



EU Policy Developments

**National Inception Workshop
EU4Climate
Yerevan
30 April 2019**



Overview

- 1) EU climate targets and instruments
- 2) Relevance for Armenia
- 3) EU long-term vision for 2050
- 4) Outcome of COP24



EU climate targets and instruments

EU climate and energy targets (compared to 1990)

2020

-20 %
Greenhouse
Gas Emissions

20%
Renewable
Energy

20%
Energy
Efficiency

10%
Interconnection

2030

≤ -40%
Greenhouse Gas
Emissions
(domestic)

De facto
45%

≥ 27%
Renewable
Energy

32%

≥ 27%
Energy
Efficiency*

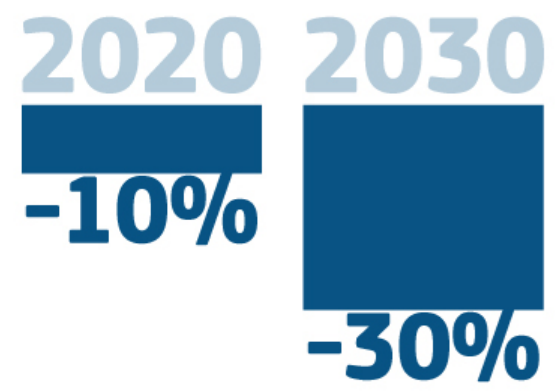
32.5%

15%
Interconnection

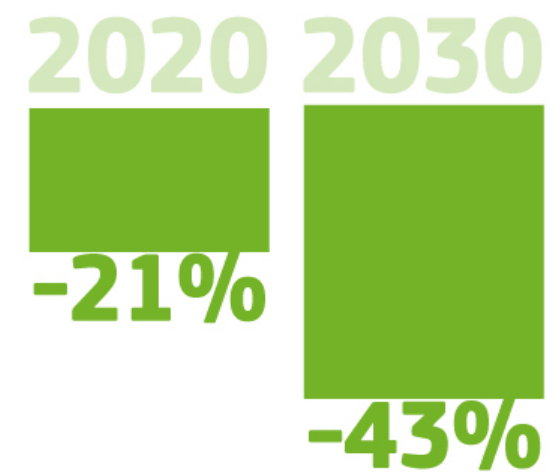


Emission reduction targets ETS and Non-ETS

**EMISSION
REDUCTIONS
IN ETS AND
NON-ETS**
COMPARED TO 2005



**NON
ETS** INCLUDING
ROAD TRANSPORT,
HOUSING,
AGRICULTURE
etc.



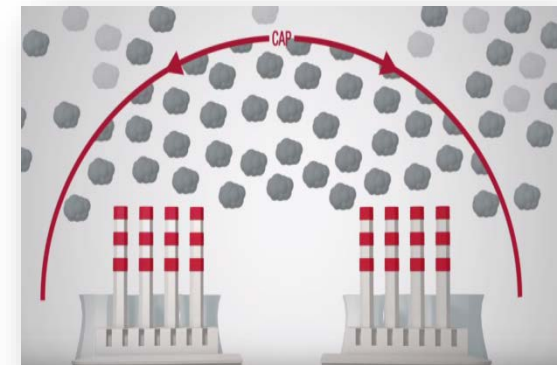
ETS INCLUDING
POWER/ENERGY
SECTOR & INDUSTRY

EU Emissions Trading System (EU ETS)

- ★ Cornerstone of EU climate policy
- ★ ‘Cap-and-trade’ system: Puts a price on greenhouse gas emissions, to harness economic forces
- ★ More than **11,000** installations in more than 30 countries, **45%** of total EU GHG emissions + flights within the EU

How it works

- ▶ Puts a limit (cap) on emissions for installations under ETS
- ▶ This limit is reduced each year
- ▶ Emission allowances are auctioned and companies can buy and sell emissions
- ▶ Flexibility for companies to cut their emissions in the most cost-effective way



Energy Union: Clean Energy for all Europeans



New Electricity Market Design

Rules for participating
on electricity market



Energy Efficiency

Energy Efficiency First!



