Citizens' summary

EU climate and energy package

WHAT'S THE ISSUE?

- Climate change could reach catastrophic levels this century unless we **quickly and sharply reduce emissions of greenhouse gases**
- The EU needs **more secure energy sources** i.e. less dependence on imports of foreign oil and gas

WHAT IS EUROPE DOING TO ADDRESS THESE ISSUES?

The EU's climate and energy policy sets the following ambitious targets for 2020:

- **cutting greenhouse gases** by at least 20% of 1990 levels (30% if other developed countries commit to comparable cuts)
- **increasing use of renewables** (wind, solar, biomass, etc) **to 20% of total energy production** (currently ± 8.5%)
- **cutting energy consumption** by 20% of projected 2020 levels - by improving energy efficiency

WHAT EXACTLY WILL CHANGE?

The package of EU climate and energy measures approved in December 2008 implements these targets.

- For **power plants and energy-intensive industries** - **emissions to be cut to 21% below 2005 levels by 2020**.

  How? By granting fewer emission allowances under the EU Emissions Trading System (ETS) (covering some 40% of total EU emissions).
- **For sectors not covered by the ETS** (e.g. transport (except aviation, which will join ETS in 2012), farming, waste and households) - **emissions to be cut to 10% below 2005 levels by 2020**.

  How? Through **binding national targets** (with higher reductions for richer countries and limited *increases* for the poorest ones).
- **Renewables will produce 20% of all the EU's energy by 2020**.

  How? Through **binding national targets** (from 10% for Malta to 49% for Sweden).

  At least 10% of transport fuel in each country **must be renewable** (biofuels, hydrogen, 'green' electricity, etc.). Biofuels must meet agreed sustainability criteria.
- Promotion of safe use of **carbon capture and geological storage** (CCS) technologies which could eventually remove most carbon emissions from fossil fuels used in power generation and industry.

WHAT ARE THE BENEFITS OF THE MEASURES?

- major contribution to **combating climate change**

- **example to rest of the world** that can help to shape a new global climate agreement
- more **secure energy supplies**
- **€50bn a year less on oil and gas imports** by 2020
- **± 1m jobs in European renewables industry** by 2020 (300 000 today)
- competitive advantage through significant **innovation in the European energy sector**
- **more jobs in environment-related industries**
- **less air pollution** - significant health benefits and less money spent on control measures.

WHY DOES ACTION HAVE TO BE TAKEN BY THE EU?

- Individual countries have a responsibility to limit emissions as far as possible, but **joint EU or international action is more effective**.
- Joint action can:
  - **maximise the effectiveness** of measures taken
  - **create economies of scale** so measures cost less and don't disrupt trade in Europe's single market.
- Together the 27 EU countries can influence the *global* fight against climate change **much more than they could individually**.

WHEN IS THE PACKAGE LIKELY TO COME INTO EFFECT?

By **2011** at the latest.

The Emissions Trading System will change on **1 January 2013**.