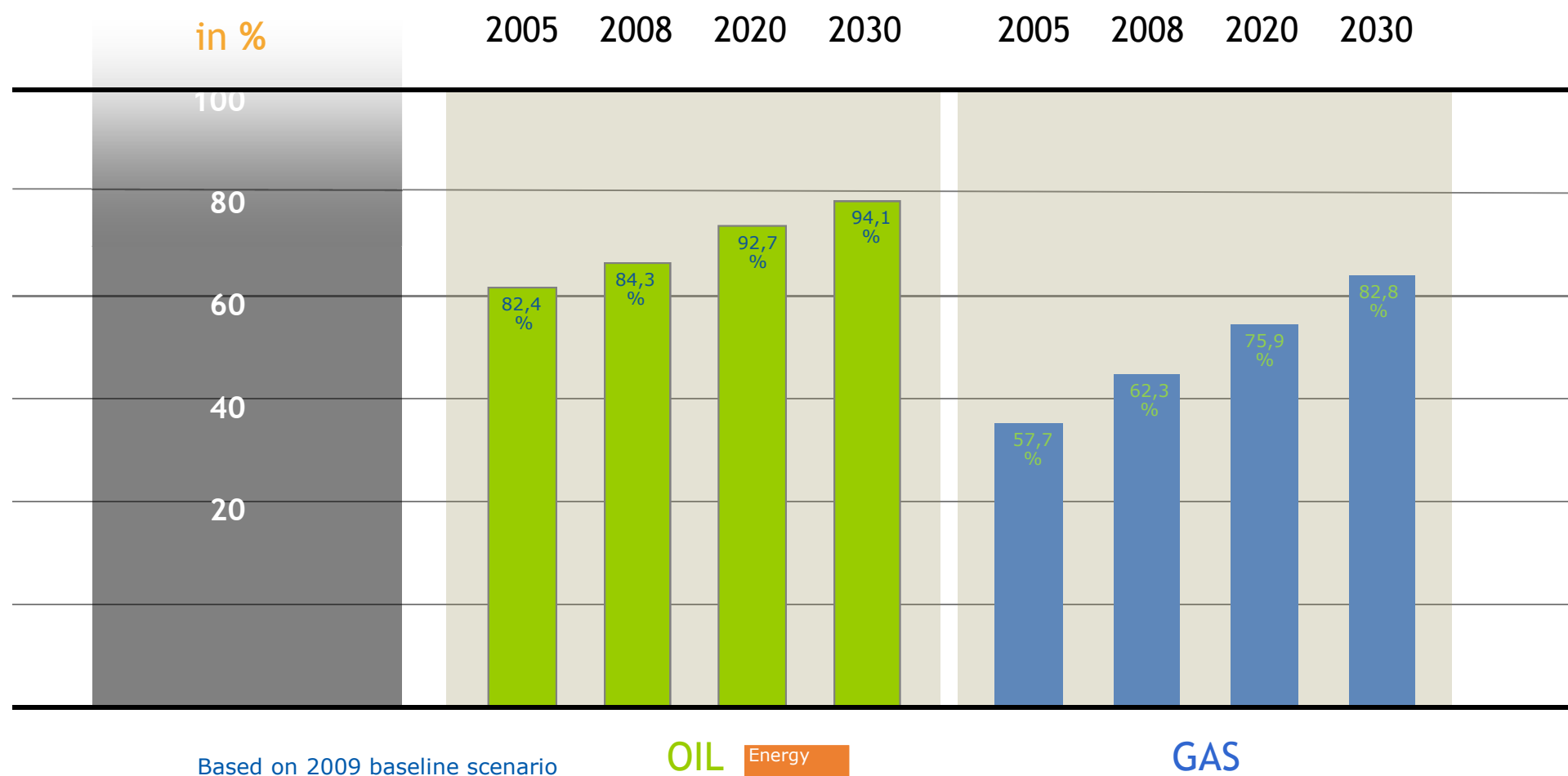


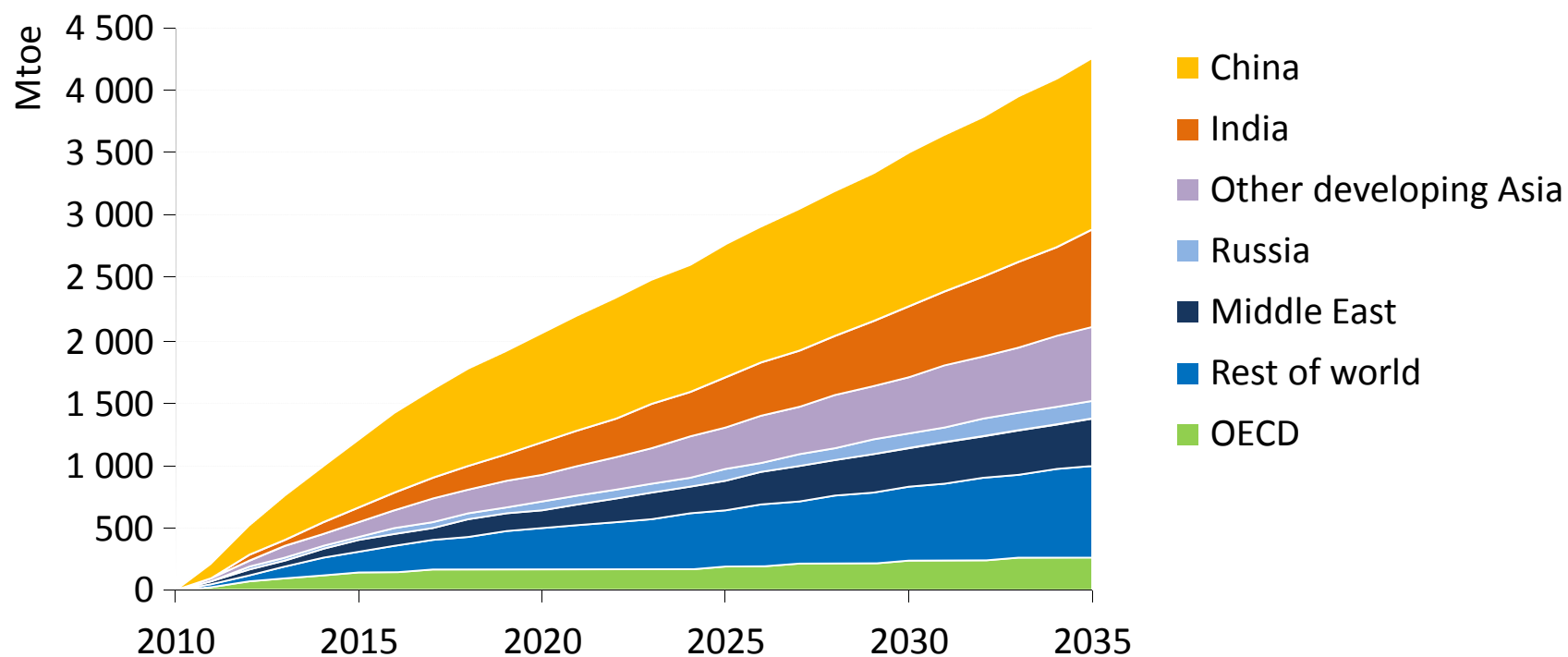
Energy security

***Tudor Constantinescu
Principal Adviser
