

26th National Energy Conference, "Energy and Development 2022"

November 22-23, 2022

Divani Caravel Hotel, Athens (online)

- Dear Secretary General, distinguished guests, ladies and gentleman, good morning from Brussels.
- I want to first thank the organisers for the invitation to participate in this event, it is a true honour for me to be with you today, even if only virtually. I would also like to thank IENE for sharing yesterday its very interesting and detailed background paper.
- There can be no doubt that Russia's **unprovoked and unjustified invasion of Ukraine** was a major shock for Europe and the world. It pushed energy prices to record high levels and raised serious concerns about our energy security. As the International Energy Agency states in its latest report, we are in the midst of the first truly global energy crisis in history.
- The special theme for this year's conference, "**Europe facing critical energy choices**" could not be more topical and not only because of the war. After all, the climate crisis appears more severe and threatening as never before. Indeed, Europe today is at a crossroads and energy policies are at the centre of our decision making.
- The natural question which is being posed is which path to follow: **More fossil fuels to replace Russian supplies or more investment in cleaner energy sources?**
- Unfortunately, this is not a black and white issue. Of course, we do need to rely on the energy sources already available in order to power our households and economy in the short term. But for the longer term, this is not sustainable nor acceptable.
- One of the most important side effects of the war and Russia's weaponization of energy is that the **mobilisation of institutions** and in particular the European Commission towards the green energy transition is now more significant than ever.
- The green and just energy transition is a prerequisite in our efforts to achieve our climate goals for 2030-2050 but it is also the key to the Union's energy and political independence, depriving any external actor of the possibility to influence our strategic choices.
- In this context, the **European Green Deal** not only remains central to the European agenda, but the Commission's new proposals together with the **Fit for 55 package**, which is currently being negotiated with the co-legislators, are accelerating further its implementation.
- Our response to Russia's brutal war in Ukraine and the challenges it created in the energy sector is the **REPowerEU Plan**. This is our strategy to move away from

Russian fossil fuels, become more self-sufficient on energy and speed up the clean energy transition.

- The REPowerEU is based on three pillars:
 - **Diversification of gas supplies:** the cornerstone of our efforts is the newly created “**EU Energy Platform**” which will aggregate demand for gas across the EU ahead of next winter and enable companies to jointly negotiate gas purchases with non-Russian suppliers. The Commission’s proposal was presented on 18 October.
 - The goal is to **leverage EU gas demand** to attract reliable suppliers from global markets and ensure price stability. The Commission has intensively worked on the means to operationalise **demand aggregation and joint gas purchases** by companies. Various models are under discussion and options range from joint tendering by companies to the creation of joint ventures. To that end, an **Industry Advisory Group** has been created, aiming at providing the Commission with the necessary know-how and information on demand aggregation, the joint purchase and the timely diversification of sources.
 - **Demand aggregation** will be mandatory for Member States to ensure that companies under their jurisdiction account for at least 15% of the volumes needed to fill gas storages.
 - When it comes to optimisation of the infrastructure and supply at regional level, the Commission, together with Member States have established **Regional Groups** to work on defining and implementing measures in the immediate and short-term to support diversification and security of supply.
 - **Five Regional Groups** have been established and Greece together with Bulgaria, Romania, Serbia, North Macedonia but also Moldova and Ukraine (because of the TransBalkan pipeline) are forming the **South-Eastern Europe Regional Group**. This is the first Group to adopt and already implement an Action Plan which sets out the steps (investment and reforms) that will improve the diversification of supply in the region.
 - Another important role of the Platform is its **coordinated outreach**: it is the Commission’s strong belief that establishing long-term cooperation and partnership with our trade partners is essential to support the delivery of gas and later hydrogen, to the EU. Just to mention, the EU-US Energy Security Taskforce, the tri-lateral MoU

between Israel, Egypt and the EU but also the MoU with Azerbaijan and the close cooperation with Norway.

