

Nr. 2016/6 – September 2016

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POLICY UPDATES

1. Energy Efficiency: green light for two proposals

By Dora Petroula

What happened recently?

In July, the European Commission published its [new energy reference scenario](#) and modelling, which will be used as a baseline for all the upcoming legislative proposals. This scenario makes projections for different energy indicators including future energy consumption, if no further policies than those currently in place are adopted. According to the PRIMES 2016 reference scenario, EU primary energy demand in 2020 (1527Mtoe) will be 3% higher than the 2020 energy savings target (1483Mtoe), while the final energy consumption (1134Mtoe) will be 4.4% above the 2020 target in final energy terms (1086Mtoe).

But according to a [recent JRC report](#), primary energy consumption in 2014 (1505Mtoe) was only 1.5% above the 2020 target, while final energy consumption (1061Mtoe) for the first time was already 2% lower than the 2020 target in final energy terms. As such, the **EU's future energy demand projections for 2020 by PRIMES seem to be overestimated, if compared to the current trends**. The JRC report is added to the annual reports on trends and projections prepared by the European Environmental Agency (EEA), which for the past couple of years conclude that the EU is on track to reach its 2020 target. The **data on current trends also reinforcing our position that the 2030 energy savings target of 27% is very low and a 40% energy savings target is needed**.

For 2030, PRIMES 2016 estimates that without the adoption of any further policies, primary energy consumption (1436Mtoe) will be 24% below the projections PRIMES made back in 2007, only 3% above the primary energy consumption that corresponds to the EU 2030 energy efficiency target of 27%.

What happens next month?

The services of the European Commission have finally the **green light to finalise the two energy efficiency proposals, the Energy Efficiency Directive (EED) and the Energy Performance of Buildings Directive (EPBD)**, which were to be published early October. But the latest intel suggests that the **launch of the package of the energy efficiency legislative proposals may be delayed until the 19th of October**. The interservice consultation among the different services of the Commission regarding the upcoming proposals for the Energy Efficiency Directive was also delayed and expected to start early September.

The **discussion within the Commission on the level of the energy savings target will continue well until the last moment before the release of the EED proposal**. It is worth highlighting that the impact assessment of the Effort Sharing Regulation published in July, includes scenarios with only two levels of ambition for the energy savings target in 2030, the 27% and the 30%. The option of having an EU binding energy savings target is also still on the table.

Action needed!

>>> Please **keep an eye to Dora's emails for further updates on the energy efficiency target debate** within the Commission in the coming weeks, as we moving towards the publication of the EED proposal.

2. Renewable energy package is coming

The **Renewable energy package** (revised renewable energy directive, markets design, bioenergy sustainability and governance) will **most likely be published on 30 November**.

Action needed!

>>> Stay tuned for more information via CAN Europe's renewable energy distribution list.

3. EU ETS/ESR: Weak proposals, successful lobby work

By Anja Kollmuss

What's the situation?

Non-ETS: The European Commission's **proposal on the non-ETS sectors for 2021-2030** (now called the Effort Sharing Regulation, ESR) was released on July 20, see [here](#).

The ESR sets binding annual greenhouse gas emission reduction targets for Member States for the period 2021–2030 for the sectors of the economy not regulated under the ETS. These non-ETS sectors include buildings, agriculture, waste management, and road transport accounting for almost 60% of total EU emissions in 2014.

The **Commission's proposal on non-ETS emissions for 2021-2030 is weak** because: 1) The overall target is too weak. It neither matches what is needed to achieve the objectives of the Paris Agreement, nor enables to reach the mitigation potential that is available. 2) The emissions level set for the starting point in 2021 is too high. 3) Three loopholes further water down the targets by 421 million tonnes. See our full evaluation of the proposal [here](#).

ETS: Europe is continuing to discuss how it should revise its ETS for the post 2020 period. **Ian Duncan from the UK will remain the lead rapporteur in the European Parliament on the ETS file.** Both in the ITRE and ENVI committees Members of Parliament have submitted the amendments to the Commission's proposal. We lobbied hard and **were successful in ensuring that amendments that increase ambition were submitted by several MEPs.**

What happens in September and October?

- Discussion on ETS reform in the European Parliament and among Member States (There are seven upcoming Council Working Party meetings in September and October). **ENVI Consideration of amendments is on Sept 29, ITRE vote on amendment is on Oct 13.**

Action needed!

- >>> Help develop our position on the ESR.
- >>> Participate in our bi-weekly calls on ETS and ESR issues. Info and agenda are always sent around ahead of the call.

