



Directorate-General
for Energy
and Transport

● EU External Energy Policy

Arctic Policy: Sustainable use of resources, possibilities and challenges



EUROPEAN
COMMISSION

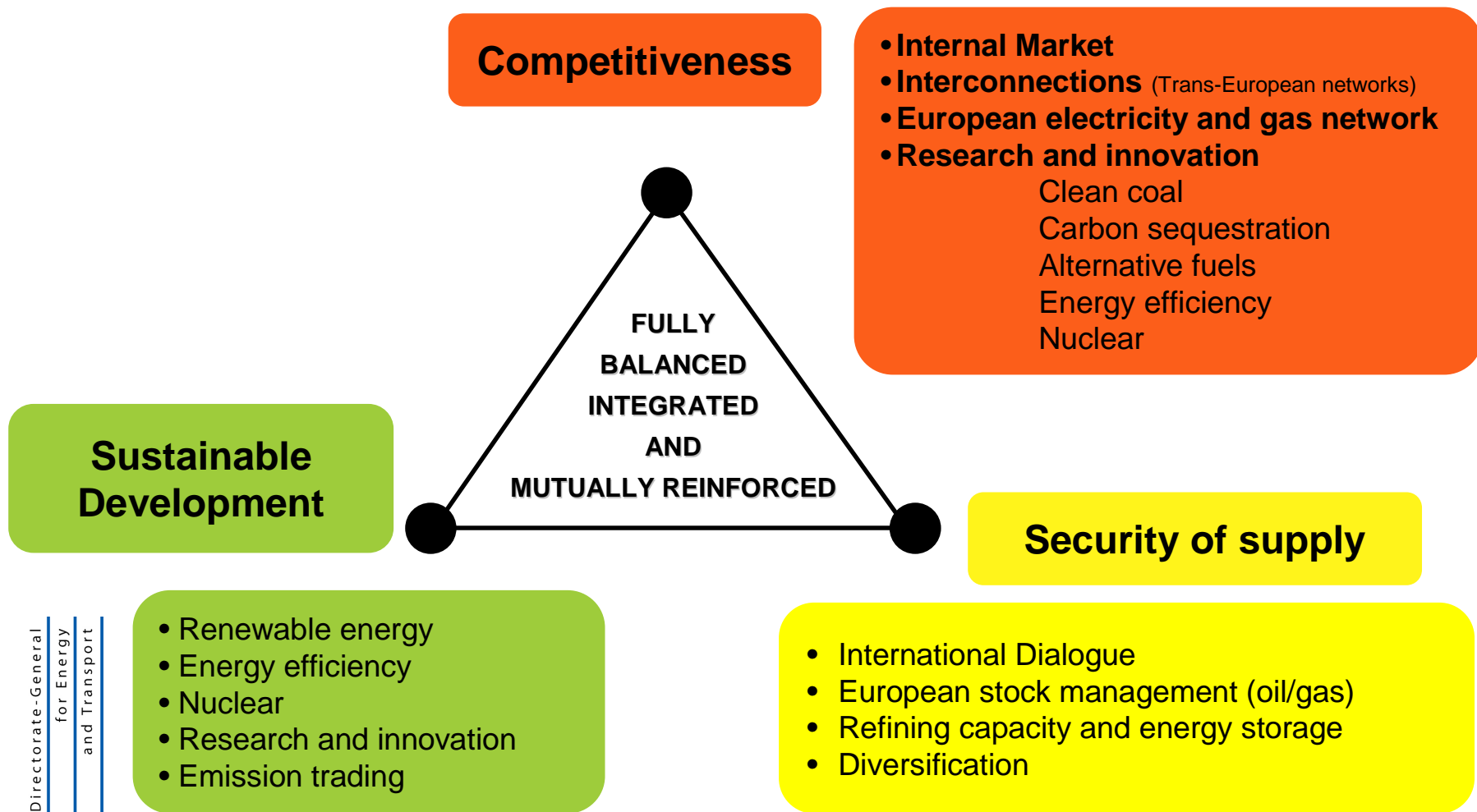
DG Energy and Transport, European Commission
Graeme Preston

25/06/2009

● 3 Dimensional Chess



● Integrated climate and energy policy



● 20, 20, 20 by 2020

By 2020 -20% EU GHG

By 2020 +20% EFFICIENCY

By 2020 binding 20% RENEWABLES in final energy consumption at EU level

BIO-FUELS
Min 10%
binding

ELECTRICITY
MS binding
choice

HEATING &
COOLING
MS binding
choice

NATIONAL TARGETS & ACTION PLANS



- Second Strategic Energy Review - Securing our Energy Future



Directorate-General
for Energy
and Transport



● Why a Strategic Energy Review?

- Because Europe has agreed a political agenda to achieve its core energy objectives of sustainability, competitiveness and security of supply
- But this agenda means very substantial change in Europe's energy system over the coming years, with public authorities, energy regulators, infrastructure operators, the energy industry and citizens all actively involved. It means making choices and investments during a time of change in global energy markets and international relations. Europe's political leaders need to give clear messages on the energy strategy. Hence the Strategic Energy Review.

