and gas market integration, such as badly designed capacity markets that discriminate against certain types of balancing of resources, are created; calls on the Commission to take market design into account in its 2030 proposals in order to improve electricity trading and develop transparent balancing and grid support services markets; stresses that the gradual phasing-out throughout the EU of regulated prices for the final consumer, which are below the costs incurred, should take into account the legitimate interests of vulnerable consumers, who are not always able to benefit from real competition in energy markets;
- 96. Stresses that energy end consumers individuals, SMEs and industry alike are at the

- very core of the internal energy market and should benefit from the lowest possible energy costs and prices, which should be transparent, that they should be accurately informed and advised by means of easy access to information, so as to promote responsible energy consumption, and that their exposure to rising and increasingly volatile energy prices should be addressed; notes the importance of facilitating the creation and management of citizens' initiatives, including through cooperatives;
- 97. Stresses the need for the new framework to address the consequences of increasing energy prices and the economic crisis as regards the affordability of energy and the fair sharing of financial burdens by final consumers (households and businesses); calls, in particular, for measures to prevent job losses in adversely affected EU industries with a high level of energy consumption, which are among the cleanest in the world in their sectors; recognises that cost-efficient energy savings can lower energy bills for both households and businesses; stresses that the implementation of the Energy Performance of Buildings Directive could generate new employment in retrofitting existing buildings to ensure ongoing benefits; urges the Member States to use the EU funding available for such purposes;
- 98. Calls on the Commission and the Member States to pay particular attention to energy affordability and fuel/energy poverty; believes that a coherent policy framework, including adequate social policy measures, is needed to tackle these issues, and invites the Commission to promote the exchange of best practice in this area and work with the Member States to develop indicators and benchmarks for identifying and comparing current and potential energy poverty; recognises that energy poverty is structurally tackled by energy efficiency measures; notes that energy is an essential service covered by Protocol No 26 on Services of General Interest, appended to the Treaty of Lisbon; stresses that the costs of energy policy should be recovered in the fairest manner possible, with a special emphasis on low-income, vulnerable households, which are most affected by high energy prices; considers that consumer engagement should be promoted; stresses that the upgrading of markets and infrastructure should meet citizens' needs, and that there should be transparency and accountability for the investments made;
- 99. Notes that in order to ensure security of energy supply there must be sufficient flexible and reliable resources to provide the capacity needed in periods of peak demand as well as in periods marked by political, economic or technological difficulties, and that such capacity can be provided by means of flexible backup, demand-side management, cross-border trading and interconnection, and more efficient use of existing excess capacity; points out the need for energy storage and more flexible and dynamic grids, on account of the rising supply of variable sources of renewable energy; calls on the Commission to prepare guidance on the use and deployment of all flexible resources;
- 100. Notes that some Member States (along with certain island and outermost regions), being energy islands or relatively weakly integrated into the European internal energy market, are still largely isolated from the European gas and electricity networks, often remain dependent on a single non-EU supplier (which is particularly precarious in the case of politically unstable or undemocratic regimes) and pay higher prices for energy, which adversely affects their competitiveness and economic and social development and makes them vulnerable to political and economic pressure from outside; points out that without

- substantial infrastructure investment, the European Council's commitment that no Member State would remain isolated from the EU networks by 2015 can hardly be fulfilled for those Member States; favours, in this connection, the swift implementation of the list of projects of common interest released in October 2013;
- 101. Notes that the physical integration of energy infrastructure between the Member States is a precondition for the proper functioning of energy markets and the sharing of electricity across borders; recalls, in this connection, the conclusions of the 2002 Barcelona European Council, which set a non-binding electricity interconnection target of 10 % of national installed production capacity, to be achieved by 2005; stresses that the majority of Member States have not achieved this goal; calls on the Commission, therefore, to propose a possible new model and new commitments for the physical integration of electricity infrastructure between the Member States, along with a clear timeframe for deployment; believes that this would facilitate cross-border trade;
- 102. Recognises that the extension of the internal energy market rules to south-east and eastern Europe is indispensable for the EU's energy security and therefore asks the Member States and the Commission to maintain their political and financial support for the Energy Community;
- 103. Asks the Commission to investigate the potential of, and the various possible technologies for, energy storage in the EU, especially with regard to heat and electricity, with a view to supporting a more integrated approach to energy supply and demand; notes that R&D&I in the area of storage technologies and applications such as electric vehicles can play an important role in storing excess renewable electricity and balancing energy grids; asks the Commission, therefore, to make full use of existing funding possibilities for such research;
- 104. Notes the importance of aligning the pace of investment in energy infrastructure with that of investment in energy sources; stresses that modernising the existing energy infrastructure and building new, intelligent and flexible infrastructure at all grid levels for the generation, transmission (especially via cross-border gas and electricity interconnectors), distribution and storage of energy, for both heat and electricity, is essential for a stable, well-integrated and well-connected energy market with diversified sources of supply, in which any negative effects, such as unplanned power flows, are avoided; emphasises that large-scale investments should be made in parallel with investments in regional or even local networks; stresses that infrastructure investments aimed at achieving such objectives should be granted EU support at each stage of their implementation in line with new guidelines for trans-European energy infrastructure, and should be supported by the Connecting Europe Facility, which is aimed at accelerating investment in the field of trans-European networks of trans-European importance and leveraging funding from both the public and private sectors; highlights the need to support coherent, efficient and better-coordinated permit granting regimes for infrastructure investment across the EU; notes that, in connection with the use of smart technologies, data protection issues must also be taken into account;
- 105. Stresses that stimulating microgeneration will be a vital element in raising the share of renewable energy sources; stresses the role of community-owned initiatives, including

