



**Regional perspective: Could
the recovery be green?**

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**CENTRAL EUROPEAN
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V4 ambitions before Covid

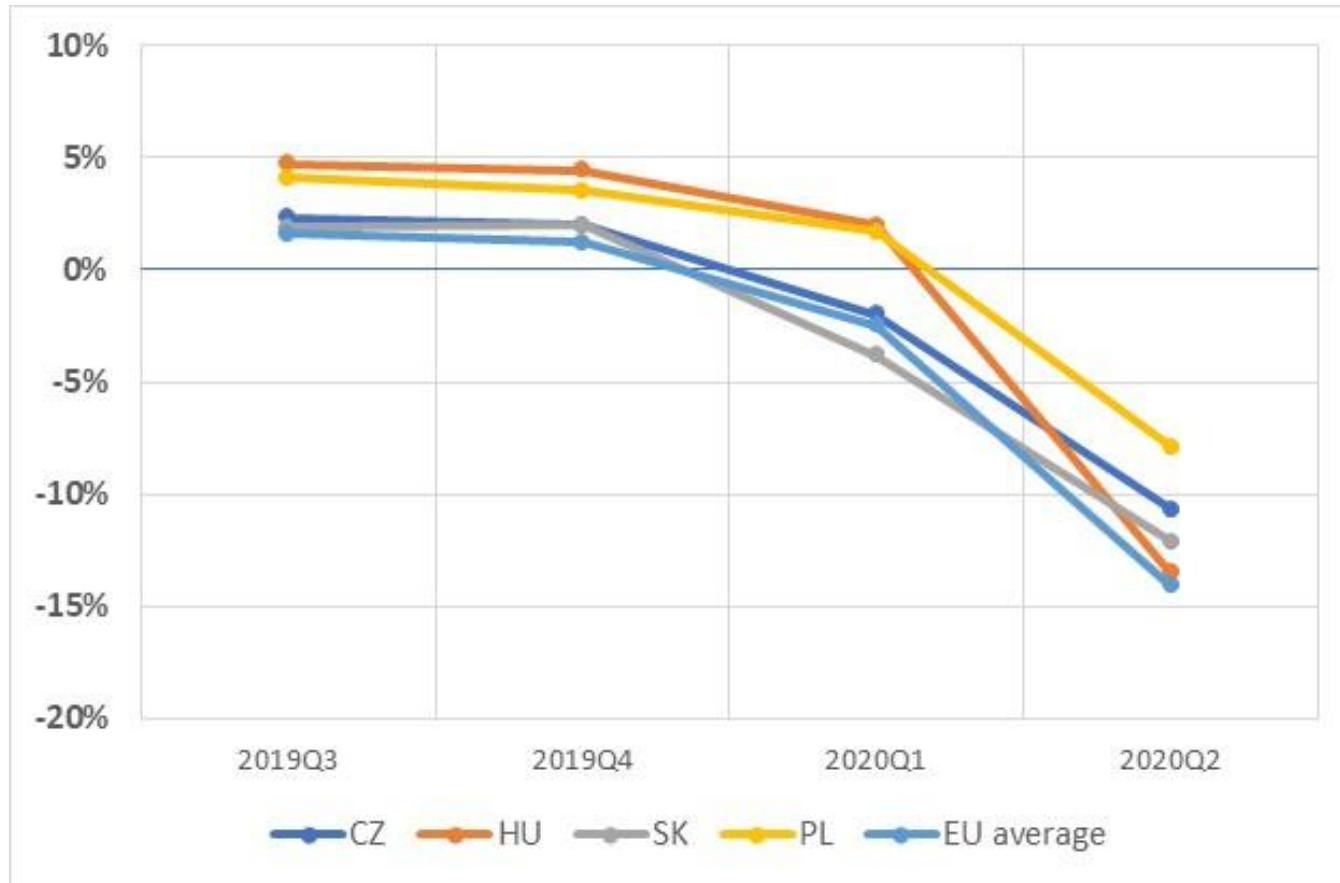
- NECPS submitted in January
- Regional differences and discussions: V4 NECP Workshop in Budapest in January
- 2030 climate goals require significant additional investments