European Commission - Energy***

The EU faces growing dependence on import of fossil fuels



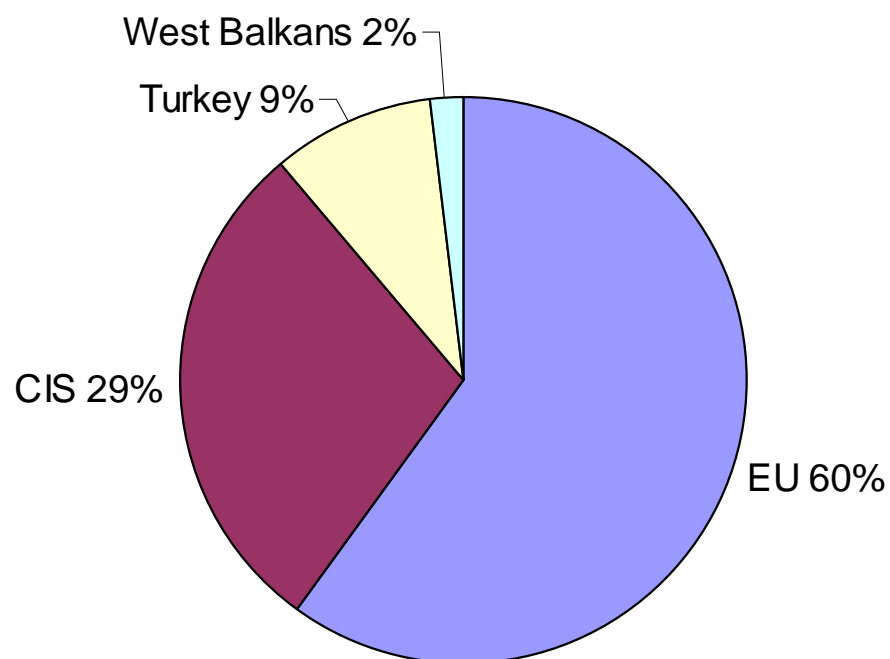
