

Policy Scenario Development for the Energy Community

## Elements for the Policy Scenarios design

- Capturing the GHG emissions (and removals) across the economy
- Climate neutrality achievement
- Top-down vs bottom-up approach
  - Carbon value with a linear trajectory as a driver;
  - Energy efficiency and renewable energy drivers;
  - Explicit sectoral policies (e.g. CO2 standards for cars).
- Cost-effectiveness of measures



## Climate Target Plan Policy Scenarios

	(REG) Policies and measures as main driver for GHG 55% target	(MIX)/ (MIX-50) Policies, measures and carbon pricing combined for GHG 55%/GHG 50% target	(CPRICE) Carbon pricing as main driver for GHG 55% target	(ALLBNK) Inclusion of all bunkers for GHG 55% target
Scope to asses GHG target ambition	All sectors including intra EU bunkers and LULUCF			All sectors including intra and extra EU bunkers and LULUCF
ETS Scope / Carbon Pricing	ETS scope: - Power, Industry, - Intra-EU aviation and navigation*	ETS scope: - Power, Industry, - Intra-EU aviation and navigation*, - Road transport, Buildings		ETS scope: - Power, Industry, - All aviation and navigation, - Road transport, buildings
EE policies	High intensification policies	Medium/low intensification policies	No additional measures compared to Baseline	Medium intensification policies
RES policies	High intensification policies	Medium/low intensification policies	No additional measures compared to Baseline	Medium intensification policies
Transport measures	High intensification policies (CO2 standards in road transport + RES, aviation and maritime fuel mandates + measures improving transport system efficiency)	Medium/low intensification policies (CO2 standards in road transport + RES, aviation and maritime fuel mandates + measures improving transport system efficiency)	Low intensification policies (CO2 standards in road transport + aviation and maritime fuel mandates + measures improving transport system efficiency)	Medium intensification policies (CO2 standards in road transport + measures improving transport system efficiency) High intensification of RES, aviation and maritime fuel mandates
non-CO2 policies	Medium intensification policies			High intensification policies
LULUCF policies	Baseline policies			

<sup>\*</sup>Carbon pricing and carbon values are applied on extra EU aviation and navigation to represent ETS or other policy instruments regulating these sector's emissions (which can also stand for other policy instruments like CORSIA for aviation and technical and operational measures for both aviation and maritime).



## Thank you



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