4. Boost the new coal report 'Lifting Europe's dark cloud' in your country

By Joanna Flisowska

What's the situation?

On October 19th the IED Forum will take place. The **IED Forum is the next key EU-level meeting with representatives from Member States, industry and NGOs ahead of a final discussion and subsequent vote on new pollution guidelines**, the so-called 'revised LCP BREF' (Large Combustion Plant - Best Available Techniques Reference Document) by national ministers later this year. With this new LCP BREF pollution limits will apply to Large Combustion Plants, including coal power stations. **Adopting these limits will require expensive upgrades for coal power stations within EU, giving us an opening to argue a move away from coal to better solutions to save lives.**

What happens next?

We (EEB, CANE, Sandbag, WWF and HEAL) want to **publish a new report called 'Lifting Europe's Dark Cloud' in October.** This report will outline how dangerous air pollution can be tackled, and lives saved, by implementing stricter air pollution limits in Europe. The new report, will compare three scenarios for emissions based on different pollution benchmarks and demonstrate how over 90% of the 23,000 premature deaths caused by burning coal could have been avoided if plants were required to use the best currently available emissions-reducing techniques. **The real solution is to go beyond coal altogether. The report will argue that a strengthening of the benchmarks and a timely implementation is required to protect human health and the natural environment.**

'Lifting Europe's Dark Cloud' will also highlight the impacts of derogations, which allow certain plants to pollute far more than would usually be allowed and continue to threaten efforts to reduce pollution in the future.

The report's release will be timed to coincide with IED Forum, ahead of a final discussion and subsequent vote on revised LCP BREF by national ministers later this year.

In addition, **we will prepare factsheets with country-specific relevant information** to assist local groups in raising the profile of the report in their countries.

Action needed!

- >>> **If you are interested in boosting the report in your country, let us know!**
- For contact please email: joanna@caneeurope.org

5. UNFCCC: focus on ratification of Paris agreement and COP22

By Ulriikka Aarnio

What's the situation?

Over the summer months it has become **more and more likely that the Paris Agreement will enter into force already this year**. More announcements are expected at the G8 Summit and at the Ban Ki-moon climate meeting in New York on 21 September. Even though the EU member states are currently speeding up their national ratification processes it looks like the EU will not make it in time before the required thresholds of 55 countries representing 55% of global emissions are reached, and hence will not be a Party to the Paris Agreement once it enters into force. **The current EU plan is to submit all national and the Council ratification instruments jointly, and they hope to be able to do this sometime next year.**

What happens next month?

As the **COP22 is a month earlier this year, already in early November**, the autumn season to prepare for the COP is shorter. The Moroccan Presidency and the Climate Champions have been busy over the summer months with workshops and meetings. **The main events in September will take place during the Climate Week in New York.**

The **EU's COP22 position will be adopted at the Environment Council on the 17 October**, the draft conclusions are currently being discussed at the Council working groups. The **European Parliament's Resolution is equally under works and is to be voted in the plenary during the week of 3rd October.**

6. Fossil Fuel Subsidies in the EU: seeking the numbers behind the words

By Maeve McLynn

What's the situation?

Politics:

On August 30th, the **European Commission and Council Presidents published a letter** to EU leaders in advance of **the G20 summit on September 4th and 5th**. The letter cited a number of key issues that the EU wishes to address at the upcoming summit; **climate change and sustainable development feature at the end of the letter, with a short reference to fossil fuel subsidies.**

As CAN Europe secretariat is building up its work on fossil fuel subsidies (FFS) in the EU and Europe, we are learning very quickly the complex nature of FFS across the Union, its Member States and its Neighborhood. While the **EU has pledged to phase out environmentally harmful subsidies, including FFS by 2020, there is little by way of coordinated effort and oversight on the progress towards meeting this commitment**. So in order to keep the pressure on EU officials and institutes, CAN Europe secretariat brought together some pieces of work that highlight the various ways in which the EU is supporting the fossil fuel sector. **A briefing, published just ahead of the G20 summit points to how the EU continues to prop up fossil fuels through its funding facilities, its development banks, and its domestic policies and laws.**

This work marks another point in our efforts to incite more coordinated and transparent action within EU institutions and across Member States to tackle fossil fuel subsidies. **The main demand towards the EU comes on the back of an international demand to all G20 countries to set down a FFS phase out deadline of 2020**, as called for in a [joint statement](#) to G20 energy ministers in June 2016.

Network:

We have set up an email list for European NGOs following and working on issues related to financial support for fossil fuels. We will send out specific information about this email list and how it functions.

