

Energy Community Climate Action Group - 1st Meeting

Vienna, 5 September 2017

REPORT

OPENING

The Climate Action Group (the CAG) appointed its co-Chairs, **Connie Hedegaard** (Chair of the Board, KR Foundation, Former EU Commissioner for Climate Action) and **Ostap Semerak**, (Minister of Ecology and Natural Resources, Ukraine). The CAG adopted the agenda, the biennial work programme and its principles of organizations.

Chairwoman **Connie Hedegaard** highlighted the importance of providing a space for coordination and open discussion between ministers of energy and climate. She underlined the importance of breaking silo mentalities, to share experiences and to provide economically viable suggestions for the energy transition all Contracting Parties face.

Chairman **Ostap Semerak** referred to the establishment of the CAG as a timely and necessary initiative. Despite the interdependence between climate and energy being obvious in all Contracting Parties, integration needs to be reinforced to successfully tackle the climate challenges to our societies. In his estimation, the CAG will make sure these challenges are met head on by facilitating the development and implementation of climate policy based on EU best practice.

SESSION 1 – LESSON LEARNT IN THE ENERGY TRANSITION

In this session, participants presented lessons learnt from energy transition processes across Europe (the European Union, Germany, the Energy Community, Albania). In moving forward towards mitigating the energy sectors' impacts on climate, the regulatory and policy framework needs to change and become more flexible to manage the supply, demand and transport of energy, in particular where the share of renewables is growing and consumers take a more active role.

The section focused on the energy transition all across Europe as an economic opportunity, the participation of the business sector in eco-innovation and clean technologies and decoupling economic growth from greenhouse gas emissions. The state of preparedness of the Contracting Parties in this respect was also assessed, with several countries standing at the crossroads of taking important decisions in their energy sectors that will determine its functioning for decades to come. The establishment of the CAG as the forum to accompany and shape this process was welcomed.

In the upcoming period, the Group should assist in establishing well-functioning and inclusive processes for each Contracting Party. Future meetings should also take into account the different interests, processes and specificities of the Contracting Parties when sharing the EU's and its Member States' experience. Each Contracting Party has its own challenges to be identified and overcome. They should be openly and seriously addressed rather than dodged. The chairwoman expressed her expectation that future meetings will be more project-focused than this inaugural meeting.

SESSION 2 – INTEGRATED NATIONAL ENERGY AND CLIMATE PLANS

This session discussed the preparatory steps needed to integrate energy and climate policies at planning level and the need to coordinate the development of national plans at Energy Community and national level. Evident challenges will be the availability of robust data as well as processes allowing for efficient policy coordination.

The Commission presented the ongoing development of integrated national and energy plans in the EU as well as the prospects for the future development by the Energy Community Contracting Parties. It was agreed that the CAG shall act as the primary platform in the Energy Community to work on integrated climate and energy planning. The Contracting Parties were invited to appoint two focal points at expert level, one from the Ministry responsible for energy policy and one from the Ministry responsible for climate policy, to assist the implementation of the work programme. It was agreed that the work must start with making proposals to the Ministerial Council for 2030 targets for the Energy Community. For this purpose, the Energy Community Secretariat will launch a study to develop an EU-convergent methodology for the calculation of the 2030 targets, to be presented at the next Ministerial Council on 14 December 2017. The CAG will act as the

platform where the 2030 targets for Contracting Parties can be negotiated and agreed at political level, possibly during 2018.

SESSION 3 – ENERGY COMMUNITY COORDINATION FOR COP23

This session discussed the possibilities to have a coordinated and EU-convergent approach between the Contracting Parties for the upcoming negotiations at the CoP23 in Bonn. The CAG will support the exchange of information and the coordination of positions between Contracting Parties, trying to make the negotiations as efficient and effective as possible for Contracting Parties, to align positions with the EU where possible in order to make the process smoother and having a higher negotiation impact. Three follow-up actions were agreed by the CAG:

- Organization of negotiation trainings for Contracting Parties to take place in October;
- Informal meeting among the Commission (DG CLIMA) and Contracting Parties representatives during COP23 to exchange views and start with informal exchange of information;

The coordination of positions would provide the advantage of building presence, speaking with one voice and have access to broader information in the UNFCCC negotiation process. In order to do so, Contracting Parties should have an open discussion about their positions. The focus of discussions and common denominator of the Contracting Parties would be the impact of the energy sector (in the broadest possible meaning, eg including transport) on climate change.

SESSION 4 – IMPROVING INTERNAL COOPERATION AND CAPACITY BUILDING

This session provided an opportunity for an open discussion among CAG members to identify the main bottlenecks in the processes at national level, in particular between the ministries in the Contracting Parties responsible for energy and climate policy.

Several options are available to enhance cooperation, which should have to be tailor-made to the administrative structures of the respective Contracting Parties. This could include the establishment of inter-ministerial working groups, the conclusion of memoranda between ministries etc. The CAG should be the driving force of enhancing cooperation between the

ministries. The Energy Community Secretariat can offer assistance in the process and report on how internal policy coordination takes place.

At Energy Community level, it was proposed that joint meetings between the Energy Efficiency Coordination Group, the Renewable Energy Coordination Group and the Environmental Task Force, with the involvement of colleagues responsible for energy and climate policy from the Contracting Parties, could facilitate the process, in particular as regards the integration of the already existing reporting and planning obligations under the respective acquis.

FOLLOW-UP

The dates of next meetings of the CAG – indicatively during the second week of COP23 in Bonn and in March 2018 – will be agreed between the co-Chairs and proposed to the members of the group within the shortest possible time.