

Brussels affairs & The Juncker Commission

Environmental and Energy Policies

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Evropsko združenje proizvajalcev papirja



Three key developments

1. Growth

This European Commission has to deliver on Growth; reducing the number of 25 million unemployed in Europe today.



2. The 2014 elections

It is not the increase in Eurosceptic politicians that will change the face of advocacy in Brussels. It is the reaction of the mainstream parties.



3. Energy

The climate ambition plus Ukraine raise the political focus to “energy independence”



2. Brussels affairs



Lobby in Brussels

- 28 Member states, a Council
- 751 Members of European Parliament
- 32.000 EU public servants
- 28 Commissioners with cabinet
- 6500 desk officers
- 13.000 registered lobbyists (or more?)

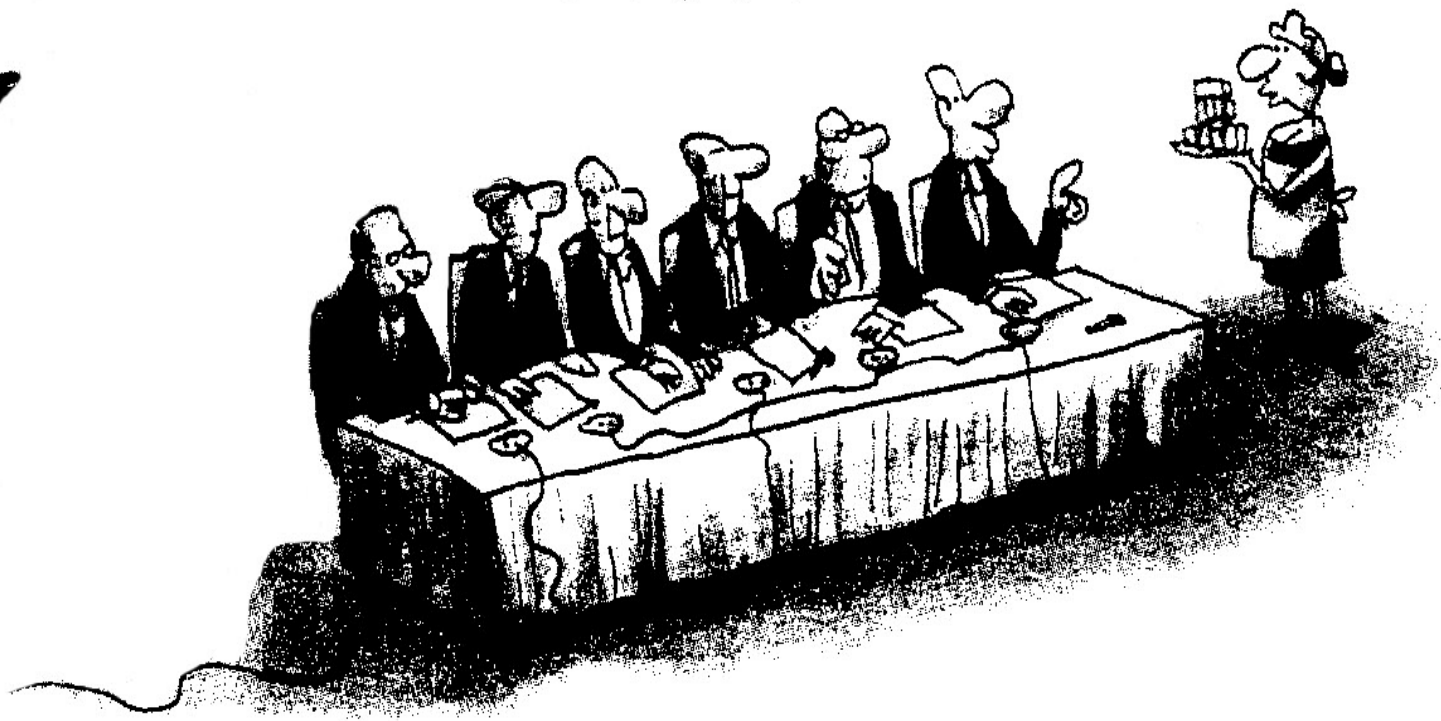


Europe
in
1957

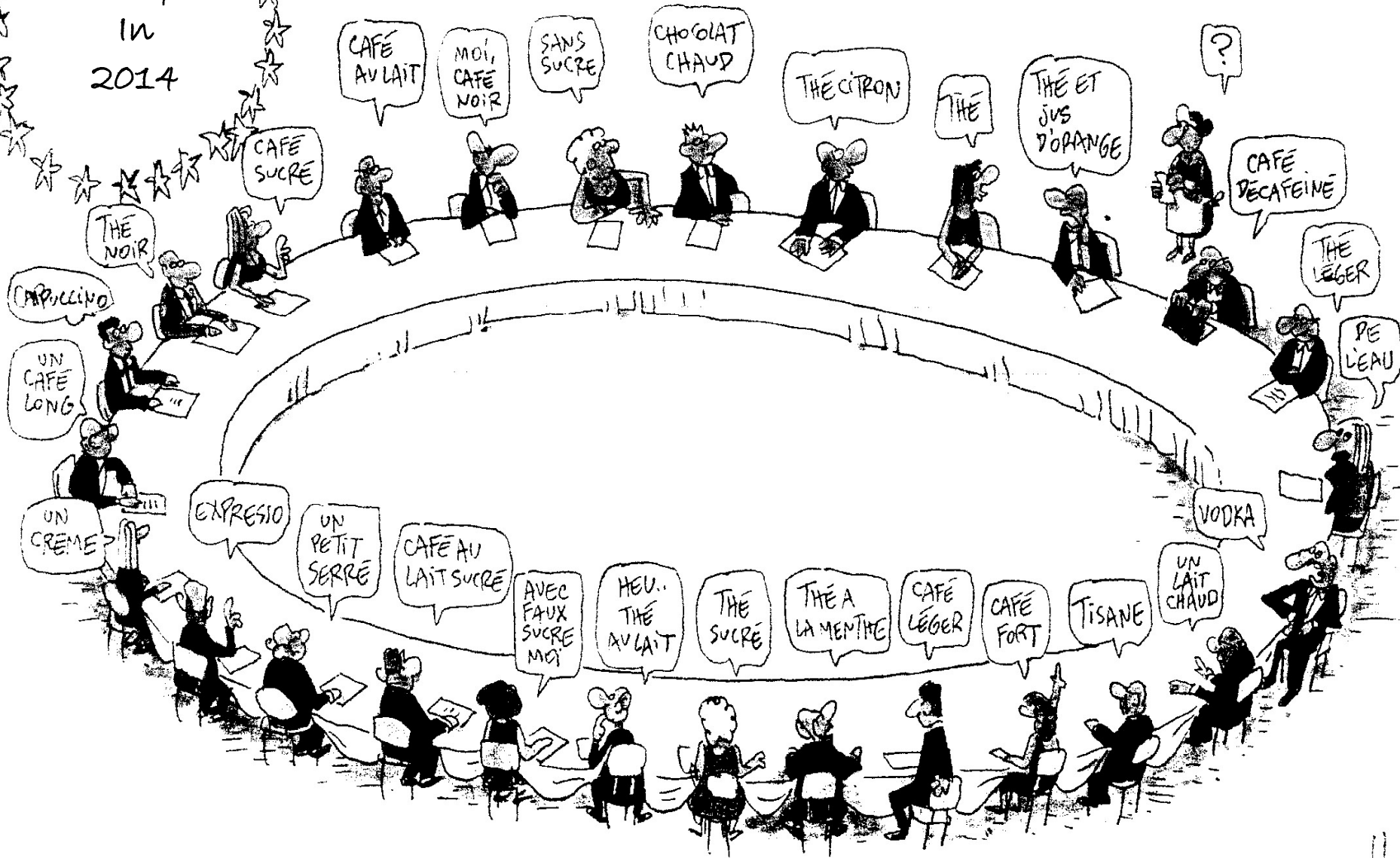


OUI MERCI

CAFÉ?



Europe
in
2014



How to be heard?



Some positives

- New experienced political leadership.
- New Commission structure, long called for.
- Agreed priorities – finally....

