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# NEW EU 2030 TARGETS - WILL NATIONAL POLICY DELIVER?

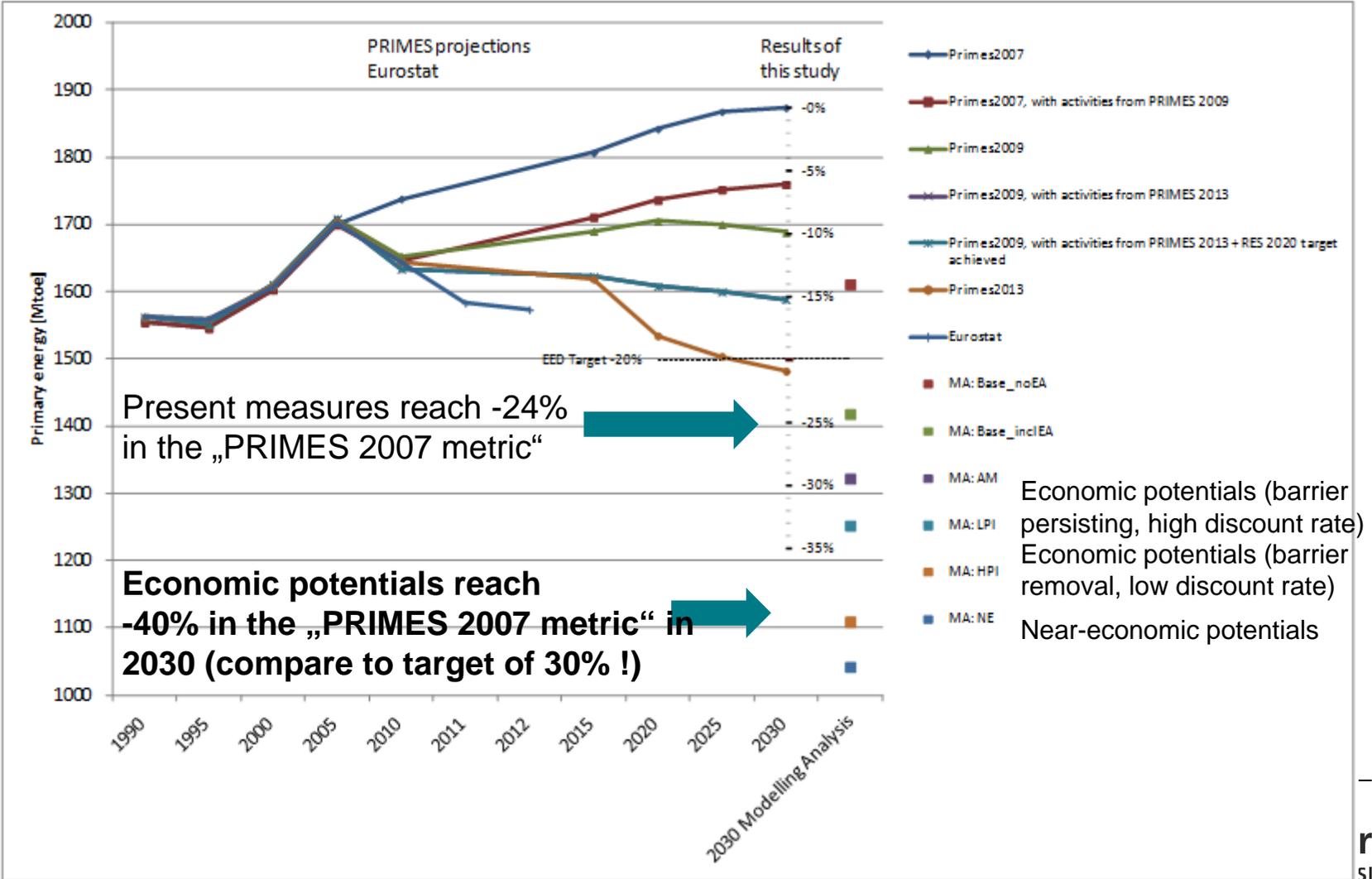
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Berlin, 10 November 2014

