



The Energy Winter Package is powered up



On November 30th the European Commission published its [Energy Winter Package](#), promising “*clean energy for all Europeans*”. This package is impressive both by its size (a thousand pages of core text, 14 documents including 8 legislative proposals) and its ambition: set up an energy system able to reach the targets [defined](#) in 2014 by the European Council in the [2030 climate and energy Framework](#) and those agreed in the COP21. It covers a large range of issues: energy efficiency, renewables, the security of electricity supply and the electricity market in general, as well as the Energy Union governance.

The more innovative or controversial points relate to:

- **Energy efficiency ([directive](#)):** The EU's energy efficiency target of at least 27% in 2030 agreed in 2014 is raised to 30%. Miguel Arias Cañete, Commissioner for Climate Action and Energy, said that he was “*particularly proud*” of this binding target. Yet the Parliament is likely to ask for more, as it already advocated for a 40% target in 2014.
- **Renewables ([directive](#)):** National support schemes cannot distort the market and should progressively be opened to suppliers from other Member States. The share of renewables used in transport fuels should increase to at least 6.8% in 2030 while the share of first generation biofuels should be limited to a maximum of 3.8%.
- **The electricity market design (one [directive](#) and three regulations [[1](#), [2](#), [3](#)]):** Consumers will have the right to consume, store and sell self-generated electricity. Aggregators which combine the load of multiple consumers will have to play an important role in the management of the demand. Regulated retail prices should be phased out but could be allowed on a temporary basis to protect vulnerable and energy poor consumers. On the supply side, wholesale price caps will be re-



moved. [Capacity mechanisms](#) that remunerate generation availability should only be used as a last resort and take into account capacity available across borders.

Lastly “*transmission system operators shall give priority to generating installations using renewable energy sources or high-efficiency cogeneration from small generating installations or generating installations using emerging technologies*”. However, existing installations which presently enjoy a priority dispatch will continue to benefit from it. This is one of the most controversial provisions of the package: renewable advocates argue that due to their **intermittent nature, renewable sources** must have full priority while other stakeholders support

full technology neutrality.

- **The energy performance of buildings ([directive](#)):** Member States should set out a long-term strategy for the renovation of their building stock. A striking provision is that new major buildings should be equipped with plugs for electric cars.
- **The governance ([regulation](#)):** To ensure coherence between national and EU policies, Member States are required to produce integrated energy and climate plans for the period 2021-2030. The implementation of these plans will be monitored through biennial progress reports.

This proposed package will now be discussed by the co-legislators, a real challenge due to the complex way these various legislative proposals are interlinked. In the Parliament, the Rapporteur and the shadows in the Industry and Energy Committee should be designated in January. In the Council, ministers held a first debate in December and the Maltese presidency ranked the directives on Energy efficiency and on the Energy performance of buildings among its key priorities. Altogether an agreement is not expected before mid-2018.

The Maltese presidency: a Mediterranean look on EU affairs

Until July 2017 Malta, the **EU's smallest country**, will chair the Council of the EU and round off the [programme](#) jointly elaborated with the previous presidencies, the Netherlands and Slovakia. Facing a busy semester, Malta set up [six priorities](#), some of them being obviously related to its geographical situation.

On migration, Malta will stick to the **2015 Valletta migration-dedicated Summit [action plan](#)**. To address the root causes of the current crisis it will strive to reach a quick agreement on the [European external investment plan](#) for Africa and the Neighbourhood. Proposed by the European Commission last September, the plan is supposed to be launched by the end of June 2017. Furthermore, it will pursue the **revision of the [Dublin Regulation](#)** which delineates Member States' responsibilities in examining asylum applications.

As for the single market, the Maltese [programme](#) foresees an agreement on the **wholesale prices for roaming**. Other digital priorities include portability and the [Wifi4EU initiative](#). Malta will also focus on the following Commission's proposals: the [extension](#) of the **Juncker Plan for strategic investments**, the Winter Energy Package **energy efficiency** proposals and **geo-blocking** once the Parliament agrees on its position on this controversial topic.

To **reinforce security**, the presidency will try to find a political

agreement on the fourth revision of the anti-money laundering [directive](#), which can be used to fight terrorism financing. Additionally it intends to go further on the Commission's [proposals](#) to establish an EU system to register entry and exit of third country nationals.

Considering social inclusion, Malta will put the emphasis on **gender**. The topic will be addressed during the first EU ministerial conference dedicated to LGBT issues. Moreover, the controversial **posted workers [file](#)** will also remain high on the agenda.

Regarding the Neighbourhood policy, Malta will focus on the EU's contribution to stabilise countries such as Syria and Libya, and to consolidate the democratic transition in Tunisia. In this context, the Maltese presidency will try to progress on the **Partnership for research and innovation in the Mediterranean area ([PRIMA](#))** focused on food systems and water resources.

In the maritime sector, a [Western Mediterranean sea basin initiative](#) built on existing structures is expected to be adopted in April.

In addition, the Maltese will aim at concluding the trilogues on the recognition of **professional qualifications in inland waterways [proposal](#)**.

For its first presidency, Malta adopted a pragmatic stance and announced its determination to play its honest broker role.



MALTA EU 2017

EU public consultations*

Taxation	Disincentives for intermediaries for potentially aggressive tax planning schemes	16.02.2017
Infrastructures	Mid-term evaluation of the Connecting Europe Facility	27.02.2017
Trade	Multilateral reform of investment dispute resolution	15.03.2017
Taxation	Reform of VAT rates	20.03.2017
Taxation	VAT system for business to business intra-EU transactions on goods	20.03.2017
Data	Building a European data economy	26.04.2017

* For an exhaustive list : <http://ec.europa.eu/yourvoice/>

Bruxelles (EU)

Square de Meeûs, 35

Paris (FR)

260, Bd Saint-Germain

More information

www.lysios.eu

info@lysios.eu

Tel : +32 2 893 97 27

Publication director : J-M. Chassériaux

Editorial staff : J-M. Chassériaux, M-M. Marichal, H. Verbrugge, C. Avenier