Please contact Martin (martin@caneurope.org) if you are interested to join the email list or if you know of or work with other national organisations that are working on fossil fuel subsidies.

What happens next month?

CAN Europe secretariat will **continue to reach out to national groups in order to get a better overview of organisations that are working on financial support for fossil fuels**, through national budgets and funding, tax decisions, and royalties, among other things.

CAN Europe Secretariat also plans to work with a number of our national members in the organization of **workshops on national campaigns and fights around fossil fuel subsidies, including how we communicate and message FFS to our target groups**. We are looking into the format of effective workshops that connect groups, share ideas, build our narrative and progress stronger coordination.

Please contact Maeve (maeve@caneurope.org) and Martin (martin@caneurope.org) if you are interested in having a workshop in your country or region, and if you have specific ideas

At European level, we are identifying existing policies and upcoming processes that give us an entry point to talk about fossil fuel subsidies across the EU. Further strategic discussions will happen throughout September but we note the potential opportunities in the EU's Energy Union framework, the European Semester and the upcoming mid-term review of the Multiannual Financial Framework. Additionally, CAN Europe secretariat will seek opportunities to influence and support groups targeting the EU's development banks.

CAN Europe plans to launch a specific newsletter on fossil fuel subsidies that will include external resources and updates on national decisions, EU and international discussions and processes, as well as any activities linked to national and regional campaigns. We aim to launch it by mid-September!

Action needed!

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>>> Please contact Maeve (maeve@caneurope.org) and Martin (martin@caneurope.org) if you are interested in having a workshop in your country or region, and if you have specific ideas.

7. Turkey: Lignite subsidies in the year 2016 should be out of discussion

By Elif Gunduzeli

What's the situation?

In June 2016, a bill that would amend Turkey's electricity law, proposing feed-in tariff for lignite and postponing some of environmental regulation has been approved by the Turkish Parliament. As of the 4th of August, Turkish state has set the price of electricity generated from local coal to about 5 Euro cents per kWh (186TRY/mWh) and committed to purchase 6 billion kWh of electricity from the private companies operating local coal fired power stations, until the end of 2016.

With the parliamentary approval of the latest law amendments package, on the 19th of August, Friday, there are **major amendments that become crucial in the field of energy**. A legislative proposal on project based investment subsidies, **including Article 80** (previously Article 75 then changed and inserted into the draft legislation as Article 80 since other articles were added), is presented to the President on the 1st of September for enactment. **The article allows overarching authority to the Council of Ministers regarding infrastructural investments, including major coal, lignite mine and power plant projects that are contested on the ground, exceeding the Parliament's legislative and supervision duties.**

If Article 80 comes into force, the Council of Ministers will be able to give subsidies, land and building allocations, tax exemptions and exceptions from impact assessment processes to all projects that are classified as "strategic" and put forward by the Ministry of Economy.

Turkey is one of the signatories of the Paris agreement, a member of G20 and OECD. Major subsidies and incentives to lignite should be out of discussion in the year 2016, the year after COP21, the year we're pushing the G20 to put a roadmap to implement its commitment to phase out of fossil fuel subsidies.

What's happening next?

- The **President of Turkey enacts the draft legislation**, in 14 weekdays, and it appears on the official gazette as a legislation.
- With pressure from Turkish NGOs, the **main opposition party is expected to take the legislation to the Constitutional Court to cancel article 80**. This can only be done in 60 working days following the President's enactment.

OTHER ITEMS

8. Jobs

By Eddy De Neef

CAN EUROPE

We are looking for an experienced and motivated colleague to join our European Coal Coordination team at the Climate Action Network Europe Berlin office as an Energy Analyst to support the European beyond coal campaign effort.

[Energy Analyst](#) (1 year contract– 4 days per week – based in Berlin) – Closing date on September 7th, 2016.

GREENPEACE EU

[Senior EU media and communications manager](#) – Closing date on September 11th, 2016.

OXFAM

[Job opportunities with Oxfam affiliates](#)

9. Calendar

DATE	EP	COUNCIL	COMMISSION	OTHER
September				
Week 36				
Week 37				
Week 38				
Week 39	29 Sept: ENVI ETS consideration amendments			
October				
Week 40	EP plenary vote resolution COP22			
Week 41	13 Oct: ITRE ETS vote amendments			
Week 42		17 Oct: Environmental Council (COP22)	19 Oct: Launch energy efficiency legislative proposals?	Around 19 Oct: launch CAN-E coal report 'Lifting Europe's dark cloud'
Week 43				24 Oct: CAN-E RES workshop 25/26 Oct: CAN-E General Assembly