

Update on the NECPs and the need for regional coordination

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Examples of European Commission's recommendations for the Finland's NECP



- Increase the level of ambition for 2030 to a **renewable energy share of at least 51%** (in draft plan Finland indicated 50%)
- **Substantially increase the ambition towards reducing both final and primary energy consumption in 2030.**
- Clarify how Finland plans to comply with the commitment under Regulation (EU) 841/2018 that LULUCF emissions do not exceed removals, taking into account the possibility of using flexibilities between the effort sharing and the LULUCF sectors.
- Intensify the already good regional cooperation arrangements between Nordic countries, extending them to new areas and **broadening the geographic reach to include the Baltic States (Estonia, Latvia and Lithuania)**. The focus of the regional exchanges should be on internal energy market and energy security areas,
- Provide additional details in several points, example
 - to ensure the long-term sustainability of the use of biomass
 - enabling frameworks for renewable self-consumption and renewable energy communities
 - further clarify national objectives and funding targets in research, innovation and competitiveness

Programme of Prime Minister Antti Rinne's Government: Carbon neutrality by 2035



The Government will work to ensure that **Finland is carbon neutral by 2035** and carbon negative soon after that. We will do this by accelerating emissions reduction measures and strengthening carbon sinks.

**Accelerating emissions
reduction**

**Strengthening carbon
sinks**

The Government is committed to reforming the climate policies of the **European Union** and Finland so that we can do our part to limit the global mean temperature increase to 1.5 degrees Celsius.

Finland aims to develop the EU's long-term climate measures so that the EU can achieve carbon neutrality before 2050. This means tightening the emissions reduction obligation for 2030 to at least 55 per cent below the 1990 emissions level.

We will continue our **Nordic** climate and energy cooperation in order to achieve carbon neutrality and will work to strengthen the position of the Nordic countries as leaders in international climate policy.