Energy demand is shifting to emerging economies



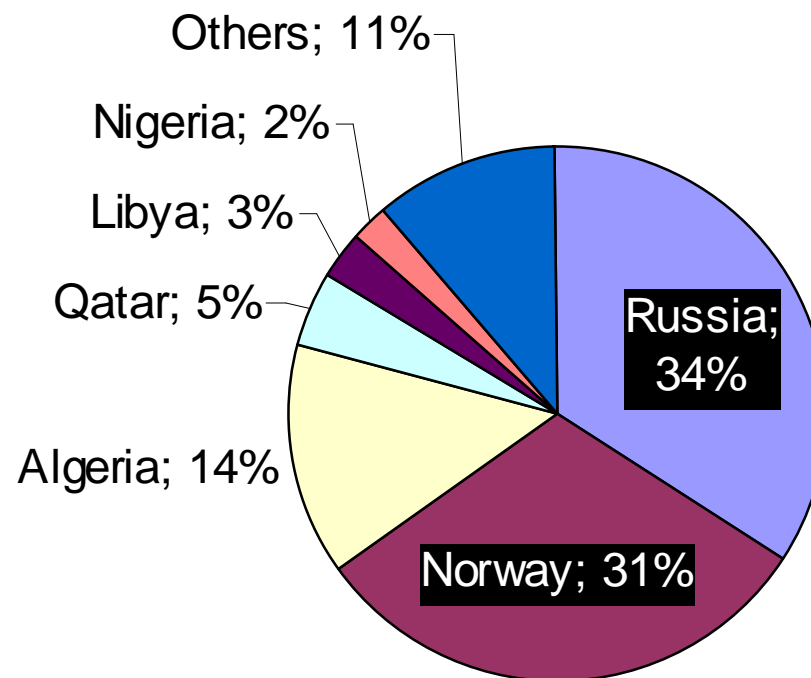
Source: International Energy Agency, World Energy Outlook 2011