Jobs – growth - employment

Commission Leadership

President

Jean-Claude Juncker



First Vice-President

Frans Timmermans



S&D

Better Regulation,
Inter-Institutional
Relations, Rule of
Law & Charter of
Fundamental Rights

The Vice-Presidents

Kristalina Georgieva



Budget & Human Resources

Maroš Šefčovič



Energy Union

Jyrki Katainen



Jobs, Growth, Investment & Competitiveness

Valdis Dombrovskis



The Euro & Social Dialogue

Andrus Ansip



Digital Single Market

Federica Mogherini



High Representative of the Union for Foreign Policy & Security Policy/Vice-President

The Commissioners

Věra Jourová



Günther Oettinger



Pierre Moscovici



Marianne Thyssen



Corina Crețu



Johannes Hahn



Dimitris Avramopoulos



Vytis Andriukaitis



Jonathan Hill



Elżbieta Bieńkowska



Miguel Arias Cañete



Neven Mimica



Margrethe Vestager



Violeta Bulc



Cecilia Malmström



Karmenu Vella



Tibor Navracsics



Carlos Moedas



Phil Hogan



Christos Stylianides



A contract with Mission letters


ADG-14-080

**A New Start for Europe:
My Agenda for Jobs,
Growth, Fairness and
Democratic Change**

Political Guidelines
for the next
European Commission

Jean-Claude Juncker
Candidate for
President of the European Commission

Strasbourg, 15 July 2014



Jean-Claude Juncker,
President-elect of the European Commission

Mission letter Brussels, 10 September 2014

Miguel Arias Cañete
Commissioner for Climate Action and Energy

Dear Miguel,

You are becoming a Member of the new European Commission at a particularly challenging time for the European Union. With the start of the new Commission, we have an exceptional opportunity, but also an obligation, to make a fresh start, to address the difficult geo-political situation, to strengthen economic recovery and to build a Europe that delivers jobs and growth for its citizens.

I want the new Commission to be a strong and political team. And I want you, with your political skills and experience, to fully play your part in this team.

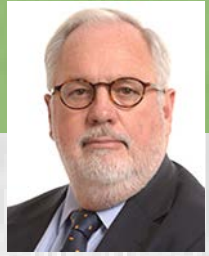
We will have a lot to do in the years to come and we will have to show a united and clear sense of purpose from our very first day in office. In the Political Guidelines for the new European Commission that I presented to the European Parliament on 15 July, I set out a new Agenda for Jobs, Growth, Fairness and Democratic Change, focused on ten priorities. I had discussed and developed this Agenda in detail in meetings with all the political groups in the European Parliament. The Political Guidelines are, therefore, somewhat akin to a political contract that I concluded with the European Parliament to mark the beginning of a new mandate and to prioritise the work of the new Commission. I will be looking for your support, creativity and action to help deliver concrete results.

Following our recent discussions, I would like you to be the **Commissioner for Climate Action and Energy**. In this mission letter, I set out what I expect from you as a Member of the Commission as well as specific goals for which you will be responsible for reaching during our mandate.

A new way of working

Delivering the priorities of the Political Guidelines will require a reform of the way the Commission has operated up until now. Reform means change. I want us all to show that we are open to change and ready to accept it.

1



During our mandate, I would like you to focus on the following:

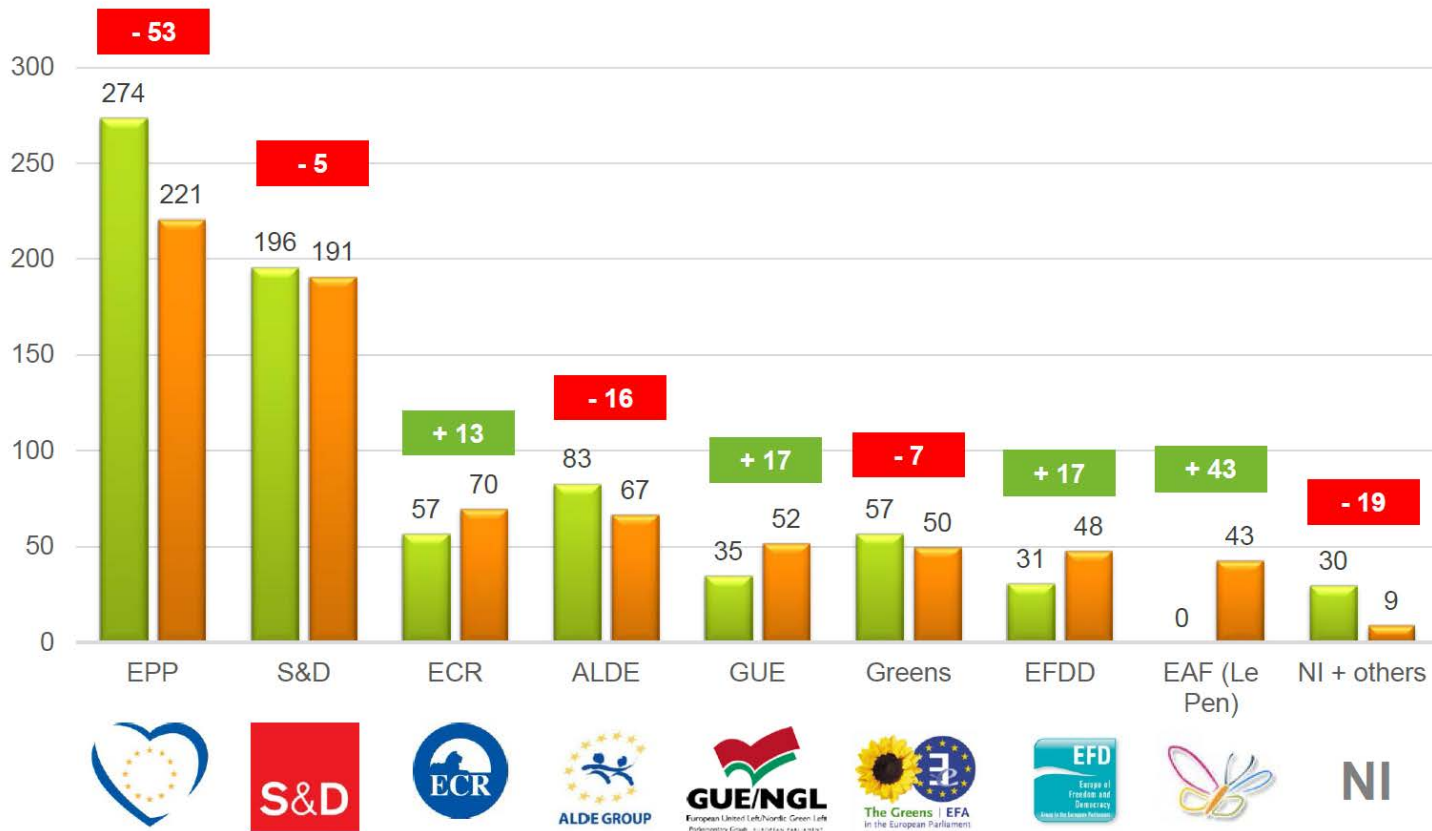
- Contributing, as part of the project team steered and coordinated by the Vice-President for Energy Union, to the completion of the internal market for energy. You will have to identify and select infrastructure projects on which to focus, assess the need to add to the current legal framework and monitor very closely the implementation of existing legislation.
- Contributing, as part of the project team steered and coordinated by the Vice-President for Jobs, Growth, Investment and Competitiveness, to the jobs, growth and investment package to be presented within the first three months of our mandate.
- Increasing Europe's energy security by diversifying sources and routes of energy imports and combining our negotiating power.
- Steering the preparation and negotiations of the legislative instruments that will follow political agreement on the 2030 energy and climate framework. These proposals should be made early on in the mandate.
- Continuing to develop EU policy for renewables. The EU should be a world leader in this sector. Similarly, you will need to guide work on energy efficiency.
- Strengthening and promoting the Emissions Trading System to ensure we reach our climate goals in a cost-effective way.
- Supporting the Vice-President for Energy Union in order to ensure that the EU plays a leading role in international climate policy, starting with the 2015 international climate conference in Paris.
- To help you fulfil your responsibilities, the Directorate-General for Climate Action (DG CLIMA) and the Directorate-General for Energy (DG ENER) will report to you."