Regional coordination and cooperation

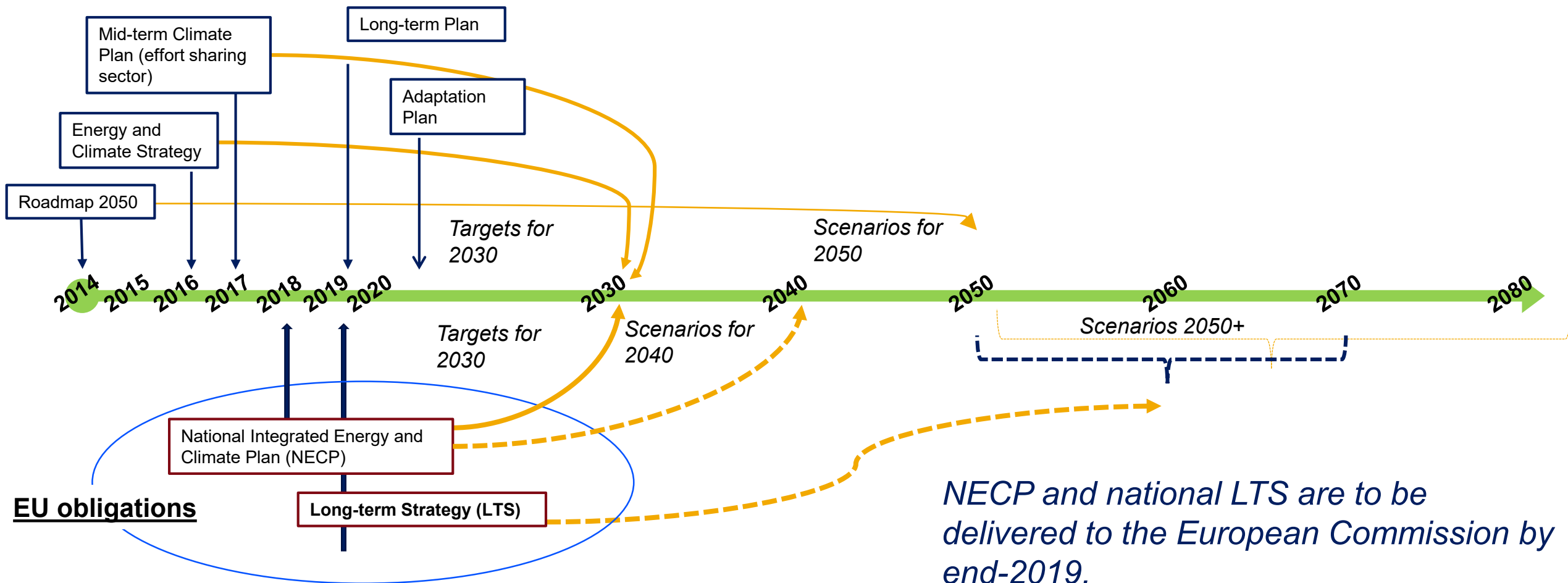


- Nordic ad-hog group of NECPs. Denmark, Norway, Sweden and Finland have exchanged views in different stages of the NECP process and shared our best practices. **Simple to organize but very useful.**
- The regional coordination regarding the actual substance matter of the NECPs has been limited. Perhaps, there has not been a big need for that?
- However, a proper consultation of the NECPs is essential to find out the possible issues or policy measures that have an effect on the neighboring countries. **Do we have time for that?**
- Regional cooperation between the Nordic countries and between Finland and Estonia works well. Examples are the common Nordic-Baltic electricity markets and the opening of the common gas market between Estonia and Finland. **Could the NECPs make this cooperation even better?**

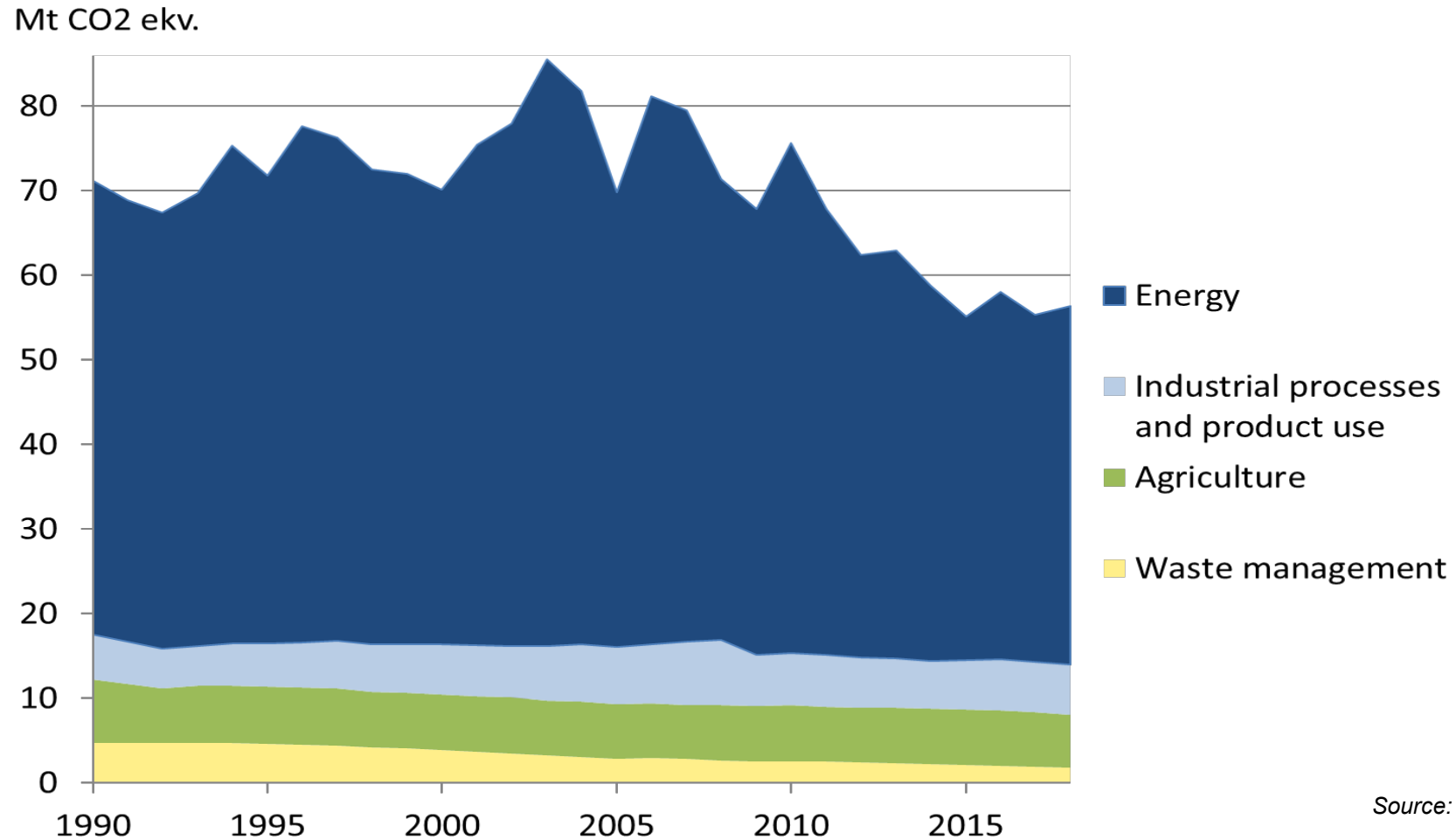
Finland's National Strategies and Plans & EU Planning Obligations



