

EPEE NEWS

SEPTEMBER-OCTOBER 2008

The European Partnership for Energy and the Environment is pleased to present its bimonthly newsletter. Please note this version is designed for external use and its content has thus been reduced. The full version of the newsletter (including links to key documents, EPEE's comments/action points, calendar of events, "on the intranet" section and "Message from the Director General") is available for EPEE members only.

To receive additional information on EPEE and the benefits of membership, please contact the Secretariat: secretariat@epeeglobal.org

TABLE OF CONTENTS

Message from the Director General

For EPEE members only!

I. Latest developments

Key recent events of significance to EPEE members

- 1. US Elections and Climate Change:** New President Obama brings new expectations on US climate change policy
- 2. EuP:** European Commission unveils the next priority groups for eco-design requirements
- 3. Climate Change:** EU member states on track to meet their Kyoto protocol commitments
- 4. Energy efficiency:** Energy efficiency at the heart of EU climate policy
- 5. REACH:** First REACH hazardous chemicals list published
- 6. WEEE:** Draft WEEE revision text proposes to increase industry's financial burden
- 7. Buildings:** Revised EPBD might apply to all buildings in the EU
- 8. GHG Emissions:** European Parliament calls for greenhouse gas emission sanctions
- 9. European Union Institutions:** Changes to European Parliament Committees
- 10. Renewables:** Renewable energy needs to play greater role in future energy mix, reports say
- 11. Climate change:** Asia and EU to back Copenhagen 2009 deal
- 12. EU Energy Label:** Energy Label Revision
- 13. Climate Change:** Regions best positioned actors in combating climate change
- 14. Energy and Climate Change Package:** Council-Parliament (dis)Agreement on Energy and Climate Change package
- 15. EuP:** Member states divided on the scope of the future eco-design directive

II. Calendar of events

For EPEE members only!

III. On the Intranet

For EPEE members only!

Message from the Director General

For EPEE members only!

I. Monitoring & recent events

Key recent events of significance to EPEE members

1. US Elections and Climate Change: New President Obama brings new expectations on US climate change policy

The US position on climate change has somewhat shifted since the refusal to ratify the Kyoto protocol in 1997. President-Elect Barack Obama has made climate change one of the central issues of his campaign, thereby raising hopes that the US will take on a greater role in promoting 'green' issues.

Although the financial crisis and economic recession might result in a re-alignment of his priorities, Obama sees tackling climate change as a part of his plan to boost the economy.

The US position during the negotiations on the post-Kyoto agreement will play an important role when China and India join the negotiations. To date, these rapidly developing states seem disinclined to sign any binding climate deal unless the developed economies have clear commitments set up. Similarly, the US have emphasized they would only sign a deal if developing states commit to reducing greenhouse gases and if China makes an effort to cut emissions - a position that might lead to a deadlock and postpone meaningful action.

In terms of domestic greenhouse gas (GHG) reduction policy, it appears to be unlikely that the US Congress and Senate will sign off on anything more ambitious than the 2007 bi-partisan American Climate Security Act. The act was rejected in the US Senate in June this year. There is more optimism however for a similar proposal to pass next time around. President-Elect Obama claimed to support an emissions trading system, calling for 80% less GHGs by 2050.

Regarding the dependence on oil, Barack Obama has clearly advocated for a "complete transformation" of the US economy and industry and a focus on renewable energies.

Key documents:

For EPEE members only!

2. EuP: European Commission unveils the next priority groups for eco-design requirements

The European Commission has published the EuP working plan for 2009-2011 which identifies a list of ten new energy-using product groups to be investigated as a priority with a view to setting minimum energy efficiency standards under the eco-design directive. Relevant new product groups include:

- Air-conditioning and ventilation systems
- Electric and fossil fuelled heating equipment (including heat pumps)
- Refrigerating and freezing equipment

The selection of the priority product groups was based on current energy consumption, potential energy savings, and sales volume. The methodology for determining the energy efficiency standards will be the same as for the first batch of product groups.

A first batch of 19 product groups has been under study since 2005 and energy efficiency standards for at least five of these should be adopted by the end of 2009. Preparatory studies on these new product groups should be launched in the next three years.

Key documents:

For EPEE members only!

Key EPEE action points/comments:

For EPEE members only!

