EU external energy priorities and cooperation with Japan

Paula Abreu Marques, Head of Unit, International relations and enlargement, DG Energy
The EU faces growing dependence on import of fossil fuels

Based on 2009 baseline scenario
Growth in energy demand is shifting to emerging economies

External risks to the EU energy supply

**Context:**
- Increasing global energy demand, particularly from emerging economies such as China and India
- Volatile energy prices – unsettling environment for heavy long term investments
- Ageing energy infrastructures
- Climate change and environmental concerns
- Future role of nuclear following the accident in Japan

**Risks**
- External geopolitical or commercial risks affecting energy flows
- Exposure of crucial external energy infrastructure to disruptions (e.g. lack of maintenance or investment, civil unrest, conflicts, terrorism or adverse climatic conditions)
- External suppliers adopting anti-competitive practices with respect to the EU market
Regulatory framework developing in the EU that has important consequences externally

- *Internal energy market*
- *Renewable energy targets*
- *Energy efficiency*
- *Energy Roadmap 2050*
- ...
Need to better promote European energy interests
Communication on security of supply and international cooperation in 2011

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
Need to engage with variety of partners...
... and instruments

<table>
<thead>
<tr>
<th>Scope</th>
<th>With neighbours/market integration partners</th>
<th>With key energy suppliers and transit countries</th>
<th>With key energy players worldwide</th>
<th>With developing countries</th>
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</thead>
<tbody>
<tr>
<td>All issues covered by the EU energy policy</td>
<td>Wide range of issues of common interest such as security of supply/demand, industrial cooperation, trade and investment</td>
<td>Focus on priority issues like research and innovation, energy efficiency, standards</td>
<td>Low emission development strategies, energy access, policy and regulatory framework</td>
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<tr>
<th>Instruments</th>
<th>Energy Community Treaty</th>
<th>Strategic energy dialogues</th>
<th>Ad hoc energy cooperation</th>
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<tbody>
<tr>
<td>Instruments under European Neighbourhood Policy, crisis response instruments, specific partnership cooperation agreements</td>
<td>Energy Charter Treaty</td>
<td>Other applicable instruments</td>
<td>Instruments under EU development policy, crisis response instruments</td>
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Trade Agreements
Dedicated energy dialogue with Japan since 2007 but new context now

- Current debate on the role of **nuclear** in Japan → important impact on public perception and policy discussions in the EU and globally
- Higher demand for and **imports of fossil fuels** → impact on global energy demand and market developments
- Intention to develop **renewable energy** → opportunity for the EU industry, provided there is a framework in place conducive to both domestic development and industrial cooperation
Agenda fixed by Commissioner Oettinger and Minister Edano

- **Nuclear energy**
  - Nuclear safety stress tests, methodologies and results
  - Enhancing international legal framework and regulatory cooperation
  - Exchanges on capabilities and technologies in nuclear plant decommissioning, decontamination and waste management

- **Liberalisation of the energy markets**

- **Research**
  - Implementing agreed actions in PV, energy storage and CCS; further consideration of activities on wind, ocean energy, smart grids, nuclear safety research and training
  - Trilateral (EU-Japan-US) cooperation on raw materials

- **Industrial forum**

- **Energy security and market development discussions**
http://ec.europa.eu/energy/international/index_en.htm