National strategies and plans



Greenhouse gas emissions in Finland by sector 1990 – 2018*



Source: Statistics Finland, * 2018 proxy estimate

In a longer run: emissions can be effectively cut by 85-90% by 2050



- Marginal costs increase sharply when close to 90% decrease
- Global development of technologies is decisive in many ways
- BECCS development also a key factor

- Finnish electricity production is already 80% emission-free and soon more due to Olkiluoto 3 nuclear power unit starting production in 2020
- The whole energy production can be made practically carbon-neutral

- The most challenging sectors to decarbonise:
 - Agriculture
 - Cement production
 - Crude oil refineries

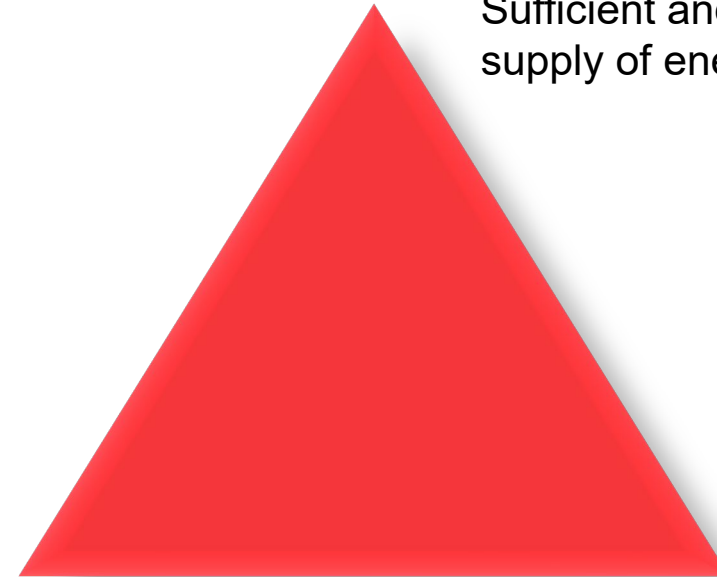
Energy Policy Trilemma



How to retain all the three goals of the energy policy in the transition towards the future carbon neutral energy system?

Security of Supply

Sufficient and secure supply of energy



Sustainability

Sustainability from climate and environmental perspective, Biodiversity

Competitiveness

Reasonable prices, Innovations, Economic growth and Technology exports