- **The second pillar of the REPowerEU consists of boosting energy efficiency and energy savings:** the Commission proposed even higher energy efficiency targets to 13% from 9%. As you know, the cheapest energy is the one we don't use. The Commission announced new legislation in July, the "**Save gas for a safe winter**" package, asking Member States to reduce demand for gas by 15% until next April.
- **The third pillar is the acceleration of the renewables' deployment** with a higher EU renewable energy target of 45% in the EU's energy mix by 2030. Reaching this target means doubling the current installation rate and reaching total installed capacity of 1236 GW of renewable energy. A couple of weeks ago, the Commission also proposed a **temporary emergency regulation to help accelerate renewable projects**. This proposal responds to the call made by EU leaders to fast-track and simplify permitting procedures and accelerate the rollout of renewables and grids, including by emergency means.
- **Greece** is continuously working in all three pillars and making significant progress.
 - ✓ Based on the recent DESFA data, Greece is gradually establishing its position as a **regional energy hub**, tripling its gas exports for the first 9 months of 2022 by 294.73 %. Infrastructure projects are also progressing with quick pace.
 - ✓ Greece has also taken important initiatives to **save energy and promote renewables** and has set ambitious targets in that respect. The symbolic achievement at the beginning of October, where for the first time in history the demand for the Greek electricity system was 100 % covered by renewables for five hours, shows the way to the other Member States. Greece also exceeded the binding target of 18 % for RES in 2020, reaching a contribution of 21.7 %.
 - ✓ In addition, the **first ever Greek climate law** adopted earlier this year, setting out important objectives including climate neutrality by 2050, de-lignitisation by 2028, or ambitious goals for electromobility, is also an encouraging milestone.
- It is important to mention at this point that Member States have at their disposal two valuable tools in order to accelerate the green transition and the diversification of their energy sources. Firstly, the **revised National Recovery and Resilience Plans will include a new REPowerEU chapter** to support the reforms and investments that will help achieving the REPowerEU objectives. Secondly, the **revised National Energy and Climate Plans** should take into account the new regulatory framework and

targets and this is why the Commission presented a few days ago Guidance to Member States in order to assist them in the drafting of the Plans.

- It is of course well known to all that the EU has been fighting the energy crisis for more than a year. Already in October 2021, the Commission published a **toolbox** to clarify the possible measures that can be taken under the existing framework. Member States, including Greece, have made good use of it.
- Throughout 2022, the Commission has made **a number of proposals**, being aware that high energy prices fundamentally impact the lives of European citizens and the competitiveness of businesses, especially energy intensive industries. The measures prepare us better for the winters to come and protect us against further disruptions from Russia.
- For instance, we required Member States to ensure that **gas storage facilities** across the EU are filled to at least 80% by this November and 90% in future years. This year, we have overachieved our 80% target well ahead of schedule, reaching filling levels of over 95%.
- To help households and business to cope with the high energy bills, the Commission has put forward a number of measures to **counter electricity and gas prices while currently working on longer-term measures such as modification of the EU electricity market design**. As you know, on 24 November we have the Energy Council here in Brussels and before that, the Commission will present the **Market Correction Mechanism proposal**.
- As our host today is the Institute of Energy for South East Europe, it is worth mentioning that the EU continuously supports the **Western Balkans** in the green energy transition, as well as efforts to diversify their energy supply to reduce dependence on Russian fossil fuels. The Commission is closely working with the Western Balkan countries through the **Energy Community** which is a key vehicle for the extension of the European energy *acquis* and markets to neighbouring countries.
- There can be no doubt that we will only be able to achieve our ambitious goals if we work together as a Union, always in good cooperation with our partners. In this spirit, **Greece** is indeed one of the most proactive Member States in the public debate and its proposals on energy have been taken into account by the Commission.
- It is important to highlight the fact that by tackling the current crisis, we are building the clean, modern and sustainable energy system of the future. We should not allow this opportunity to go to waste. But as Commission President Ursula von der Leyen recently said, the **REPowerEU is not only our energy strategy; it is about our**

competitiveness and sovereignty. The Commission will always stand by the Member States, citizens and businesses, defending this European sovereignty and independence.

- Thank you very much for your attention and I wish great success to the conference.