A new Parliament



A new Parliament

EP Election Results



New ENVI Committee (only 33% returning)

EPP (20 members)

AYUSO Pilar
 FLORENZ Karl-Heinz
 GARDINI Elisabetta
 GROSSETETE Françoise
 LIESE Peter
 SUICA Dubravka
 MIKOLÁŠIK Miroslav
 SOMMER Renate
 BELET Ivo
 BUŞOI Cristian Silviu
 CIRIO Alberto
 COLLIN-LANGEN Birgit
 DELAHAYE Angélique
 GAMBÛS Francesc
 GIESEKE Jens
 GRZYB Andrzej
 HÖLVÉNYI György
 LA VIA Giovanni
 LINS Norbert
 SCHREIJER-PIERIK Annie

S&D (18 members)

ES BORZAN Biljana CR
 DE CHILDERS Nessa IE
 IT GROOTE Matthias DE
 FR KADENBACH Karin AT
 DE PARGNEAUX Gilles FR
 CR POC Pavel CZ
 SK SÄRBU Daciana Octavia RO
 DE TANASESCU Claudiu RO
 BE WILLMOTT Glenis UK
 RO BONAFÉ Simona IT
 IT DALLI Miriam MT
 DE DANCE Seb UK
 FR GARCÍA PÉREZ Iratxe ES
 ES GASBARRA Enrico IT
 DE GUTELAND Jytte SE
 PL MELIOR Susanne DE
 HU PAOLUCCI Massimo IT
 IT SZANYI Tibor Jenő HU

ECR (7 members)

GIRLING Julie UK
 DOHRMANN Jørn DK
 DUNCAN Ian UK
 KAMALL Syed UK
 LEGUTKO Ryszard Antoni PL
 PIECHA Bolesław Grzegorz PL
 WIŚNIEWSKA Jadwiga PL

ALDE (6 members)

GERBRANDY Gerben-Jan NL
 RIES Frédérique BE
 BEARDER Catherine UK
 FARIA José Inácio PT
 JÄÄTTEENMÄKI Anneli FI
 TORVALDS Nils FI

GUE/NGL (5 members)

BOYLAN Lynn IE
 ECK Stefan DE
 ABAUNZ Iosu Mirena ES
 KONEČNÁ Kateřina CZ
 VÁZQUEZ Maria Teresa ES

Verts/ALE (5 members)

EICKHOUT Bas NL
 AUKEN Margrete DK
 RIVASI Michèle FR
 JÁVOR Benedek HU
 ŠKRLEC Davor CR

EFDD (4 members)

AFFRONTE Marco IT
 EVI Eleonora IT
 MAZURONIS Valentinas LT
 PEDICINI Piernicola IT

NI (4 members)

BALCZÓ Zoltán HU
 D'ORNANO Mireille FR
 GODDYN Sylvie FR
 JALKH Jean-François FR



Chairman:
 Giovanni LA VIA (IT/EPP)

New ITRE Committee (37% returning)

EPP (20 members)

BENDTSEN Bendt
 BUZEK Jerzy
 del CASTILLO VERA Pilar
 EHLER Christian
 GYURK Andras
 KARIŅŠ Krišjānis
 KELLY Seán
 NIEBLER Angelika
 PATRICIELLO Aldo
 REUL Herbert
 RÜBIG Paul
 SAUDARGAS Algirdas
 VĂLEAN Adina-Ioana
 WINKLER Hermann
 LEWANDOWSKI Janusz
 MORANO Nadine
 TAJANI Antonio
 URUTCHEV Vladimir
 VIRKKUNEN Henna
 ZĂBORSKĂ Anna

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 LT
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 FI
 SK

S&D (17 members)

BALČYTIS Zigmantas
 GIEREK Adam
 TOIA Patrizia
 VAN BREMPT Kathleen
 CABEZÓN RUIZ Soledad
 GRIFFIN Theresa
 KAILI Eva
 KOFOD Jeppe
 KUMPULA-NATRI Miapetra
 MARTIN Edouard
 MOLNÁR Csaba
 NICA Dan
 POCHE Miroslav
 STANISHEV Sergey
 WERNER Martina
 ZANONATO Flavio
 ZORRINHO Carlos

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 IT
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 ES
 UK
 EL
 DK
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 HU
 RO
 CZ
 BG
 DE
 IT
 PT