cooperatives, at each stage in the energy chain: production, consumption and retailing; notes, in this connection, that a decentralised renewable energy supply can help mitigate problems faced by electricity networks and reduce the need to build new transmission lines, and hence the associated costs, as decentralised technologies are much closer to the end consumers; notes, therefore, the increasing need for investment in the distribution level;

## Fostering the competitiveness of the EU economy

- 106. Believes that a completed, open and transparent internal market, in which all EU and third-country companies comply with the acquis communautaire, particularly in the fields of energy and the environment, can ensure a level playing field for EU energy suppliers vis-à-vis third-country energy producers and strengthen their negotiating position; underlines the need for a better-coordinated external energy policy;
- 107. Notes that market-based price formation in the energy sector, including the internalisation of external costs, but without any link to price formation on third markets, is the best way to secure competitive prices;
- 108. Emphasises the need for dialogue with non-EU countries on the implementation of the principles laid down by the EU for environmental protection, the use of green technologies and the maintenance of a satisfactory conservation status;
- 109. Believes that a clear 2030 framework setting binding targets for renewable energy and energy efficiency will spur investment in innovative technologies, incentivise R&D and drive private investment, which, coupled with public support, will provide a much-needed economic stimulus to boost the wider economy, leading to increased competitiveness, growth and high-quality jobs that cannot be relocated outside the Union; considers that such increased investment will result in lower production costs for European industry through increased energy and resource efficiency, and reduce vulnerability to world energy price fluctuations, thus in turn creating a more stable investment environment; calls on the Commission, within the European Semester framework, better to underline the potential for employment in sustainable energy sectors in each Member State and in the Union as a whole;
- 110. Stresses that setting binding targets for greenhouse gas emissions, renewables and energy efficiency will stimulate early investment in sustainable technologies, thereby creating jobs and growth while giving European industry an international competitive advantage;
- 111. Asks the Commission to implement its set of key employment actions for a low-carbon economy, to promote greater use of the EU financial instruments available to the Member States, the regional and local levels and the private sector for smart investments in sustainable technologies, for instance by engaging with the European Investment Bank (EIB) with a view to further boosting its lending capacity in the area of resource efficiency and renewable energy;
- 112. Stresses that in the next decade there will be significant investment needs in the power sector on account of the expected replacement of existing power plants and grid

modernisation; insists that energy savings and efficiency measures will play a key role in bringing down costs and securing the lowest possible electricity prices for consumers; points out that the building sector accounts for 40 % of the EU's gross energy consumption and that, according to the IEA, 80 % of the energy efficiency potential in the building sector, and more than 50 % in the industrial sector, remains unexploited; sees significant potential in this area for reducing energy bills;

- 113. Urges the Commission, especially DG Competition, in its revision of the guidelines on state aid for environmental protection, to introduce favourable conditions for investment in energy efficiency, including in the industrial sector;
- 114. Calls on the Commission to launch a study analysing new, cost-efficient energy market designs with a view to ensuring the lowest possible energy prices for industry and consumers and the best return on investment, integrating more variable renewable energy sources and preventing carbon leakage; asks the Commission, therefore, to come forward as soon as possible with an additional assessment and recommendations for further action to better coordinate climate, environment and industrial policies and prevent the risk of carbon leakage, notably in energy-intensive sectors, as a result of the relocation of production facilities and investment outside the EU, while taking into account the international context;
- 115. Stresses that energy prices for consumers and industry are a very important element of household budgets and production costs, respectively; takes the view that the EU's climate goals should boost its competitiveness and the security of its energy supply; demands, therefore, that any new policy instrument relating to these climate objectives undergo a mandatory, thorough impact assessment of its effect on the competitiveness of the EU and of the Member States; urges the Commission and the Member States to integrate the EU's industrial competitiveness as fully as possible into all other policy areas, and supports the Commission's proposal to raise industry's share of the EU's GDP to 20 %;
- 116. Recognises that the European renewable energy sector is important for economic growth and the maintenance of high-quality and high-tech jobs, and that it also supports sectors such as metals, electric and electronic equipment, IT, construction, transport and financial services; calls on the Commission to develop an industrial policy strategy for renewable energy technologies, covering the whole process from research and development up to the financing stage;
- 117. Underlines the risk of investment in sustainable technology fleeing Europe owing to, among other things, uncertainty concerning EU ambitions for further decarbonisation; recalls that recent evidence shows that while the EU remains a marginal leader in the global clean-tech race, the US and China are rapidly closing the gap; notes, in this context, that the EU's current share of the global sustainable tech patents filed has fallen to a third, from almost half in 1999; calls on the Commission and the Member States, therefore, to step up their support for sustainable technologies and services; takes the view that revenue from sales of ETS certificates should be ring-fenced in future to permit investments in innovation in the field of sustainable technologies;
- 118. Notes that the EU's main competitors on the global market place great emphasis on technological developments, innovation and improvements to industrial processes; notes



