



# The covid-19 crisis and the European Green Deal

*Korea Energy Information Agency  
Webinar “Post-corona era and green new deal”  
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#EUGreenDeal

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# POST-CORONA ERA AND GREEN NEW DEAL

1. Impact of COVID-19 on the energy sector: resilient EU energy system, transition on track
2. The European Green Deal driving the recovery – focus on energy

# 1| Impact of COVID-19 on the energy sector: resilient EU energy system, transition on track

## International magnitude of the crisis: key trends and economic impact

- 54% of the global population subject to complete or partial lockdown;
- Supply and Demand shock;
- Global energy demand: -6%;
- Demand for fossil fuels on decline: coal -8%; oil -5%; gas -2%;
- Increase in demand for renewables by 1.5%;
- CO2 emissions fell by almost 9% in 2020 – large rebound is likely;
- The world import levels to fall by more than 10%;
- EU GDP -7.4%, and EU unemployment +2.6% compared to 2019;
- Expected shortfall in investment in the EU amounting to 6% of EU GDP in 2020.

# 1 | Impact of COVID-19 on the energy sector: resilient EU energy system, transition on track

## The EU Energy sector: implications and rapid response

- Fall in oil prices and ETS prices make renewable energy deployment and energy efficiency less cost competitive;
- Vulnerability of renewable energy technology supply chains;
- The crisis affects supply, demand, trade and liquidity of companies.
- Preparedness based on comprehensive legislative framework, which has ensured:
  - Interconnection of energy networks and energy efficiency;
  - Flexibility possibilities through demand response;
  - Efficiently functioning market;
  - Security of supply rules;
  - Increasing shares of renewables;
- Role of renewables in contributing to resilience of systems and playing a central role in recovery.

# 1 | Impact of COVID-19 on the energy sector: resilient EU energy system, transition on track

Impetus for sustainable recovery and cooperation

- Carbon-neutral economy by 2050
- Importance of the energy sector in recovery process
- Investments in the energy sector should focus on:
  - Energy efficiency,
  - Renewables,
  - Clean energy technologies and research.
- Concerted and coordinated efforts by the G20 economies



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*“The European Green Deal is our new **growth strategy**. It will help us cut emissions while creating **jobs**.”*

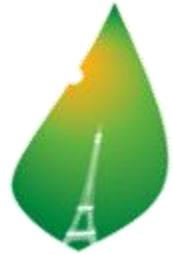
*Ursula von der Leyen, President of the European Commission*

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# 2| The European Green Deal driving the recovery – focus on energy

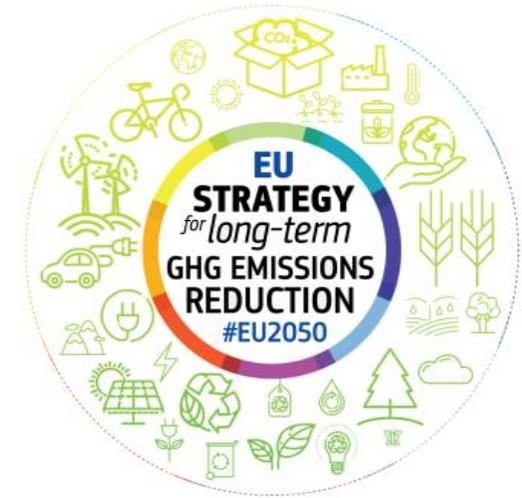
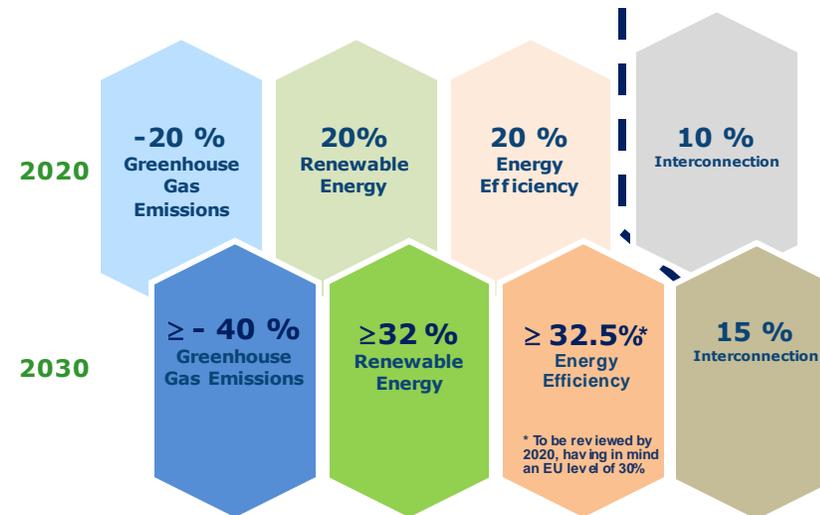
Context



PARIS2015  
UN CLIMATE CHANGE CONFERENCE  
COP21·CMP11

Paris Agreement

## EU NDC - 2030 targets



Towards climate neutrality

# 2 | The European Green Deal driving the recovery – focus on energy



# 2| The European Green Deal driving the recovery – focus on energy

## The **European Green Deal**

Supplying clean, affordable  
and secure energy

Building and renovating in an  
energy and resource efficient  
way

- Assess the ambition of the final **National Energy and Climate Plans** by June 2020
- **Energy system integration Strategy** Q2/2020
- **Renovation wave** for the building sector Q3/2020 doubling the renovation rate
- **Offshore renewable energy** initiative Q3/2020
- Review the **TEN-E Regulation** (REFIT; in 2020)
- Review and revise, where needed, the **Renewable Energy and Energy Efficiency Directive** by June 2021

The EU as a  
global leader

A European  
Climate Pact



# 2| The European Green Deal driving the recovery

## – focus on energy

### Wrap-up

- **Reform the energy market:**
  - ✓ allow for a larger and cost-optimal uptake of renewables
  - ✓ promote energy efficiency
  - ✓ allow the optimal combination of all energy sources
- **Holistic approach for long-term strategy / policy response**
- **Mobilise public and private finance towards green investments (IPSF)**
- **Inclusiveness (whole-society-effort), awareness-raising, Just Transition**



Thank you for your attention!