

## » The post-Paris scenario: heading to a global energy transition?

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The agreement reached in Paris in December 2015 sent a clear sign not only to the business world but also to the policy makers regarding the irreversible path towards clean energies. It also helped prove that the global energy transition is happening.

It is clear that a new sustainable energy model will not happen from one day to the next. However, it is clear this energy transition needs better energy-efficiency and more renewable energies.

Gas will play an important role regarding the European path towards a new socioeconomic model based in clean energies. Compared to fossil fuels, it offers lower pollution levels, which means reducing the dependence on carbon-based fuels of the European economy.

We are currently living a changing scenario, and the European Union (EU) needs to lead it by offering measures to guarantee a safer energy supply and more transparency regarding intergovernmental energy agreements; and of course, by meeting all the European rules throughout the gas cycle in the Community.

The aim, on one hand, should be to prevent and mitigate potential security crisis in the supply of gas. In this sense, solidarity among Member States of the EU and cross-border cooperation must be a key element of the strategy to deal with possible acute supply crisis, allowing the creation of common storage capacities and collective use, when needed, of national strategic reserves, complementing the oil facilities capable of multi-fuel.

On the other hand, transparency within the governments' agreements should avoid risking both, the supply security and the functioning of the European Internal Market. The European

Commission plays a very important role since, before an agreement between EU members and/or third parties is reached, the Commission is the institution in charge of evaluating and expressing its point of view regarding such agreements. For this regard, EU members will have to take into account the Commission's analysis and formal recommendations.

Europe is the world's largest exporter of natural gas. However, it also presents important regional gaps depending on the region. The northwest markets are competitive and well connected. Nevertheless, the situation in the center-east and the south is different. In the event of a supply crisis, these regions would be severely affected since their possibilities to diversify are lower.

In order to allow all EU members to access and stock liquefied natural gas as an alternative energy supply, the strategy should be based on a solid infrastructure to fulfill the Internal Market. This will allow the Members to access liquefied natural gas international markets both, directly or through other EU members. The goal is to eliminate bottlenecks, diversify supply sources and help the central-east and the southern markets to become more competitive markets.

It is essential to promote transparent and free markets in the EU. In order to achieve it, the EU needs to negotiate (internationally) with countries, both suppliers and consumers. Some of the countries the EU should be reaching agreements with are Australia, Qatar, Nigeria, Egypt, Angola, Mozambique, Tanzania, Israel, Lebanon, Iran, Iraq, Libya, Algeria, the United States and Canada.

Energy efficiency is vital for the European strategy on energetic security. We must bear in mind that every 1% rise on the energy efficiency reduces by 2.6% gas imports. These figures highlight the importance of the "EU strategy for heating and cooling" affecting 50% of the energy consumption in the EU. From this percentage, 75% depends on fossil fuels and three quarters of the total gas consumption. From the energy perspective, 90% of the European buildings are inefficient and 50% rely on heating boilers with an efficiency percentage under 60%.

Europe needs a better implementation of the existing regulations, promoting the EU funds for these objectives, and a better understanding of the magnitude of the challenge the European society as a whole is now facing.

The Paris agreement holds an important meaning regarding the European policies on energy and the climate. This transition to a sustainable and clean energy economy needs to be faced with decision.

The European Commission, as promoter of the legislative measures in the EU, has the great responsibility to implement the Paris commitments in order to promote an efficient, sustainable and clean economy (regarding the energetic model) in Europe.





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