- also that some of their economies are growing at a faster pace than that of the EU; concludes that the EU must give priority to R&D (including the development of scientific and technological partnerships with its international partners), innovation (especially the creation of European added value in the development and domestic production of sustainable technologies) and improving the productivity of industrial processes;
- 119. Points out that free allocation does not address the economic rationale for pricing carbon into products; notes that a recent study conducted for the Commission found no evidence of any carbon leakage in the past two ETS trading periods; emphasises that, in order to mitigate the potential future risk of carbon leakage, part of the ETS auction revenues should be earmarked for capital-intensive investments in breakthrough technologies in energy-intensive sectors or for encouraging other means of job creation e.g. reducing taxes on labour;
- 120. Calls for measures to be taken to anticipate, meet and match the skills set needed for newly created jobs, to make adjustments to education and training systems and to meet new challenges in existing jobs whose profiles are moving towards those of greener jobs; stresses that active labour market policies have to be targeted and designed to meet worker and labour demand, in order to avoid the lack of a qualified labour force in emerging sustainable technologies and to provide young people, women and disadvantaged groups with access to sustainable quality jobs in the green economy;
- 121. Urges the Member States and the international community to promote science, technology, engineering and mathematics (STEM) education for the energy sector and to maintain educational institutions capable of producing a skilled labour force and the next generation of scientists and innovators, who will help in achieving the goal of an energy-self-reliant and sustainable Europe; recalls, in this connection, the important role of Horizon 2020 and of the European Institute of Innovation and Technology in bridging the gap between research, education and applied innovation in the energy sector;
- 122. Draws attention to the key role played by SMEs as generators of economic growth in the EU, and calls on the Commission and the Member States to create a favourable environment for, and actively encourage, investment by SMEs in energy-saving technologies;
- 123. Encourages the Commission to support the development of advanced biofuels for the transport sector that improve the quality of fuels, thereby increasing the overall competitiveness of the EU economy without any need for additional investment in new infrastructure;
- 124. Invites the Commission to elaborate on a way of measuring the competitiveness of the EU and its main competitors, which could, for example, be based on fiscal policies, R&D, technology exports, the number of researchers and highly skilled workers, innovation, industrial energy prices, environmental and energy policies, wage and productivity levels, infrastructure, unnecessary regulatory burdens and other relevant factors; stresses the need to factor the external costs of climate change into this new methodology. including possible rises in expenditure on insuring against risks arising from climate change;
- 125. Strongly emphasises that any future EU policy must address the comparative strengths

- and weaknesses of its economy, particularly with regard to any free trade agreement the EU signs up to, while also taking into account the measures taken to reduce greenhouse gas emissions and the economic benefits of doing so;
- 126. Points out that energy prices vary between regions according to geological, political and fiscal differences, and that the best way to ensure low energy prices is to take full advantage of the EU's domestic sustainable energy resources; asks the Commission to develop a comprehensive analysis of the overall system costs and effects of different energy sources and their impact on generation adequacy in the long run;
- 127. Notes that the EU is a resource-constrained continent, importing approximately 60 % of its gas consumption, over 80 % of its oil consumption and almost 50 % of the coal used for energy production; insists, in this context, on a 2030 framework with a strong focus on sustainable and renewable energy resources within the EU;
- 128. Stresses that social dialogue and the participation of workers are fundamental values and tools which underpin and reconcile the promotion of social cohesion, quality employment and job creation, on the one hand, and increased innovation and competitiveness in European economies, on the other;
- 129. Calls for measures to prevent job losses in the most affected high-carbon sectors, such as electricity production, transport, construction and energy-intensive industries, which are in general the greenest and most energy-efficient in the world; calls for the facilitation of the transfer of workers from affected high-carbon sectors to other sectors in the event of job losses in those sectors;
- 130. Underlines the need for income support measures, accompanied by other measures such as training, in order to improve and maintain employability, keep workers in the labour market and prevent skills erosion in times of crisis and restructuring;

