

Common energy policy of the EU - origins, objectives and stages of development

mgr Anna Wójtowicz

Warsaw School of Economics

The origins of EU energy policy can be traced back to the founding treaties of the European Communities

- European Coal and Steel Community (ECSC) - entered into force on 1 23 July 1952

- the European Economic Community (EEC)
- the European Atomic Energy Community (Euratom)

They entered into force on 1 January 1958

70's Crisis

1973 Energy Crisis

- the Arab-Israeli war
- Saudi Arabia decided to impose an embargo on oil exports to certain countries and to limit the volume of exports, brought about a surge in oil prices
- OPEC (The Organization of Petroleum Exporting Countries) also slowed the production of oil –causing prices to quadruple.

1979 Energy crisis

- Iranian Revolution,
- In 1980, following Iran-Iraq war.

In 1980 and 1986, the EU Council adopted the programme entitled *Towards a New Energy Policy Strategy*. It contained the following guidelines for the energy policy of the Community that were to be implemented by 1995

- reducing the share of crude oil in the total EC energy consumption to 40%
- increasing the efficiency of use of energy sources by 20%
- reducing the share of crude oil in electricity generation to a maximum of 15%
- increasing the share of solar and wind energy and other renewable energy sources in the energy balance

Debate about the need to develop a European energy policy

- The increase in oil prices and the dependence of EU countries on external suppliers (mainly Russia and OPEC countries)
- The imminent global warming threat

The White Paper *An energy policy for the European Union* (COM (95) 682 final) adopted by the European Commission (EC) in 1995

- economic competitiveness
- energy security

and added a new goal:

- protecting the natural environment against the harmful effects of energy production and supply

In 2008 the European Commission proposed binding legislation to implement the 20-20-20 targets

- reduce greenhouse gas emissions by 20% compared to the level of emissions from 1990
- increase the share of renewable energy in gross final energy consumption to 20%
- increase energy efficiency to 20%, compared to the predictions for 2020

At a meeting on 23-24 October 2014, the European Council agreed on the 2030 climate and energy framework for the EU

- a binding EU target of at least 40% less greenhouse gas emissions by 2030, compared to 1990
- a target, binding at EU level, of at least 27% gross final energy consumption in 2030
- an indicative target at EU level of at least 27% improvement in energy efficiency in 2030

The targets for renewables and energy efficiency were revised upwards in 2018.

Key targets for 2030:

- a binding EU target of at least 40% less greenhouse gas emissions by 2030, compared to 1990
- a target, binding at EU level, of at least **32%** renewable energy consumption in 2030
- an indicative target at EU level of at least **32.5%** improvement in energy efficiency in 2030

Conclusions

- Formulating a common energy policy culminating in the establishment of an energy union is a long and complex process.
- An obstacle in the process of implementing the common energy policy is the fact that, when pursuing their energy policy, member states are guided in their endeavours by national interests instead of acting together on behalf of the entire EU. Nevertheless, this problem is increasingly being addressed, and is now becoming one of the EU's top priorities.
- In addition, a growing number of member states realize that the attainment of common goals (i.e. energy security, common market, or energy efficiency) will require the adoption of a common low-emission energy policy of the European Union.

- THANK YOU FOR YOUR ATTENTION