

EWE office opening ceremony
Challenges that Poland is facing within the EU Energy and Climate
Policy Framework

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Chair, Committee for Regional Development
European Parliament

Ladies and Gentlemen,

Dear Mr. Brinker, Herr Vorsitzender,

I would first of all like to offer you my warm congratulations on opening your new Brussels liaison office. We all know how important it is to raise awareness of energy projects in this city. You are opening it shortly before the Copenhagen summit. This gives the event an excellent backdrop.

The European and global community are currently engaged in negotiations to agree a successor to the Kyoto Protocol, which expires in 2012. The new global agreement will, hopefully, be decided on in December in Copenhagen. Europe has agreed on a common stance for the Copenhagen conference, but this fact alone is not yet enough for a global agreement. We must strive to convince the rest of the world that it is also in their best interests to reduce their emissions. Nonetheless, even if we do not manage to reach a global

agreement in Copenhagen, I think it is already an important step forward that we have a framework within Europe so that we can strive for a more sustainable and cleaner Europe for next generations to grow up in. This gives us also a chance to build a more competitive European economy. The targets we have agreed on are not only very precise, but they are in fact legally binding.

Being from Poland, I am especially worried that 94% of the electricity generated in my country comes from coal-based power plants - usually aged plants. The amounts of green house gases that these plants emit are so severe that the only way for Poland to live up to the goals set for 2020 is massive investment in energy sector.

We should all push for a public-private partnership in Poland in this area, as this would be beneficial for all parties: the Polish people get a cleaner environment, the government can comply with the EU's goals, the EU gets compliance for its goals and you get to sell energy. This would truly be a win-win situation.

The government of Poland recently adopted a document regarding the country's energy policy, titled "Energy policy for Poland 2030", which presents both the country's short term perspective and its perspectives for the year 2030. There is no doubt that the energy sector in Poland currently faces huge challenges. We have problems to solve, but also opportunities that can be missed with all the related consequences if inaction is the chosen option.

The major problems that Poland is facing in the energy sector at the moment are that the energy consumption is very high, the energy production and distribution infrastructures are in a very bad shape and inefficient and improving technical capacity comes as a strong priority. In addition, there is a high dependence on the external supply of gas and oil. Last but not least, there are specific environment commitments, including those related to the climate package which requires concerted action and investment.

There is therefore a clear need for action. The main areas for action as envisaged in the Polish government's 2030 document are related to improving energy efficiency and improving the supply security. For Poland it is important as well to diversify sources of electricity generation through a shift towards nuclear energy. The first nuclear power station is scheduled to be operative in 2020 and will provide 15% of the country's electricity by 2030. In addition it is essential to invest in renewable sources of energy, especially biofuels (19% in 2030), to invest in competitive markets for fuels and energy as well as to invest in reducing the negative impacts of the energy sector on the environment.

Major mission of Poland's energy policy is to make a strong effort toward improving energy security while respecting sustainable development. What is still negatively influencing our capacity to change is the sustainable development is seen as cost rather than opportunity.

All actions envisaged are strongly interdependent. In this effort, a clear priority will seem to be energy efficiency. This is the basic condition for achieving all other objectives. There are two targets in the energy efficiency area. First, it is the need of a continuous reduction of energy intensity towards EU-15 levels. Poland's energy intensity is currently twice as high. Second target is aiming at growth without further increase in energy demand.

The government also plans to implement a support system of white certificates. This requires adopting legislation on energy efficiency, support for co-generation, for energy-saving investment, for research, especially on clean coal technologies and the most important - the awareness raising.

Clearly, focusing on increased energy efficiency is not enough compared to electricity needs, so there is a need to develop and modernize existing energy potential. In its modernization efforts, Poland is fully aware of the need to look for low-emission solutions in electricity generation. Clean coal technologies, and a focus on CCS are seen as priorities. Gas contribution to electricity generation should grow and it will grow from 1% to 7.5% in 2030.

When it comes to energy security in Poland, coal is seen as a major energy security factor. In 2030, it will still provide 60% of the electricity. Further diversification of energy supply is necessary, but it is also necessary to diversify technologies, for example by supporting technologies of liquid fuels and gas, including from national sources.

The development and modernization of grids will have to be combined with the expansion of international links. Current capacities in this field are seen as insufficient.

If the nuclear energy goal is to be achieved by 2020, the public budget will have to be involved and invest in capacity building in terms of institutions and skills. Even a legal framework must be developed. Not to mention the public debate that is connected with a move to nuclear power.

On renewable energy, Poland still has a long way to go. In the context of Polish commitments within the climate package, the country's goals must be ambitious. What is envisaged now is that 15% of final energy will consist of renewable energy by 2020, and the share of biofuels in transportation will be 10%.

There is also a commitment to care for well-functioning competitive energy market, in particular with a view to avoid price increases. The government will work on a road map to achieve all those goals.

Further changes to the way the electricity market works are envisaged: facilitating freedom for consumers to choose their supplier, the protection of the poorest, and optimizing the conditions in which the most energy-intensive agents function.

With respect to the environmental discussion, further efforts to limit emissions in line with the EU and international commitments including structural change on the energy generation side towards low-emission technologies. It is clear that everything must be done to avoid a negative impact of the CO2 challenge on energy security. This clearly shows that clean coal technologies must be a priority.

Given these remarks, one can say that Poland is very much in agreement with the rest of Europe on the importance of climate change measures. It is clear to all the parties involved that only sustainable growth is the right growth. It is therefore imperative not only to Poland and the EU, but to the whole world to implement a sound climate change strategy and we hope that Copenhagen will prove a big step in the right direction.

Once an agreement is reached in Copenhagen, however, Poland will face quite a struggle to comply with the new standards. I hope, though, that I have been able to make clear today that the country is working very hard indeed to improve the situation in the energy sector. I am confident that my country will be able to reach the long term goals that it has set as long as all the parties stay focused and dedicate themselves to fruitful co-operation. The more parties that join this mission, the better it will be.