#### Acknowledging the differing capacity of the Member States

- 131. Welcomes the Commission's remarks that the EU climate and energy targets can have a differing impact on each Member State and its citizens, which therefore makes it fair to continue to work on an equitable effort-sharing basis, taking into account each country's individual circumstances (such as its GDP), with particular attention to those facing severe financial difficulties, its achievements in reducing emissions since 1990, its emissions per capita, its economic potential and potential for emissions reduction, its renewable energy sources, its access to technologies and its energy-saving capacity;
- 132. Stresses that under Article 194 TFEU the EU is responsible for completing the internal energy market and for promoting renewable energy sources and energy efficiency, while the Member States take decisions regarding their energy mix and should be able to use and develop different approaches based on technologies and energy sources that are environmentally sound, socially and economically acceptable and, in accordance with the Union's climate and energy policy goals, aimed at preserving and improving the environment; believes that any future framework should respect the independence of the Member States;



- 133. Recognises that renewable energy technologies include a large number of different technical options, which can be used across the electricity, heating and cooling, and transport sectors; stresses that an overall binding renewable target for 2030 leaves the Member States a wide and flexible choice in deciding where and when to invest in terms of energy sectors and the technologies contributing to each of these sectors;
- 134. Reminds the Commission that Parliament has called for legislation to require every Member State to produce a 2050 low-carbon strategy; believes that while such nationally determined roadmaps should not be legally binding, they are essential in order to provide investors and officials with clarity regarding the long-term policy direction and the measures that will be necessary if the goals are to be achieved; expects the Commission to propose how the burden will be shared among the Member States and to set a date for the submission of such roadmaps for review; calls on the Commission, in the event that any of the roadmaps that are deemed unrealistic and the Member State in question is unwilling to provide appropriate clarification, to propose such additional measures as may be necessary to ensure that the Union's CO<sub>2</sub> reduction objectives are credible;
- 135. Points out that the main focus of planned action should be on implementing scenarios that take account of existing potential in the Member States, prospects for the development of cost-effective and sustainable new technologies, and the global impact of implementing the proposed policy, so as to be able to propose reduction objectives for the following years;
- 136. Asks the Commission to improve the promotion and efficiency of the existing financial tools for investments in sustainable technologies (e.g. NER300) by compiling all the necessary information on financial possibilities for the national, regional and local levels in a single, clear and easily available database;
- 137. Notes that access to capital and the cost of capital, especially for SMEs and even heavy industry sectors, are often a barrier to investment in capital-intensive cleaner technologies and energy efficiency; asks the Commission, therefore, to study the possibility of creating a fund to promote the development of innovative sustainable technologies and support initiatives to improve the efficiency of energy-intensive industries, which could bring together existing and new funding streams and help in leveraging investment, and be financed, inter alia ,by a share of the ETS revenues or by the Structural Funds or the Cohesion Fund; invites the Commission to develop innovative financing instruments, to give an increased role to the EIB and national public financing institutions and to attract financing from pension funds and insurance companies;
- 138. Given that some industry sectors need breakthrough technologies in order to reduce their emissions further and improve their energy efficiency beyond the current state of the art, asks the Council to embed in policy measures clear funding commitments for research, development, pilot plants and the deployment of new technologies, consistent with the level of effort required by the 2030 objectives;
- 139. Calls for the EU to take a pragmatic approach to new market models, regulation and financing models for sustainable energy solutions;