● The EU approach to Energy Security (1) Strength in Unity

- Given the integration of energy markets and infrastructures within the EU, specific national solutions are often insufficient. And while each Member State is in the first instance responsible for its own security, solidarity between Member States is a basic feature of EU membership. Strategies to share and spread risk, and to make the best use of the combined weight of the EU in world affairs can be more effective than dispersed national actions.

● The EU approach to Energy Security (2)

- An energy system with a diversity of non-fossil fuel supplies, flexible infrastructures and capacities for demand management will be very different in energy security terms than today's system. But in the short to medium term, Europe's dependence on imports means that effective provisions for preventing and dealing with supply crises must be in place. Europe can and must diminish its vulnerability to energy supply shocks, first and foremost by developing its own strengths, internally and externally.

● A 5 point Energy Security and Solidarity Action Plan

- 1) Infrastructure needs and the diversification of energy supplies
- **2) External energy relations**
- 3) Oil and gas stocks and crisis response mechanisms
- 4) Energy efficiency
- 5) Making the best use of the EU's indigenous energy resources.

● International Energy Relations (1)

- We need to intensify our efforts in developing an effective external energy policy; speaking with one voice, identifying infrastructure of major importance to our energy security and then ensuring its construction, and acting coherently to deepen partnerships with key energy suppliers, transit countries and consumers.
- The Commission will identify the concrete mechanisms necessary for ensuring transparency between Member States and the EU, so that a common message can be constructed.

● International Energy Relations (2)

- With the energy interdependence of countries growing, we need international frameworks capable of sustaining the major investments and innovations needed in the coming years.
- Effective cooperation with Norway, part of the European Economic Area, is essential for EU energy security.

● International Energy Relations (3)

- With producer countries outside Europe - notably Russia, the Caspian countries - we need to develop a new generation of “energy interdependence” provisions in our broad-based agreements. We want security of supply, but external suppliers want security of demand.
- We will also assess the increasingly important role of Africa in the our EU energy security needs

● International Energy Relations (4)

- Relations with other consumer countries (for example, USA, China, India) are important in energy security. Cooperation needs to be deepened, promoting a common view on global energy security and addressing sustainability.

● Ongoing International energy policy

- Cooperation with **key energy producers, transit countries, EU neighbours**: Russia, Central Asia, Ukraine, Mediterranean, OPEC, etc.
- **Relations with consumer countries** in international, regional and bilateral context: IEA, USA, China, India, Japan, Africa-Europe Partnership, and others
- International negotiations, agreements, partnerships on energy, climate, trade and technology: Major Emitters Meeting, IPEEC, M2M, CSLF,...

● International energy policy and the Arctic Region (1)

- The Commission adopted its Communication 'the EU and the Arctic Region' on 20 November 2008.
- It states that existing internationally recognized legal frameworks and forums such as the Arctic Council are the most appropriate means in which to deal with the Arctic challenges.
- However, given the lack of an Arctic specific element in many of the provisions of applicable international law, the Commission proposed deepening cooperation on this basis in order to fill any gaps.

● International energy policy and the Arctic Region (2)

- The current situation in the Arctic is that the 5 coastal states, Canada, Denmark, Norway, the Russian Federation, and the United States, have claimed their respective 200 nautical mile exclusive economic zones (EEZ).
- Two of the coastal states, the Russian Federation and Norway have also made submissions to the United Nations Commission on the Limits of the Continental Shelf (CLCS) to extend their continental shelf beyond the 200 nautical mile limit.

- International energy policy and the Arctic Region (3)
 - The 2008 Communication represents the beginning of an EU circumpolar Arctic policy. Until its adoption Arctic issues were treated under the Northern Dimension, which limited it geographically to the European continent and particularly North West Russia, and which, since 2006, was transformed into a common policy of the EU, Russia, Norway and Iceland.

● International energy policy and the Arctic Region (4)

- The Commission also proposed to become permanent observer in the Arctic Council and has submitted its request to the secretariat of the Arctic Council. The acceptance of the Commission's application required, as you know, the unanimous agreement of all the members of the Arctic Council, which was not forthcoming, however because of 'procedural issues' it will not now be considered until 2011 – at the earliest.
- This is a pity because, as Carl Bildt observed, “some European institutions needed to be educated better in Arctic matters. The best way to do that is to let them to be present in the Arctic Council.”

● International energy policy and the Arctic Region (5)

- The Commission Communication on the European Union and the Arctic Region marks a first step towards an EU policy for the Arctic Region. It firmly establishes our commitment to the region and our willingness to work closely with all other relevant countries and stakeholders to preserve the common heritage of the Arctic and proposes action on three main policy objectives: to protect and preserve the Arctic in unison with its population; to promote a sustainable use of resources; and to enhance Arctic multilateral governance.



- Thank you for your attention

For more information on EU energy policy:

http://ec.europa.eu/energy/index_en.html