Renewables

EU to become
world leader



Energy Union Governance

National Energy and
Climate Plans

Integrated National Energy and Climate Plans (NECPs)

- ★ **National plans for all EU Member States: 2021-2030**
- ★ **To ensure 2030 energy and climate targets are achieved**
- ★ **Allowing member states flexibility to adapt to local conditions and needs**
- ★ **Promoting long-term certainty for investors**



New CO₂ standards for road transport

ROAD TRANSPORT GREENHOUSE GAS EMISSIONS

- 30%
emissions

- 37.5%
emissions

27%
TRUCKS, BUSES, LORRIES



73%
CARS & VANS



EU adaptation strategy

★ Promote action by all member states

- ▶ Encourage all MS to adopt adaptation strategies
- ▶ Provide funding to help them build resilience
- ▶ Launch voluntary adaptation initiative for towns and cities

★ Make EU-level action 'climate-proof'

- ▶ Further integrate climate adaptation needs into key vulnerable sectors e.g. agriculture, fisheries, energy, regional development
- ▶ Make infrastructure more resilient
- ▶ Promote insurance against disasters

★ Make decision-making better informed

- ▶ Address knowledge gaps through research
- ▶ Develop European climate adaptation platform as 'one-stop shop' for adaptation information in Europe





EU Regional programmes relevant for Climate Change

Greening economies and improving governance

EU4Environment (2018-2022, €19.5M)

Shared Environmental Information System (SEIS) East Project (2016-2020, €7M)

European Environment Agency and 5 IOs as implementing partners

EU4Energy

(EUR 20 million; 2016-2020)

6 EaP + CA countries

3 implementing partners: IEA, EnCS & ECS

Covenant of Mayors

400 signatories

33 demonstration projects

€10m technical support to local authorities



Relevance for Armenia



Legislative approximation (1)

CEPA

1. Directive 2003/87/EC ("ETS Directive")
2. Regulation (EU) No 601/2012 ("MRR Regulation")
3. Regulation (EU) No 600/2012 ("Accreditation and Verification Regulation – AVR")
4. Regulation (EU) No 525/2013 ("MMR Regulation")
5. Regulation (EC) No 842/2006 ("F-Gas regulation")
6. Regulation (EC) 1005/2009 ("ODS Regulation")

Principle of "Dynamic Approximation"



Legislative approximation (2)

Energy Community

October 2016: Recommendation on EU Monitoring Mechanism Regulation (MMR)

- *'incorporate core elements of the MMR'*

January 2018: Recommendation on Integrated Energy and Climate plans

- *'prepare integrated national energy and climate plans for 2021-2030, by taking into consideration the 2015 EU Guidance to Member States'*

November 2018: General Policy Guidelines on 2030 Targets

- *'adopt target for energy efficiency, renewable energy, and GHG emission reduction'*

Next: Legally binding Decision on the incorporation of the new Governance Regulation?



Energy Community: Energy and Climate Committee

Composition

Ministers and Deputy Ministers responsible for energy *and* climate

Work Programme

- 1) Identifying key provisions of the Monitoring Mechanism Regulation to be incorporated into the Energy Community;
- 2) Enhancing regional coordination of integrated energy and climate planning;
- 3) Fostering climate mainstreaming in the contracting parties; *and*
- 4) Exchanging views in the run up to COPs with a view to alignment with the EU position.



Eastern Partnership Platform 3

'Connectivity, energy efficiency, environment & climate change'

1. Panel on Transport

2. Panel on Energy

- Security of energy supply
- Energy efficiency
- Use of renewable energies
- Reduction of Greenhouse Gas Emissions

3. Panel on Environment and Climate Change

- Resilience to climate change.
- Reduction of non-energy related greenhouse gas emissions.