#### The EU at the international level

- 140. Notes that several emerging and developed countries are developing various climate policies and investments, including the implementation of their own emissions trading schemes which follow the example of the EU ETS; welcomes the future prospect of linking the EU ETS with other carbon trading mechanisms worldwide, with the aim of creating a global carbon market; stresses that such a global approach could result in a level playing field for European industry by providing a comprehensive, cost-effective approach to tackling global industrial greenhouse gas emissions; considers, in this connection, that an international cap and trade system could be of significant help in implementing a new, legally binding global climate change agreement;
- 141. Emphasises that the pursuit of closer energy policy cooperation must also be reflected in external energy policy and calls, therefore, for energy agreements with third countries to be concluded at the EU level and for EU energy policy objectives to be firmly established:
- 142. Notes that the EU's leadership in renewables technology comes from innovation in manufacturing as well as fields such as system integration; recognises that, as a result of the adoption of binding targets for 2030, the EU will play its role as a competence cluster allowing the development of high-quality, cost-competitive products; believes that this will benefit the internal market, but also allow European companies to tap into growing third-country markets thanks to the EU's competitive edge; notes that in the absence of an ambitious 2030 package, the EU risks losing its market and technology leadership;
- 143. Acknowledges the importance of the 2020 binding targets and policies for renewable energy in helping the EU establish technological leadership in global markets and making it a frontrunner in renewable technology innovation; stresses that the continuation of this policy through the adoption of binding renewable energy targets for 2030 would enable the EU to compete with China, the US, South Korea, Japan and India for technology leadership in tomorrow's markets, even in times of economic constraints;
- 144. Points out that 138 countries worldwide have tailored RES targets and policies; recognises that investment in green technologies in India, China and the US is growing at a much faster pace than in the EU; stresses, in this connection, that the EU is far from 'doing it alone', but on the contrary risks missing the economic opportunities offered by the energy transition currently under way;
- 145. Stresses the need to ensure, as a priority, that developed countries cut their own emissions first and fast, and provide the necessary financial flows to developing countries for adaptation and mitigation; warns, however, against using offsetting mechanisms such as the Clean Development Mechanism (CDM) instead, considering that such mechanisms have not proven to be effective tools for reducing greenhouse gas emissions, and that they delay essential structural change in developed-country economies;
- 146. Stresses the need to reconcile development and climate change goals; emphasises that climate change threatens the ability of entire regions to feed themselves, thereby demonstrating the links with the aim of global poverty eradication underlying both the Millennium Development Goals and the Sustainable Development Goals process launched by the Rio+20 conference; calls for those two processes to be integrated into a single, overarching post-2015 framework;

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- 147. Notes that it is important for the EU to maintain its leading and pioneering role and for the Member States to speak with one voice to defend a strong and common position during the climate negotiations in order to secure a new binding global climate agreement in Paris in 2015; stresses that the EU must set an example and adopt an ambitious binding policy framework in time for the leaders' summit called by Ban Ki-moon, as this will have a positive influence on the negotiations; asks the Commission to study the possibility of using a share of the carbon allowance auctions to fulfil the EU's international climate finance commitments to developing countries, according to their adaptation and mitigation needs;
- 148. Emphasises the critical role of finance in enabling developing countries to take ambitious climate action; insists, therefore, on the need to build a coherent financial architecture for climate change; calls for greater efforts by the Member States to help fulfil the commitment made by developed countries to provide at least USD 100 billion per year in climate financing, additional to the commitment to allocate 0.7 % of GNI as Official Development Assistance by 2020;
- 149. Welcomes Ban Ki-moon's Sustainable Energy 4 All initiative, which promotes energy efficiency and renewable energy as the most relevant mitigation solutions; asks the EU to support this programme;
- 150. Calls on the Member States and the other parties in the upcoming international negotiations, in anticipation of a potential binding agreement, to address the issue of carbon leakage at the global level;
- 151. Calls, therefore, for better coordination between the Council, the Commission and the European External Action Service so that the EU can speak with one voice in international organisations and play a more active role, and have greater influence, in promoting sustainable policies;
- 152. Instructs its President to forward this resolution to the Council and the Commission.

#### **OPINION OF THE COMMITTEE ON DEVELOPMENT**

for the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy

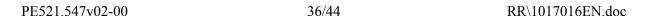
on a 2030 framework for climate and energy policies (2013/2135(INI))

Rapporteur: Norbert Neuser

#### **SUGGESTIONS**

The Committee on Development calls on the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy, as the committees responsible, to incorporate the following suggestions in their motion for a resolution:

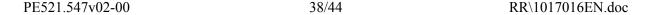
- 1. Acknowledges the historical responsibility of the EU and other major greenhouse gas (GHG) emitters vis-à-vis developing countries and disadvantaged people, especially women, who are the prime victims of climate change; points to the need for renewed EU leadership in international climate negotiations in order to reach an ambitious binding agreement at the UNFCCC in Paris in 2015, based on a process of equitable effortsharing; emphasises that in order to be credible in this leadership role and encourage all other countries to come forward with emission reduction pledges, the EU must first reinvigorate efforts to bring down its own emissions, aiming at the higher end of its 80-95 % GHG emission reduction target for 2050;
- 2. Recognises that the timeframe for global action is rapidly closing as per the latest scientific reports by the IPCC, and that the cost of inaction is several times greater than the cost of early climate action; expresses alarm that climate impacts have the potential to reverse recent progress made towards achieving the Millennium Development Goals (MDGs), could increase global hunger by 10-20 % by 2050, and are already leading to loss of lives and livelihoods in the poorest and most vulnerable countries;
- 3. Stresses the need to ensure, as a priority, that developed countries cut their own emissions first and fast and provide necessary financial flows to developing countries for adaptation and mitigation; warns, however, against using instead offsetting mechanisms such as the Clean Development Mechanism (CDM), considering that such mechanisms have not proven effective tools for reducing greenhouse emissions, and that they delay essential structural change in developed-country economies;