Energy relations

Russia's exports of natural gas

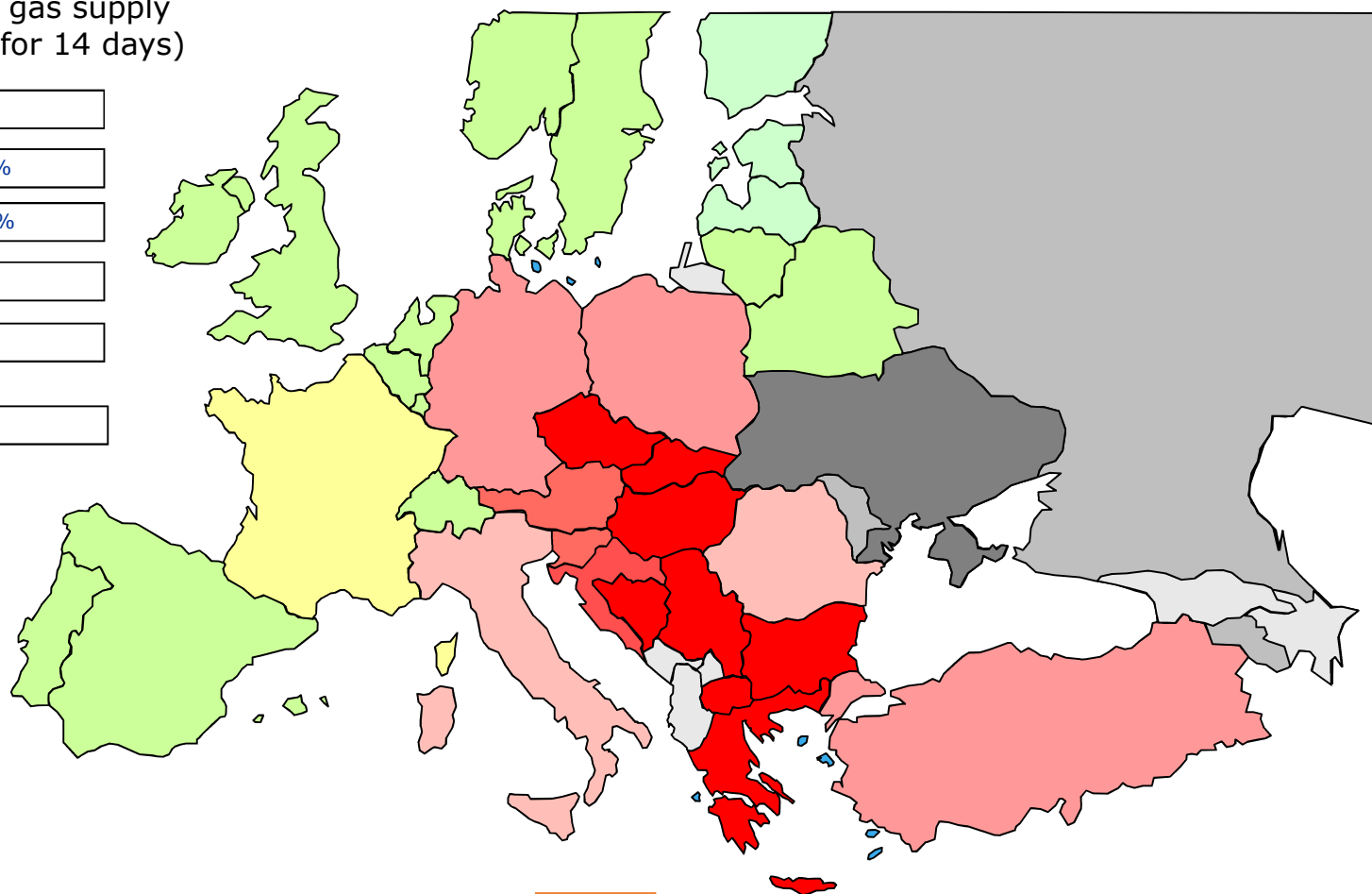
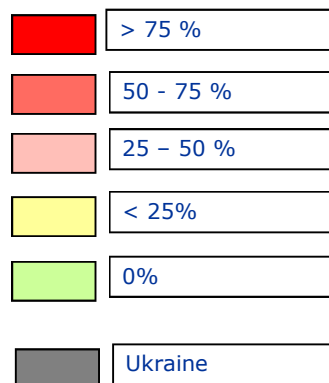


EU imports of natural gas



January 2009 gas crisis and its impact

% of missing gas supply
(300 mcm/d for 14 days)