ECR (6 members)

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 BAREKOV Nikolay
 FOX Ashley
 HENKEL Hans-Olaf
 JACKIEWICZ Dawid Bohdan
 TOŠENOVSKY Evžen

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 BG
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 DE
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 CZ

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 DE BACKER Philippe
 FEDERLEY Fredrick
 VIDAL Juan Carlos
 MLINAR Angelika
 PETERSEN Morten Helveg

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 DK

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 ECHENIQUE ROBBA Pablo
 LÓPEZ BERMEJO Paloma
 SYLIKIOTIS Neoklis

CZ
 ES
 ES
 CY

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BÜTIKOFER Reinhard
 TURMES Claude
 ERIKSSON Peter
 MARAGALL Ernest
 REIMON Michel

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 SE
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EFDD (4 members)

HELMER Roger
 PASKAS Rolandas
 BORRELLI David
 TAMBURRANO Dario

UK
 LT
 IT
 IT

NI (5 members)

KOVÁCS Béla
 BAY Nicolas
 BUONANNO Gianluca
 KAPPEL Barbara
 SCHAFFHAUSER Jean-Luc

HU
 FR
 IT
 AT
 FR



Chairman:
 Jerzy Buzek (PL/EPP)

Vice-Chairmen:

Patrizia Toia (IT/S&D); Hans Olaf Henkel (DE/ECR);
 Miloslav Ransdorf (CZ/GUE); Dario Tamburrano (IT/EFDD)



The new European Parliament

1. It will seek to increase its influence over the Commission & Member States
2. Business will have to work more closely with the Socialists
3. Majorities will be found by issue, but 1st reading deals will remain the norm
4. Eurosceptic rise will put ambitious legislation & trade deals at risk
5. Policy will be dictated by returning MEPs (half of EP is new)
6. Commission will look for opportunities to by-pass unpredictable Parliament

Which means

- Most likely more **“Comitology”**
- A more difficult discussion with the Parliament.
- A joint approach of national associations and CEPI
- More effort to be heard.
- One Voice !



3. Issues on the table



Energy costs and climate change



EU Emission Trading System

- Carbon Leakage List 2021-2030
- EU ETS structural review – structural changes after 2020



2030 targets

- -40% by 2030 compared to 1990
- Mandatory EU Renewable target, indicative efficiency target



Energy costs and markets

- Energy prices and costs on political agenda
- Energy Tax Directive (in the freezer)
- Electricity and gas markets reform – Energy Union!

On 24 October 2014 the European Council approved the 2030 framework for Climate and Energy, proposed by the European Commission with objectives to be met by 2030:

- A binding EU target of at least 40% domestic reduction of greenhouse gas emissions by 2030, compared to 1990. The sectors under EU ETS will have to reduce 43% compared to 1990, non ETS sectors 30%;
- A binding EU target of at least 27% of renewable energy; not split by member state.
- An indicative EU target to increase energy efficiency of at least 27%, to be reviewed by 2020 having in mind an EU level of 30% for 2030;
- An electricity interconnection target of 15% between Members States.

- a well-functioning, reformed Emissions Trading System (ETS) with an instrument to stabilise the market in line with the Commission proposal will be the main European instrument to achieve this target;
- the annual factor to reduce the cap on the maximum permitted emissions will be changed from 1.74% to 2.2% from 2021 onwards;
- **free allocation will not expire**; existing measures will continue after 2020 to prevent the risk of carbon leakage due to climate policy, as long as no comparable efforts are undertaken in other major economies, with the objective of providing appropriate levels of support for sectors at risk of losing international competitiveness.
- The benchmarks for free allocations will be periodically reviewed in line with technological progress in the respective industry sectors.
- Both direct and indirect carbon costs will be taken into account, in line with the EU state aid rules so as to ensure a level-playing field.

- In order to maintain international competitiveness, the most efficient installations in these sectors should not face undue carbon costs leading to carbon leakage.
- Future allocations will ensure better alignment with changing production levels in different sectors.
- At the same time, incentives for industry to innovate will be fully preserved and administrative complexity will not be increased.
- The consideration to ensure affordable energy prices and avoid windfall profits will be taken into account;

Thank you!

Marco Mensink

Director General

CEPI

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