- 4. Acknowledges the agreed international climate goal to hold global mean warming at under a 2 degrees Celsius increase over the pre-industrial level;
- 5. Calls on the Member States to adopt three binding targets for 2030, i.e. a reduction of GHG emissions to at least 50 % below 1990 levels, a share for renewable energy of at least 40 %, and an increase of at least 30 % in energy efficiency; recalls that both energy efficiency and the deployment of renewables reduce GHG emissions and therefore facilitate the achievement of an EU GHG target of at least 50 %;
- 6. Urges the Commission and the Member States to phase out all subsidies and state aid for fossil fuels and nuclear energy and to finalise the internal electricity market in a manner that benefits renewable energy;
- 7. Emphasises the need to reduce the carbon footprint of the transport sector; notes, in this respect, that some biofuels are failing to live up to expectations as regards GHG emission reductions, can contribute to rising food prices by competing for land and may threaten access to vital resources, including land and water, for local and indigenous communities in developing countries; takes the view that in order to avoid negative impacts on the right to food, public incentives for the production of crop-based biofuels (such as the binding 10 % EU target for renewable energy in transport or subsidies) must be reduced and removed no later than 2020; calls, in particular, for effective measures to prevent harmful social and environmental impacts of biomass for energy production for European markets;
- 8. Stresses the need to reduce energy consumption in the transport sector, since a percentage target for energy from renewable sources is likely to become increasingly difficult to achieve sustainably if overall demand for energy for transport continues to rise;
- 9. Stresses the need to reconcile development and climate change goals; emphasises that climate change threatens the ability of entire regions to feed themselves, thereby demonstrating the links with the aim of global poverty eradication underlying both the MDGs and the Sustainable Development Goals (SDGs) process launched by the Rio+20 conference; calls for those two processes to be integrated into a single, overarching post-2015 framework;
- 10. Recalls the EU's commitments under the UN Framework Convention on Climate Change to support the efforts of developing countries, especially the least developed countries, to mitigate and adapt to climate change, and to enhance resilience through-capacity building, investment in research, technology transfer and contributions to the Green Climate Fund (GCF), which must become fully operational as a matter of urgency;
- 11. Emphasises the critical role of finance in enabling developing countries to take ambitious climate action; insists, therefore, on the need to build up a coherent financial architecture for climate change; calls for greater efforts by the Member States to help fulfil the commitment made by developed countries to provide at least USD 100 billion per year in climate financing, additionally to the commitment to allocate 0.7 % of GNI as Official Development Assistance by 2020;
- 12. Highlights the fact that women in the least developed countries are those who bear the most responsibilities in the sectors threatened by climate change; stresses the importance

- of and need for gender analysis and the inclusion of a gender perspective in all action programmes for climate change mitigation or adaptation and disaster risk reduction that are financed by the EU or by Member States;
- 13. Stresses the need to address the growing impact of airline emissions on climate change; regrets, therefore, the fact that the EU has had to temporarily freeze the implementation of the EU emissions trading scheme for flights which are not within the EU; emphasises the need for an expanded and better-functioning Emissions Trading System (ETS) which provides efficient climate goals and effective incentives for GHG emissions reductions, ensures a meaningful price for CO<sub>2</sub> and reflects the true costs of fossil fuels; stresses that the total amount of carbon credits must decrease gradually so that climate neutrality is reached by 2050; deems it essential to raise additional climate finance and to set aside, within the remit of the ETS, a percentage of auctioning revenues as climate finance for a fully operational GCF;
- 14. Notes that a recent report by the European Environment Agency found that between 1990 and 2012 the EU reduced its emissions by 18 %, close to the target of a 20 % emissions reduction by 2020; calls, therefore, on European leaders to raise the current climate target to 30 % for 2020, to avoid a lack of action during the period remaining up to that year.



# **RESULT OF FINAL VOTE IN COMMITTEE**

Date adopted	5.11.2013
Result of final vote	+: 14 -: 12 0: 0
Members present for the final vote	Thijs Berman, Corina Creţu, Véronique De Keyser, Nirj Deva, Leonidas Donskis, Charles Goerens, Catherine Grèze, Mikael Gustafsson, Eva Joly, Miguel Angel Martínez Martínez, Gay Mitchell, Bill Newton Dunn, Andreas Pitsillides, Jean Roatta, Birgit Schnieber- Jastram, Alf Svensson, Ivo Vajgl, Daniël van der Stoep, Anna Záborská, Iva Zanicchi
Substitute(s) present for the final vote	Eduard Kukan, Isabella Lövin, Cristian Dan Preda
Substitute(s) under Rule 187(2) present for the final vote	Iratxe García Pérez, María Muñiz De Urquiza, Bogusław Sonik

#### OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy

on a 2030 framework for climate and energy policies (2013/2135(INI))

Rapporteur: David Casa

#### **SUGGESTIONS**

The Committee on Employment and Social Affairs calls on the Committee on the Environment, Public Health and Food Safety and the Committee on Industry, Research and Energy, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

- 1. Supports the Commission's initiative suggesting an early and ambitious agreement on the 2030 framework for climate and energy policies, with particular attention to its objectives of progressing towards a competitive and less resource-intense economy which can create new opportunities for quality jobs and sustainable growth, and preventing further climate change;
- 2. Notes that job creation in eco-industries was positive during the recession in comparison to many other sectors<sup>1</sup>;
- 3. Notes that wage shares in the low carbon-intensive sector have tended to fall less than in the top 15 emitting industries, especially in recent years<sup>2</sup>;
- 4. Calls for measures to be taken in order to allocate economic recovery plan resources to green quality jobs and sustainable growth; underlines the need to support, in particular, small and medium-sized enterprises to create green quality jobs for highly and less qualified workers;
- 5. Stresses the need to provide a platform for the Member States to coordinate their efforts in

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<sup>&</sup>lt;sup>1</sup> Commission Staff Working Document entitled 'Exploiting the employment potential of green growth' (SWD(2012)092).

<sup>&</sup>lt;sup>2</sup> Commission-International Labour Organisation joint publication entitled 'Towards a greener economy: The social dimensions' p. 48.

- creating new high-quality green jobs and sustainable growth; underlines the need to support close cooperation between governments and social partners in order to ensure a smooth transition towards a greener economy;
- 6. Calls for a balanced approach towards potential new climate and energy targets, taking into account the negative effects on the industrial base and employment in the Union;
- 7. Underlines the need to eliminate in the mid-term all direct and indirect subsidies, tax advantages and financial support for environmentally non-sustainable activities;
- 8. Stresses that social dialogue and the participation of workers are fundamental values and tools which underpin and reconcile the promotion of social cohesion, quality employment and job creation on the one hand and increased innovation and competitiveness in European economies on the other hand;
- 9. Recalls that energy efficiency and renewable energy sectors could create a substantial amount of new jobs by 2020, as forecast by the Commission; points out that the transition to a less resource-intense economy is expected to have very diverse effects in terms of the overall levels of skills required; recalls that the potential for green jobs lies not only in new high-skilled sectors, but throughout the economy and at all skill levels;
- 10. Notes that the EUR 573 billion used to import fossil fuels in 2011<sup>1</sup>, represents untapped potential for growth and job creation in the EU's green sector;
- 11. Calls for measures to be taken to anticipate, meet and match the skills set needed for newly created jobs, to make adjustments in education and training systems and to meet new challenges in those existing jobs the profiles of which turn towards those of greener jobs; stresses that active labour market policies have to be targeted and designed to meet the needs of worker and labour demand, in order to avoid the lack of a qualified labour force in emerging sustainable technologies and to provide young people, women and disadvantaged groups with access to sustainable quality jobs in the green economy;
- 12. Recalls the Commission's intention to reverse the declining role of industry in Europe for the 21st century<sup>1</sup>; calls for a coherent approach in the climate and energy policy field which does not undermine industry policy goals and which could thereby impede job creation;
- 13. Calls for measures to prevent job losses in the most affected high-carbon sectors, such as electricity production, transport, construction and energy-intensive industries, which are in general the greenest and most energy-efficient in the world; calls, for the facilitation of the transfer of workers from affected high-carbon sectors to other sectors in the case of job losses in those sectors;
- 14. Underlines the need for income support measures, accompanied by other measures such as training, in order to improve and maintain employability, keep workers in the labour

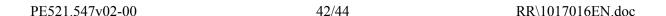
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<sup>&</sup>lt;sup>1</sup> http://ec.europa.eu/commission 2010-2014/hedegaard/headlines/news/2012-06-14 01 en.htm

<sup>&</sup>lt;sup>1</sup> Commission communication of 10 October 2012 entitled 'A Stronger European Industry for Growth and Economic Recovery' (COM(2012)0582).

market and prevent skills erosion in times of crisis and restructuring;

- 15. Stresses the need to address in the new framework the consequences of increasing energy prices and the economic crisis, as regards the affordability of energy and the fair sharing of financial burdens for final consumers households and businesses; calls, in particular, for measures which could prevent job losses in negatively affected European industries with a high energy consumption, which are amongst the cleanest in the world in their sector; recognises that an ambitious cost-efficient energy savings target can lower energy bills for both households and businesses; highlights the fact that the implementation of Directive 2010/31/EU of 19 May 2010 on the energy performance of buildings could generate new employment in retrofitting existing buildings to ensure ongoing benefits; urges the Member States to use available EU funding for such purposes;
- 16. Supports the idea of enhancing access to finance for investments in Member States with less economic capacity in order to provide sufficient support for changes in industrial processes and energy use that could have a positive impact on jobs;
- 17. Highlights the need to stimulate research on more sustainable resource extraction and on innovative technologies in order to better protect the environment and improve working conditions of employees in the sector; calls on the Commission and the Member States to promote more sustainable solutions for resource extraction.