Energy policy initiatives with security component (1)

➤ Renewables

- Increased EU internal power generation – reduced imports
- Storage of RES power – Hydrogen and synthetic fuels storage
- Communication on renewable energy (June 2012)

➤ Energy efficiency

- Reduction in energy consumption – reduced imports
- Energy Performance of Buildings Directive
- Intelligent Energy – Europe programme
- Energy efficiency plan (March 2011)

Energy policy initiatives with security component (2)

- **The role of gas (vs. oil)**
 - **The supply is more diversified than oil supply**
 - **Can be interchanged with RES (bio-methane, hydrogen,...)**
- **Shale exploration**
- **Nuclear energy**
- **Infrastructure regulation (PCI)**
- **Emergency stocks of crude oil and petroleum products**
- **Security of gas supply and infrastructure cooperation**



Connecting Europe Facility (CEF)

Proposed funding (million euro, 2014-2020)

- €31.7 billion to upgrade Europe's transport infrastructure, including €10 billion from the Cohesion Fund for transport projects in the cohesion countries.
- €9.1 billion for investments in trans-European energy infrastructure.
- €9.2 billion to support investment in fast and very fast broadband networks and pan-European digital services.



Criteria for projects of common interest

Projects of common interest shall meet the following **general criteria**:

- (a) the project is necessary for the implementation of the energy infrastructure priority corridors and areas set out in Annex I;
- (b) the project displays economic, social and environmental viability;
- (c) the project involves at least two Member States or has a significant cross-border impact.

Communication on security of energy supply and international cooperation

Main priorities:

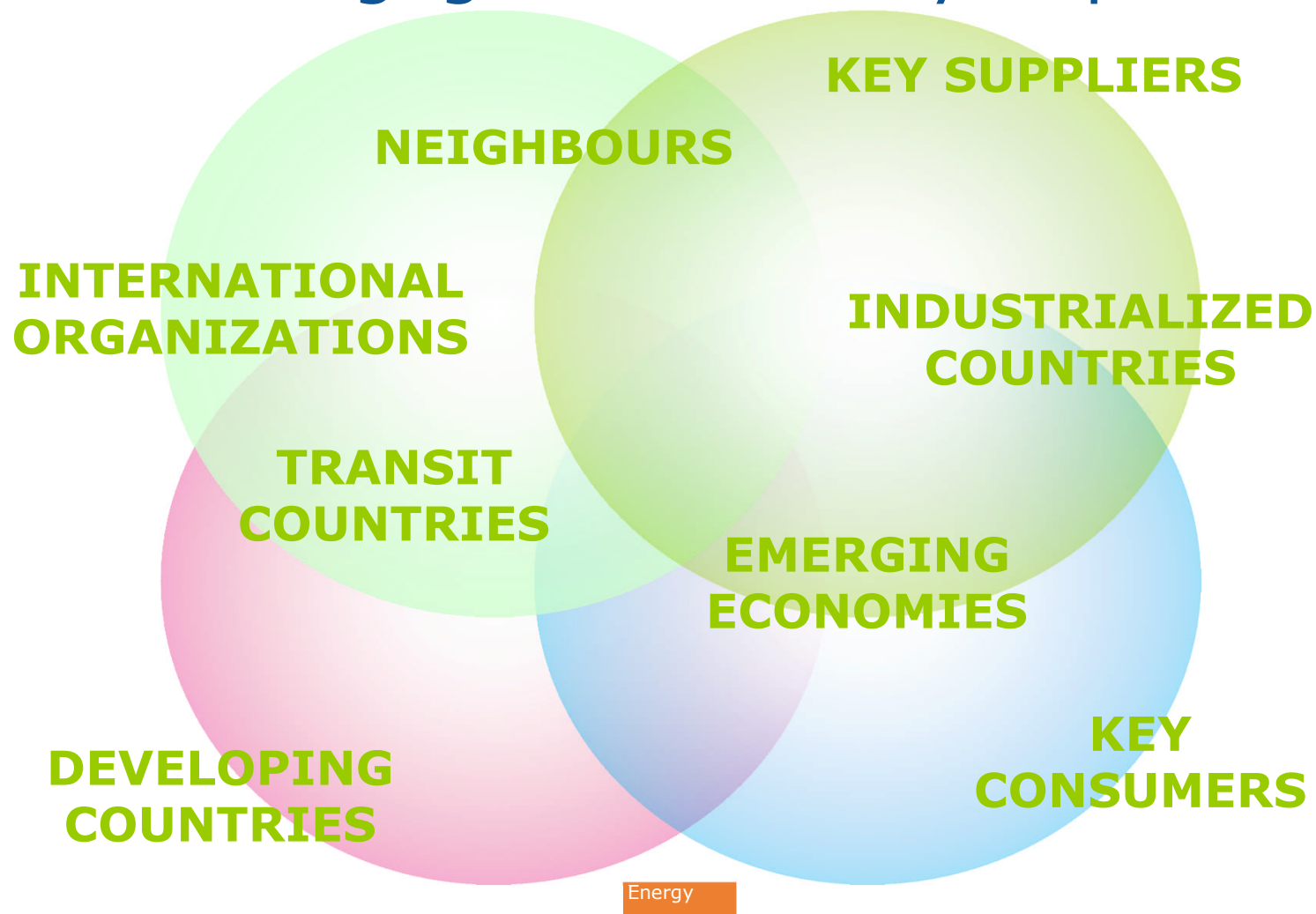
- *Building up the external dimension of our internal energy market*
- *Strengthening partnerships for secure, safe, sustainable and competitive energy*
- *Providing access to sustainable energy for developing countries*
- *Improved coordination between the EU Member States*