3. Climate Change: EU member states on track to meet their Kyoto protocol commitments

On Thursday 16th October, the European Commission released an encouraging progress report on emissions. Indeed, most of the member states are on track to reach their Kyoto Protocol objectives to limit greenhouse gas emissions.

According to the report, the EU15 will have cut its emissions by 11.3% by 2012, exceeding its objective of 8% assigned by the Kyoto Protocol. This result will be achieved thanks to the implementation of additional measures and policies, among which carbon sinks which capture CO₂ from the atmosphere and flexible mechanisms set out by the protocol like the Clean Development Mechanism (CDM) and the Joint Implementation (JI).

Nonetheless, the European Commission highlights the existing differences between the 27 Member States and points out that no objective for the reduction of EU-27 emissions has been set. Furthermore, the Commission stresses that emissions from transport have

drastically increased in 2006 (+26% for the maritime and aviation sector) as well as road transport as such, especially in Germany.

Key documents:

For EPEE members only!

4. Energy efficiency: Energy efficiency at the heart of EU climate policy

On 6th October, the Council of the European Union released a draft report on energy security. In this report, the French Presidency reports that energy efficiency is at the heart of the priorities of EU climate policy in particularly in the building and transport sector.

The draft report warns on the insufficient actions taken by Member States to promote energy efficiency since the action plan was adopted in 2006. Therefore EU decision-makers are urged to revise the EU Directives on energy labelling and on the energy performance of buildings by the end of 2009.

Key documents:

For EPEE members only!

5. REACH: First REACH hazardous chemicals list published

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6. WEEE: Draft WEEE revision text proposes to increase industry's financial burden

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7. Buildings: Revised EPBD might apply to all buildings in the EU

According to the Commission Proposal of 13 November on the revision of the Energy Performance of Buildings Directive (EPBD), the European Commission proposes the following amendments to the Directive:

Removal of the 1000 m² threshold

- To delete the threshold of 1000 m² for new and existing buildings, in order to enlarge the scope of the Directive. Hence, if this proposal will make it through the co-decision procedure, all buildings will be covered by the Directive– regardless of their size. The present threshold of 1000 m² excludes 72% of the building stock.

Remainder of the article for EPEE members only!

Key documents:

For EPEE members only!

8. GHG Emissions: European Parliament calls for greenhouse gas emission sanctions

Early October, the Members of the European Parliament's Environment Committee (ENVI) voted almost unanimously in favour of backing the targets proposed by the European Commission for sharing, among Member States, the overall 20% reduction in greenhouse gases emissions by 2020. The emissions must come from sectors not covered by the Emission Trading Scheme (ETS) such as road and maritime transport, buildings, services, agriculture and small industrial plants.

In addition, they called on Member States to already prepare for additional reduction efforts, initially foreseen in the case of an international agreement on climate change. These additional efforts would lead to reductions of 30% by 2020, 50% by 2035, and 60-80% by 2050.

They also agreed that Member States not meeting their national targets should be fined with similar penalties as under the ETS, which is 100 Euros per tonne of excess CO₂ equivalent. Member States should be allowed to lend, sell or buy emission allowances to other Member States. The revenues of these transfers should be re-invested in environmental projects.

The proposal is part of the Climate and Energy Package, with an agreement between the European Parliament and the Council by December 2008 remaining a priority.

Key documents:

For EPEE members only!

9. European Union Institutions: Changes to European Parliament Committees

For EPEE members only!

10. Renewables: Renewable energy needs to play greater role in future energy mix, reports say

A new report “Energy [R]evolution: A Sustainable World Energy Outlook” released on 27 October produced by the European Renewable Energy Council (EREC) and Greenpeace International provides a ‘practical blueprint’ for rapidly cutting energy-related CO2 emissions in order to help ensure greenhouse gases begin to fall starting in 2015.

The two organisations behind the report have scaled down their predictions for future energy efficiency improvements, as efficiency improvements have been slower than expected, and now argue that more renewable energy and combined head and power production will be needed to make up the difference.

The authors, more than 40 scientists and engineers from universities, institutes and the renewable energy industry from around the world, predict that 56% of primary energy demand will have to be met by renewables by 2050 to keep global temperature rises below two degrees Celsius. The report outlines, for the first time, energy scenarios beyond 2050 and offers country-specific energy scenarios for some of the biggest economies in the world.

