

THE ROLE OF EUROPEAN LEGISLATION FOR HUNGARIAN RES POLICIES

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EU CLEAN ENERGY PACKAGE

- includes 8 different legislative acts **to update the policy framework and facilitate the energy transition**
- **binding renewable energy** target of **at least 32%** and an **energy efficiency target of at least 32.5%** - with a **possible upward revision in 2023**
- new **Governance Regulation** – new, more stringent **governance**, introduction of the first **National Energy and Climate Plans for 2021 to 2030** outlining how Member States will achieve their respective targets
- **long-term perspective** to set out decarbonisation pathways with milestones to 2035, 2040
- **energy poverty** angle – concrete measures low income, **vulnerable** households
- **consumers (prosumers)** put **at the heart** of the energy **transition** – more **choice**, strengthened **rights**, enabling them to produce their own RES and feed into the grid

WIDER CONTEXT

- **EU commitments linked to the global Paris Agreement objective** (keep the global temperature increase to well below 2°C and pursue efforts to keep it to 1.5°)
- the **strategic long-term vision for a climate-neutral EU by 2050** (and the upcoming EU decarbonisation strategy)
- **IPCC special report: clear and comprehensive scientific evidence on the chances for limiting global warming to 1.5°C, the damaging impacts of such increase and the huge differences in terms of impacts** linked to a higher temperature increase
- **UN Agenda 2030** and its highly interlinked **sustainable development goals**
- ongoing discussions on the **EU expenditure priorities for the 2021-2027 period (MFF)**
- **regional specificities** including **lack of ambition, reluctance to truly align** with EU or international objectives, **implementation problems**, risk of corruption

STATE OF PLAY OF CLIMATE AND ENERGY POLICIES

- **energy security concerns. import dependence**, mostly from Russia. currently TPES(*supply*) **fossil, nuclear heavy. 12,5% RES**. in power generation RES account for **7,2%**. **biomass** (firewood) dominates, posing **sustainability problems**.
- RES share in FEC(*consumption*) reached 14,5% in 2015, **above the 13% EU target** for 2020: **compliance** mainly **due to new methodology** rather than real developments
- National Energy Strategy (2011, review ongoing) – **need to reflect changing reality, overcome obstacles** to a low-carbon transition. 2nd National Climate Strategy contains **decarbonisation** roadmap but **relies on nuclear** and is not binding. **enabling environment, supportive policy measures, investor security are missing**.
- recent **support for solar** capacity is welcome, however **exploitation of wind potential** still actively **prevented**. little support in **housing renovation, no access for energy poor**.
- **energy rate cuts – distortive, hinders private investment** in sustainable solutions, RES, EE

HIGH OPPORTUNITIES FOR RES DEVELOPMENT + RECOMMENDATIONS

- **opportunities** are high as shown by **alternative scenarios** (fenntarthatoenergia.hu): **82%** renewable based **electricity** production, **51%** share in **TPES possible by 2050**
- **cheapest** solution, considerable **savings both for homes and business, health, comfort security and climate mitigation gains**. renewables industry offers **new jobs**.
- **requires** long term thinking, **good policy design** and new, integrative and flexible **approaches in system management**
- the Hungarian **energy mix** as a whole and the high **share of biomass in the renewable mix** are **to be changed**
- **community-based RES solutions** and the issue of **energy poverty** to be adequately addressed – via **predictable** subsidy frameworks, **tailored** support programmes
- **National Energy and Climate Plans** to serve as an **instrument to attract corresponding investments**
- **EU funds, assistance** to be **managed and monitored more effectively** in order to have a **transformational impact**