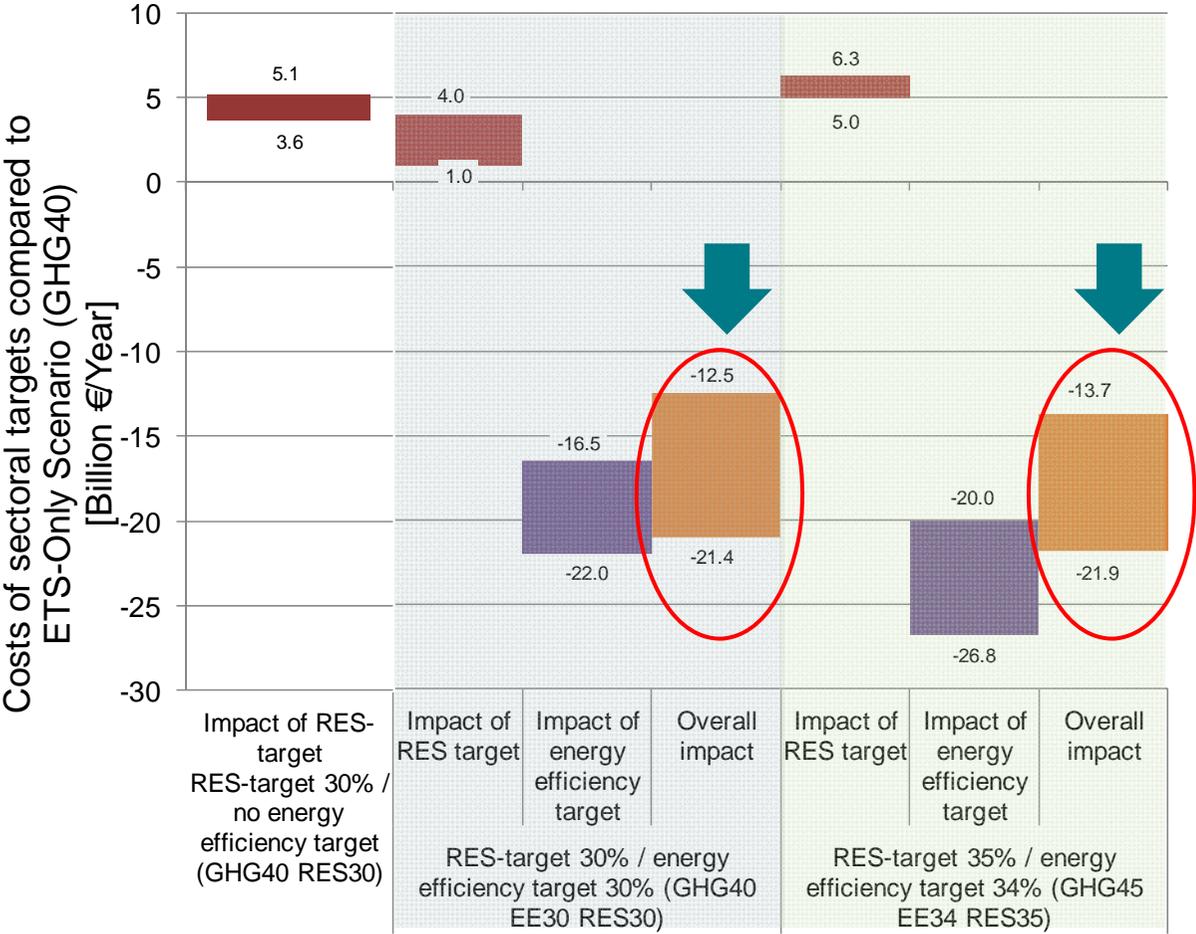
Presentation at the  
„Berlin Seminar on Energy and Climate Policy“ (BSEC)  
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# The „ambitiousness“ of the 2030 Framework decisions for Energy and Climate



# Concerning additional cost: energy efficiency and renewables – together a winning team...



- Range from RES-targets and energy efficiency targets results from different policy measures
- Additional average annual costs for RES-targets are moderate amounting from EUR 1 – 4 billion for a combined target of 30% for RES and 30% for energy efficiency
- **Energy efficiency targets reduce costs of RES-targets and leads to overall economic savings ranging from -13 to -21 billion Euro**

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# Comments on discussion questions from the October European Council decision on the EU 2030 climate and energy strategy

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- What do the targets mean for the policy discourse and policy design in Germany and other EU countries?
  - In Germany: national targets much more important. Still important gap to the 40% target for 2020 and the 20% energy target for 2020.
  - For the EU as a whole additional effort to baseline necessary but limited (32% may be reached in the baseline in 2030)
  - Impact of future economic crises?
  - Transport: still to be worked out after Council Decision. Lacking also at National German level (e.g. NAPE)
  - Hope that sectoral instruments will perform better than the targets
- How can the governance process be designed and implemented - and what can it achieve? Will respective national targets and strategies be defined in time for Paris?
  - Governance process: still a largely undefined territory. Will that promote or frein progress in the EU?
  - Strength: different national reporting schemes
  - Weakness: largely differing 2050 “energy visions”
  - Reduce flexibility mechanisms and Early Action-type of measures. Has been used in a considerable manner to water down policy targets

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- How will the fund (“the 2%-reserve”) be designed in order to significantly scale up low-carbon investment in CEE EU Member States?
  - 2% reserve = 400 million Euro at a carbon price of 10 €/t CO<sub>2</sub>. Far higher investment needs! Still much more efficient to redesign the cohesion and structural funds
- What does the decision mean for the international climate negotiations and which opportunities and risks does the implementation process create for Paris 2015?
  - The 40% could be seen as a signal for the climate negotiations to come up with an agreement but much more likely is that the international partners understand that this is not an extremely ambitious target
  - Large emitters such as China may put an accent on an own national agenda rather than agreeing on international efforts

# Cumulative energy efficiency investments (2011-2020, billion €2005) and energy savings (EU27)

	Investments 2010-2020	HPI potential (final)	HPI potential (primary)
	€ billion	Mtoe	Mtoe
<b>All sectors</b>	<b>1633*</b>	<b>166</b>	<b>216</b>
<b>Households</b>	<b>797</b>	<b>52.8</b>	<b>70.2</b>
Appliances	20	2.4	6.1
New Buildings	264	14.9	19.4
Existing buildings	481	33.2	40.7
Hot water	31	2.3	4
<b>Tertiary sector</b>	<b>284</b>	<b>23.2</b>	<b>34.4</b>
Appliances	59	7.5	18.6
New Buildings	17	0.8	0.8
Existing buildings	208	14.9	14.9
<b>Transport</b>	<b>435</b>	<b>62.7</b>	<b>64.1</b>
Cars (technical)	193	18.2	18.2
Cars (modal shift)	97	9.8	9.8
Cars (behaviour)	64	11.4	11.4
Freight (technical)	21	6.4	6.4
Freight (modal shift)	20	4.8	4.8
Freight (behaviour/ load management)	11	7.0	7.0
Aviation	16	3.4	3.4
Other transport means	15	1.7	3
<b>Industry</b>	<b>116</b>	<b>27.5</b>	<b>47.4</b>
Processes	46	7.2	8.3
Electric cross cutting measures	16	12.5	31.3
Space heating	54	7.8	7.8

Source:  
Fraunhofer ISI  
2012

**The additional investments in energy efficiency range at around €150 billion per year (scenario dependent !)**