EU - Eastern Partnership Ministerial Meeting on Environment and Climate Change



Luxembourg
17-18 October 2016



Luxembourg
9 November 2018



EU long-term vision for 2050



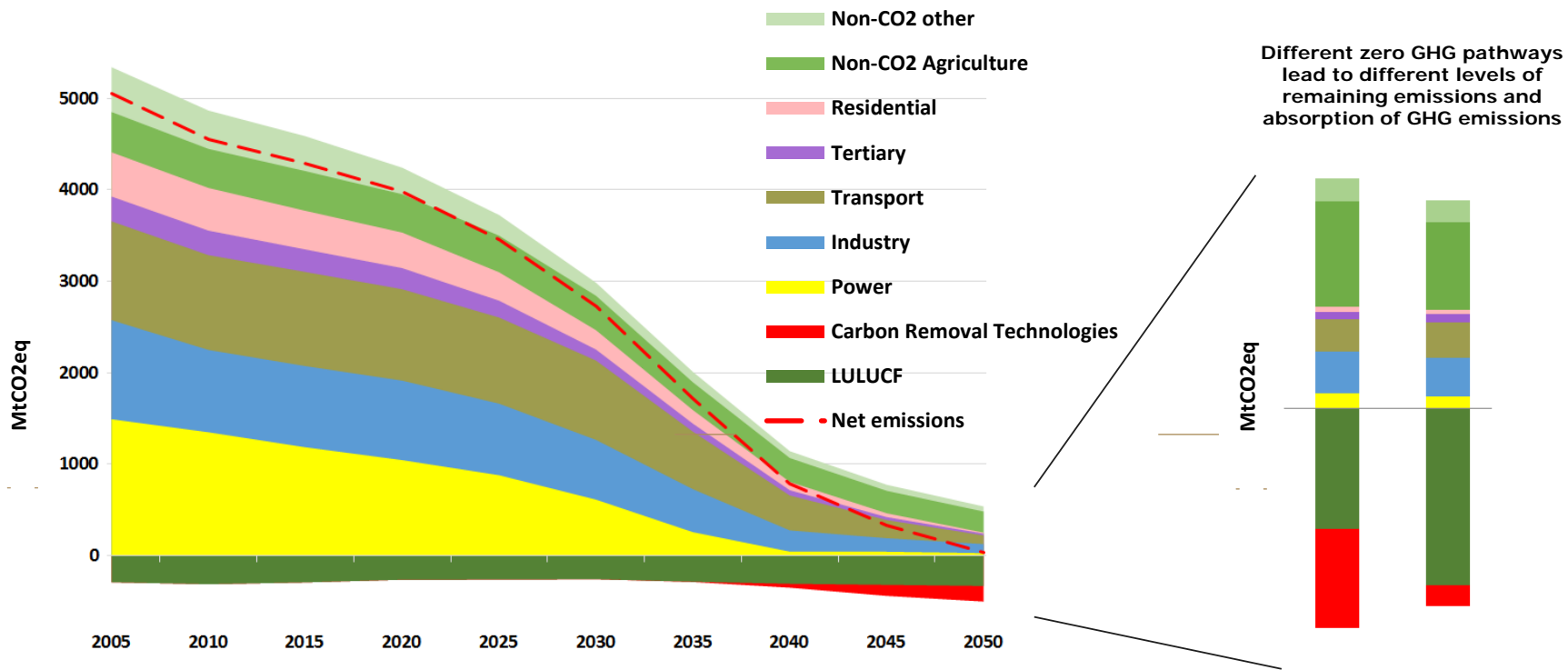
Long-term climate strategies for 2050: Paris Agreement & EU strategic vision



low

- ★ Paris Agreement invites **all Parties to prepare and adopt mid-century greenhouse gas emission development strategies by 2020**
- ★ March 2018: European Council (EU leaders) asked the Commission to present a proposal for an EU long-term strategy for reducing greenhouse gas emissions
- ★ November 2018: Commission adopted a strategic vision for a long-term strategy
- ★ Vision for a climate-neutral EU by 2050: net zero GHG emissions
- ★ Vision covers all sectors, technology, jobs. In 2019, EU-wide debate... aiming to adopt in 2020

Our Vision for a Clean Planet by 2050



7 Building Blocks

1. Energy efficiency
2. Deployments of renewables
3. Clean, safe & connected mobility
4. Competitive industry and circular economy
5. Infrastructure and inter-connections
6. Bio-economy and natural carbon sinks
7. Tackle remaining emissions with carbon capture and storage

Just transition

- Overall economic impacts of the deep transformation are positive.
- The transition will spur growth in new sectors. 'Green jobs' already represent 4 million jobs in the EU.
- But some sectors will face challenges (e.g. coal mining and fuel extraction) and others will transform (e.g. energy-intensive industries and automotive sector).
- This will affect some regions often in lower income MS, more than others.
- Modernisation process has to be managed, no-one left behind, relevant policies must be deployed to the fullest. EU budget, employment and cohesion policies have a role.
- Skill training is key



Outcome of COP24

Paris Rulebook

Rules and guidelines to implement the Paris Agreement in all countries agreed at UN climate conference - 'COP24' - in Katowice, Poland, December 2018

The Paris 'rulebook' includes rules and guidelines covering all key areas of the Agreement:

- **Mitigation** – reducing greenhouse gas emissions
- **Adaptation** – measures to make communities resilient
- **Finance** – commitment to support those in need
- **Transparency** – common system to track progress
- **Compliance** – committee to supervise implementation





From now to 2020

➤ **Political issues: Ambition**

- Communicating and updating NDCs
- Communicating Long Term Strategies
- Progress towards the 100b Finance goal

➤ **Technical issues: Completion of Paris mandates**

➤ **Important milestones:**

- MoCA 3 (Q2/3 2019)
- UN Climate Summit (Sept 2019)
- COP25 (December 2019)

➤ **Planning of 6 EaP events:**

- 10th anniversary High level conference (14 May, Brussels)
- EaP Panel on Environment and Climate Change (27-28 May, Vienna)