

# Why is 2030 so important?

By Sarah Azau

To most people it may just be a year that's still a way off, but in the corridors of the EU institutions and offices of many lobby associations in Brussels, 2030 is a buzzword. And it should be of huge significance to anyone who has a business interest in the energy sector.

The reason for its prominence at the moment is that the European Union is

considering what legislation to put in place for when the current climate and energy framework comes to an end in 2020. In the energy sector, investors think long-term and need to know where they will get the best returns on their money at least 20 years down the line. So it is vital that the legislative framework which will be in place in 2030 is clarified as soon as possible.

EWEA, along with its national associations and corporate members, is calling strongly for the 2030 energy legislation to be centred on three targets. These targets are for renewables, for greenhouse gas emission reductions and for energy efficiency. This "hat-trick" of targets would drive investments in wind energy, which would increase Europe's technology leadership and exports, create more green jobs, lower our crippling and costly dependence on foreign imported fuels and reduce the amount of carbon dioxide pumped into our air in line with the EU's pledge of 80-95% reductions by 2050.

## What's happened so far in EU renewable energy policy - and what next?

**2001:** Renewable electricity directive setting a target for electricity to come from renewables of 21% in 2010

**2007:** Heads of State and governments agree on the 20-20-20 targets

**2009:** European Union adopts Renewable Energy and ETS Directives and effort-sharing decision, setting binding 2020 renewable energy and climate targets

**2011:** The EU Commissioner for Climate Action gives her support to a 2030 renewable energy target

European Commission Energy Roadmap 2050 says renewable energy, energy efficiency and infrastructure are "no regrets options" for decarbonisation with wind energy producing between 32% and 49% of EU power production by 2050

**2012:** The European Commission's Renewable Energy Strategy's consultation results shows broad stakeholder support for 2030 renewable energy target. The Communication's impact assessment gives economic and energy supply reasons to favour legally binding renewable energy targets for 2030

The EU Commissioner for Energy gives his support to launching a discussion on the 2030 renewable energy target

**2013:** European Parliament votes in favour of "setting targets and milestones for renewable energy, energy efficiency and greenhouse gas emissions" and subsequently for setting a binding 2030 renewable energy target

The European Commission's Green Paper on a "2030 framework for climate and energy policies" officially launches the consultation on 2030 targets, and closed in July. The European Council and Parliament are now debating the Green Paper

**By end 2013:** European Commission to publish 2030 energy and climate proposals, at the minimum an ambitious impact assessment and a white paper setting targets

**March 2014:** Heads of State to decide on the next climate and energy framework

## But why targets?

Because we know they work. In particular, the 2010 renewable electricity targets, and 2020 binding targets for renewable energy (20%), have enabled wind energy to become a major industry and mainstream power technology.

### To summarise:

- Today, Europe gets 7% of its electricity from wind energy.
- Today, wind energy avoids €5.71 billion in fuel imports.
- Today, there are 250,000 European jobs linked to wind energy.
- Today, non-polluting wind energy avoids 140 million tonnes of carbon dioxide.

The benefits of wind energy will be even greater in 2020, thanks to the current targets:

- In 2020, Europe should get 14% of its electricity from wind energy.
- In 2020, wind energy should avoid €25.3 billion in fuel imports.

- In 2020, there should be 520,000 European jobs linked to wind energy.
- In 2020, non-polluting wind energy should avoid 646 million tonnes of carbon dioxide.

And they could be even greater for 2030, if the three targets are put in place.

### What will the targets do?

An ambitious and binding 2030 renewable energy target will :

- lower the long-term costs of decarbonisation by driving deployment of, and cost reduction in, a wide range of renewable energy technologies, particularly onshore and offshore wind energy, which will all be needed up to 2050
- bring down costs of offshore wind just as the costs of onshore wind have been brought down
- promote energy security, green growth and jobs and leadership in technologies in which Europe excels and needs to keep a competitive edge, such as wind power
- facilitate the achievement of the 2020 targets by signalling to investors that renewable energy is a long-term EU priority
- lower the costs of renewable energy policy and of support levels by sending a confidence signal to investors
- avoid a fossil fuel lock-in

An ambitious and binding 2030 greenhouse gas target will :

- put the EU on the path to the 80-95% greenhouse gas reduction by 2050 agreed by EU leaders (which requires a zero carbon power sector)
- help ensure a sound Emissions Trading System which drives emissions down long term
- put a price on carbon and price emitting technologies at their real cost to society

Moreover, a 2030 target will help re-balance the playing field, compensating renewables for the advantages fossil fuels and nuclear have long received in the form of protected markets, high subsidies, and power markets and grids designed for them.

### Is that it?

Not quite. Alongside the three targets, the EU must take steps forward in crucial areas such as energy infrastructure, electricity markets, and R&D to ensure the 2030 policy framework succeeds.

#### 2020 implementation

Member States must keep their climate and energy policy stable in order to meet their 2020 targets and be en route to 2030. The European Commission must ensure they are on track.

#### Electrification

The EU should increase the electrification of its economy to reduce exposure to high fossil fuel prices (eg petrol) and use its renewable energies such as wind energy fully.

#### Infrastructure

A 2030 climate and energy package has to consider ways to ensure that a sufficient level of necessary infrastructure and grid investment are in place in a timely manner in order to ensure the most cost-effective integration of the 2030 energy mix.

#### Electricity markets

The European Commission must propose an ambitious timetable for implementing a suitable future electricity market in order to move to a decarbonised power sector.

#### Innovation and R&D

Ambitious EU and national R&D and innovation policies are necessary to drive innovation in the wind industry: the EU should finance and implement its Strategic Energy Technology Plan. ■

### Support for 2030 targets

“Since 2050 is quite some time away, if we are to continue to promote a stable framework for the growth of renewable energy, we must start to consider the renewable energy targets we need for 2030. The renewable energy industry has already called for 45%.”

**Günther Oettinger, European Commissioner for Energy**

“We should be looking to avoid a lock-in to fossil fuels. We should be discussing a renewable energy target for 2030. We need to have ambitious targets. It would be one way to send a long-term price signal for renewable energy – that renewable energy is not just going to stop growing after 2020.”

**Connie Hedegaard, European Commissioner for Climate Action**

“In order to mobilise the necessary investments in renewable energies, energy efficiency and infrastructure, ambitious objectives for 2030 must be defined rapidly for the reduction in emissions of greenhouse gases, the development of renewable energies and energy efficiency.”

**Peter Altmaier, German Environment Minister and Delphine Batho, then French Energy Minister**

“We strongly recommend implementing an EU-wide renewable energy target [...] In combination with consistent carbon and energy efficiency targets, this is the best way to keep costs of a low-carbon pathway towards 2050 low [...] Mandatory renewable energy targets will also create much more (co-) benefits for the environment and economy [...] improve policy stability and reduce risks for investors”.

**European Copper Institute and Leonardo Energy**

“According to the EU Commission, developing a 2030 framework is necessary to provide certainty and reduced regulatory risk for investors as well as for the EU carbon market (EU-ETS); to help mobilise funding for renewable energies and energy efficiency measures; support progress towards a competitive low carbon/green economy; and establish the EU’s 2030 ambition level for GHG reductions”.

**Health and Environmental Alliance**