The European Council adopted the energy and climate package up to 2020

The European Council adopted on April 6, 2009 the EU climate-energy legislative package containing measures to fight climate change and promote the use of renewable energy. This package is designed to achieve the EU’s overall environmental target of a 20% reduction in greenhouse gases below 1990 levels and a 20% share of renewable energy in the EU’s total energy consumption by 2020. Each EU country will adopt a national renewable energy action plan setting out its national targets for the share of energy from renewable sources consumed in transport, electricity, heating and cooling in 2020 and will notify it to the Commission by June 2010. Energy consumption is to be cut by 20% by 2020 through improved energy efficiency, the package says. The Council adopted a revised Emissions Trading System (ETS) for greenhouse gases in order to achieve greater reductions of emissions in energy-intensive sectors. From 2013 onwards heavy industry will contribute significantly to the EU’s overall target of cutting greenhouse gas (GHG) emissions by 20% compared to 1990 levels by 2020. All major industrial emitters of CO₂ are to be brought under the ETS eventually, and the scheme will also include greenhouse gases other than CO₂ – nitrous oxide and perfluorocarbons.

In the first and second ETS trading periods (2005–2012) the EU decided to give most of the CO₂ permits to power plants and energy-intensive industries for free. From 2013 such enterprises would have to buy partly their permits at auction that the level of auctioning will reach 70% in 2020, with a view to 100% auctioning in 2027. 10% of emission quotas delivered under the EU’s emissions trading scheme for carbon dioxide (EU ETS) are to be reserved for a “solidarity fund” designed to help poorer countries from Central and Eastern Europe in their transition to cleaner energy production. An additional 2% are to be redistributed among these nine countries, with the bulk going to Romania (29%), Poland (27%) and Bulgaria (15%). EU states also agreed to “use at least half” of revenues generated from the auctioning of allowances in the EU emissions trading system to invest in low-carbon technologies.


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