...and about 40 key follow-up actions

Internal coordination is crucial

- *Proposed mechanism on intergovernmental agreements in order to:*
 - Share existing agreements and those under negotiation
 - Check conformity with the EU acquis
 - Create legal certainty for investment decisions
 - Facilitate coordination and solidarity between Member States and strengthen individual and collective negotiating position
- *Internal strategic group for international energy cooperation*

Need to engage with variety of partners...



... and instruments

	With neighbours/ market integration partners	With key energy suppliers and transit countries	With key energy players worldwide	With developing countries
Scope	All issues covered by the EU energy policy	Wide range of issues of common interest such as security of supply/demand, industrial cooperation, trade and investment	Focus on priority issues like research and innovation, energy efficiency, standards	Low emission development strategies, energy access, policy and regulatory framework
Instruments	Energy Community Treaty	Strategic energy dialogues	Ad hoc energy cooperation	Ad hoc energy cooperation
	Instruments under European Neighbourhood Policy, crisis response instruments, specific partnership cooperation agreements Energy Charter Treaty		Other applicable instruments	Instruments under EU development policy, crisis response instruments
	Trade Agreements			



Some actions underway

<i>Russia:</i>	<i>Energy Dialogue since 2000, four thematic groups</i>
<i>Ukraine:</i>	<i>MoU on energy cooperation signed in 2005, being implemented</i>
<i>Norway:</i>	<i>Ministerial level dialogue since 2002</i>
<i>Central Asia/Caspian:</i>	<i>MoUs with Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan; negotiations on Trans Caspian Pipeline</i>
<i>Southern Mediterranean:</i>	<i>Focus on enhanced cooperation on renewables and on creation of regional EU-Southern Mediterranean Energy Partnership</i>
<i>S.E. Europe:</i>	<i>Energy Community between the EU and countries of the region; Moldova and Ukraine joined recently; Georgia and Armenia are observers</i>
<i>US:</i>	<i>EU-US Energy Council established in 2009 with three working groups</i>
<i>Canada, Japan:</i>	<i>Energy dialogues underway</i>
<i>China, India, Brazil:</i>	<i>Energy dialogues underway, including increasingly on energy security issues</i>

Thank you!