These EREC/Greenpeace findings echo an earlier report released by the International Energy Agency (IEA) on 4 September. Despite the fact that the IEA study finds the EU’s energy and climate change policies to be ‘bold’ and ‘innovative’, the report states that the EU has overall made an unimpressive start to switching to clean energy. Renewables generate just 15% of the electricity consumed in the EU. Hydropower accounts for about two thirds of the total. By comparison, the figures for wind, solar and geothermal are marginal.

The IEA study illustrates just how serious this failure to develop the next generation of cheap and efficiency renewable technologies could be: by 2030, the EU will have to import 95% of its oil on current trends, the report concludes.

Parallel to these two reports, both EREC and IEA have called for more spending on renewables R&D. In an open letter to French Energy and Ecology Minister Jean-Louise Borloo, EREC deplors the ‘dramatic’ decrease in energy research funding in the EU, currently at one-fourth of 1980 levels.

Finally, 51 states laid the foundations and agreed on the text for the International Renewable Energy Agency (IRENA) in late October in Madrid, Spain. IRENA will be launched officially in January 2009 at a ceremony in Bonn, Germany. IRENA aims to aid its member states in adapting their political framework conditions, capacity building and improving financing and technology transfer for renewable energies.

Key documents:

For EPEE members only!

Key EPEE action points/comments:

For EPEE members only!

11. Climate change: Asia and EU to back Copenhagen 2009 deal

The EU, China and 23 other Asian nations have signed a declaration pledging to tackle climate change within the framework of UN-led negotiations that will wrap up at the Copenhagen summit in December 2009.

While the declaration does not contain specific numbers, percentages or targets, the timing and wording of the text are significant with respect to the next major UN climate change conference scheduled for 1-12 December in Poznan, Poland.

Of interest is that the text notes that “Developed countries should continue to show strong leadership...” while transferring money and technology to poorer states struggling to emerge from poverty while limiting GHG emissions. This remains an important sticking point between emerging and developed countries, a point on which common ground has to be found in order to reach a deal.

Differing responsibilities between rich and poor countries are also an issue inside the EU, where Italy and a number of new member states, led by Poland are raising concerns that the bloc’s ambitions to reduce emissions by 20% by 2020 will be too expensive for their economies.

Finally, the declaration calls for reinforced cooperation for the development and transfer of technologies, the mobilisation of public and private funding and the creation of innovative funding means to help developing countries in their efforts to combat climate change.

Key documents:

For EPEE members only!

12. EU Energy Label: Energy Label Revision

For EPEE members only!

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13. Climate Change: Council-Parliament (dis)Agreement on Energy and Climate Change package

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14. Climate Change: Regions best positioned actors in combating climate change

From the 28th to 30th October, the first World Summit of Regions on climate change gathered the representatives of regions from 60 countries in Saint-Malo, France.

During this summit, the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP) have worked together in order to develop an initiative in view of the contribution of regions in combating climate change. This initiative would get the shape of a partnership between the United Nations bodies and eight regional associations from the five continents.

Danuta Hübner, European Commissioner for Regional Policy, and Jean-Pierre Jouyet, French State Secretary for European affairs, have welcomed this initiative, which they fully support.

Key documents:

For EPEE members only!

15. EuP: Member states divided on the scope of the future eco-design directive

Member States have expressed concerns and divergences on the Commission proposal to

extend the scope of the eco-design (EuP) directive to all energy-related products (ErP), i.e. products which do not consume energy but have an impact on the overall energy consumption of other products.

While some Member States (such as Denmark) want to limit the scope to products which have a true “energy character”, others (such as Belgium) would like to include as many products as possible. The lack of clear definition for ErP has also led several countries to criticize the scope extension on the grounds that it could lead to confusion and overlap with other existing directives such as the Energy Performance of Buildings Directive. Most Member States however seemed to agree on the need for a homogenous revision of both the EuP directive and the energy label directive as regards to products covered and the establishment of criteria for assessing products energy efficiency.

The Parliament should adopt its opinion on the recast eco-design Directive around April 2009, just before MEPs head off to campaign for re-election. This means that there will be a delay in the adoption process and that the newly elected parliament could possibly ask to reconsider the text in first-reading.

Key documents:

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Key EPEE action points/comments:

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EPEE Newsletter

II. Calendar of events

Upcoming events of relevance to EPEE members, including industry/RAC conferences, as well as institutional and EPEE-specific events

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III. On the Intranet

Latest documents uploaded on EPEE's intranet, with relevant weblinks for direct access

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