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Eurogas: 2030 proposals are a step in the right direction

“Eurogas welcomes today’s proposals by the Commission. If well implemented, they can enable the transition to a low-carbon energy system that is both competitive and secure, thanks to a harmonised, market-based approach”, says Secretary General Beate Raabe. Her initial analysis covers the main pillars of the proposals.

An economy-wide binding greenhouse gas reduction target for the EU: The proposed 40% reduction by 2030, compared with 1990, has been one of Eurogas’ key policy asks. Of course, for EU action to be successful it should be part of a global effort. The 2030 framework should determine the negotiating position of the EU for a 2015 global climate agreement.

Reform of the EU Emissions Trading System: This is welcome, too. The ETS is the cornerstone of the EU’s policy to fight against climate change, and reform is necessary for the ETS to play its full role in reducing greenhouse gas emissions cost-efficiently. Eurogas has put forward that cancelling allowances in Phase 3 would address the large oversupply of allowances and that an early revision of the linear reduction factor would provide greater certainty for investors and other market participants in the medium and long term. Eurogas will also address the other proposals made by the Commission on the ETS. However, non-ETS sectors sensitive to the price of carbon should also bear the costs associated with carbon dioxide emissions.

An EU-wide binding renewable energy target: Whilst the proposed target of 27% increases flexibility, only a technology-neutral approach without additional targets enables governments, industry and households to make the most cost-efficient choices to reduce emissions, benefiting gas as well as renewables and energy efficiency.

In ongoing consultations, the Commission is addressing support schemes for renewables. Eurogas believes that these should gradually be phased out, though not retroactively to continue regulatory certainty. Renewables should compete on a level playing field among each other and with other low-carbon solutions, in the EU internal market. All non-mature low-carbon technologies, including carbon dioxide capture and storage, should be supported under the aspect of research, development and demonstration.

Energy efficiency: Progress on energy efficiency will be achieved by the full implementation of the Energy Efficiency Directive. The role of gas is not yet fully known or recognised: In many cases, heating houses with gas is the most cost-efficient way of reducing emissions in buildings.

Competitive, affordable and secure energy and a new governance system: Until an equitable global agreement has been reached, the competitiveness of the EU economy should be appropriately addressed. Energy indicators are a useful monitoring instrument but they need to be complemented by other indicators, the identification of the drivers behind them and policy adaptations where necessary.

Eurogas will return soon with further analysis of the Commission’s 2030 proposals as well as of the consultation papers on State aid. (See also the [Eurogas 10-Point Plan to 2030](#).)

Note to Editors: Eurogas is an association representing 45 companies and associations engaged in the wholesale, retail and distribution of gas in Europe. Eurogas provides data and information relevant to EU decision makers and opinion formers in making the right policy choices.

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