# **RESULT OF FINAL VOTE IN COMMITTEE**

Date adopted	17.12.2013
Result of final vote	+: 39 -: 0 0: 0
Members present for the final vote	Regina Bastos, Edit Bauer, Heinz K. Becker, Jean-Luc Bennahmias, Phil Bennion, Pervenche Berès, Milan Cabrnoch, David Casa, Alejandro Cercas, Ole Christensen, Minodora Cliveti, Andrea Cozzolino, Frédéric Daerden, Karima Delli, Sari Essayah, Marian Harkin, Stephen Hughes, Danuta Jazłowiecka, Ádám Kósa, Jean Lambert, Verónica Lope Fontagné, Olle Ludvigsson, Csaba Őry, Siiri Oviir, Konstantinos Poupakis, Elisabeth Schroedter, Traian Ungureanu, Inês Cristina Zuber
Substitute(s) present for the final vote	Claudette Abela Baldacchino, Jürgen Creutzmann, Philippe De Backer, Edite Estrela, Richard Howitt, Martin Kastler, Anthea McIntyre, Evelyn Regner, Csaba Sógor, Tatjana Ždanoka
Substitute(s) under Rule 187(2) present for the final vote	Vojtěch Mynář

# **RESULT OF FINAL VOTE IN COMMITTEE**

Date adopted	9.1.2014
Result of final vote	+: 66 -: 42 0: 3
Members present for the final vote	Amelia Andersdotter, Josefa Andrés Barea, Sophie Auconie, Jean-Pierre Audy, Ivo Belet, Sandrine Bélier, Bendt Bendtsen, Fabrizio Bertot, Jan Březina, Maria Da Graça Carvalho, Giles Chichester, Yves Cochet, Jürgen Creutzmann, Tadeusz Cymański, Chris Davies, Pilar del Castillo Vera, Anne Delvaux, Christian Ehler, Elisabetta Gardini, Gerben-Jan Gerbrandy, Adam Gierek, Norbert Glante, Matthias Groote, Françoise Grossetête, Cristina Gutiérrez-Cortines, Fiona Hall, Satu Hassi, Jacky Hénin, Edit Herczog, Jolanta Emilia Hibner, Kent Johansson, Romana Jordan, Karin Kadenbach, Eija-Riitta Korhola, Holger Krahmer, Claus Larsen-Jensen, Jo Leinen, Corinne Lepage, Peter Liese, Bogdan Kazimierz Marcinkiewicz, Marisa Matias, Zofija Mazej Kukovič, Linda McAvan, Judith A. Merkies, Vladko Todorov Panayotov, Jaroslav Paška, Andrés Perelló Rodríguez, Pavel Poc, Miloslav Ransdorf, Herbert Reul, Teresa Riera Madurell, Jens Rohde, Dagmar Roth-Behrendt, Paul Rübig, Kārlis Šadurskis, Amalia Sartori, Carl Schlyter, Salvador Sedó i Alabart, Richard Seeber, Bogusław Sonik, Dubravka Šuica, Konrad Szymański, Claudiu Ciprian Tănăsescu, Britta Thomsen, Patrizia Toia, Evžen Tošenovský, Claude Turmes, Niki Tzavela, Marita Ulvskog, Vladimir Urutchev, Kathleen Van Brempt, Alejo Vidal-Quadras, Glenis Willmott, Sabine Wils, Zbigniew Zaleski
Substitute(s) present for the final vote	Kriton Arsenis, Jerzy Buzek, António Fernando Correia de Campos, Francesco De Angelis, José Manuel Fernandes, Andrzej Grzyb, Jutta Haug, Seán Kelly, Bernd Lange, Marusya Lyubcheva, Alajos Mészáros, James Nicholson, Marit Paulsen, Alojz Peterle, Peter Skinner, Alda Sousa, Lambert van Nistelrooij
Substitute(s) under Rule 187(2) present for the final vote	Richard Ashworth, Catherine Bearder, Hiltrud Breyer, Marije Cornelissen, Andrew Duff, Franco Frigo, Peter Jahr, Jean Lambert, Eva Lichtenberger, Baroness Sarah Ludford, Olle Ludvigsson, Jens Nilsson, Jan Olbrycht, Tomasz Piotr Poręba, Patrice Tirolien, Helga Trüpel, Paweł Zalewski, Tadeusz Zwiefka, Sophia in 't Veld