	CZ	HU	SK	PL
RES share in 2030	22%	21%	19,2%	21-23%
Reduction of GHG emission (%) until 2030	-30% in comparison with 2005 (app. 30 %).	-40% compared to 1990	-43% based on 2005	-30% vs. 1990
Investment needs	70 bn EUR	50 bn EUR	120 to 900 mil. EUR per year	290 bn EUR

Source: NECPs, newsreleases

Region hit by Covid in line with the EU average

Growth rates of GDP in volume, Percentage change compared with the same quarter of the previous year

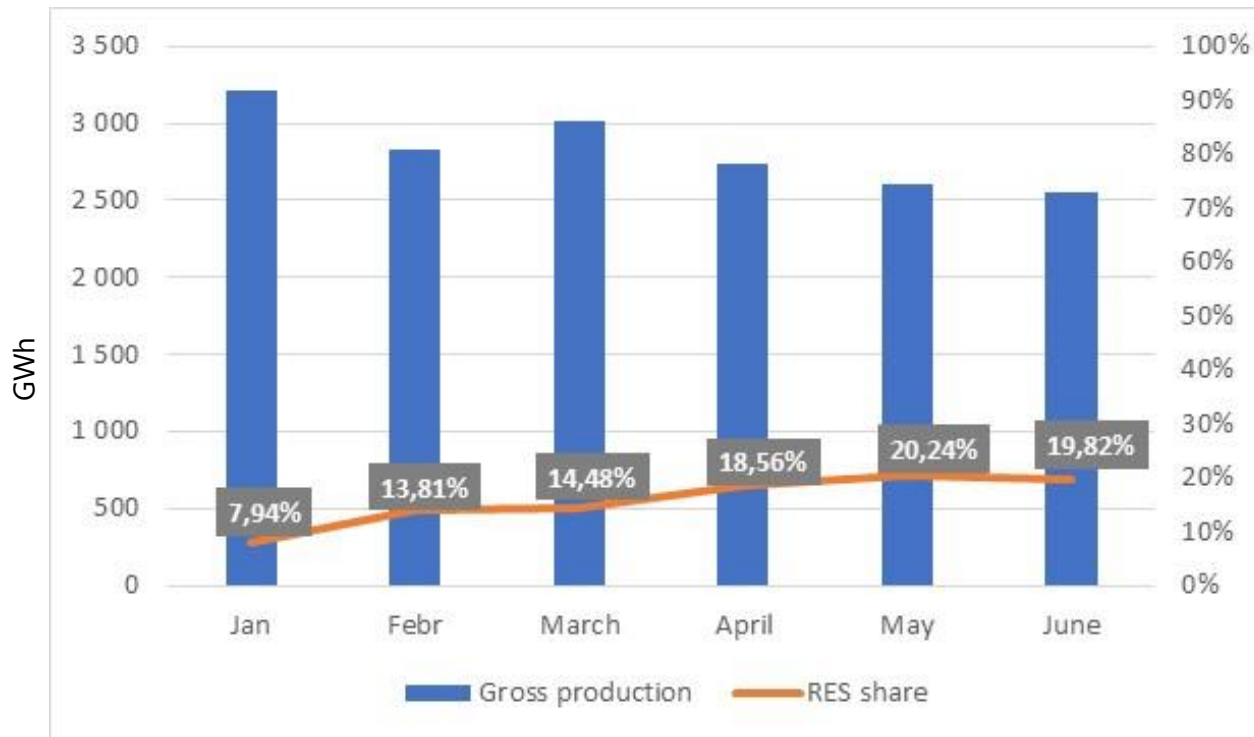


- EU GDP down by 14,1% in Q2 of 2020, Euro area down by 15%
- V4 countries' GDP moves together with the EU average

Source: Eurostat, Euroindicators Newsrelease 125/2020 - 14 August 2020

Consequences on the energy markets: RES uptake in electricity

Share of RES in gross electricity production, Hungary 2020



Source: Hungarian Energy and Public Utility Regulatory Authority (HEA)

- Gross electricity consumption decreased (~20% in the first 6 months)
- Wholesale price decrease
- *RES gained momentum*: the renewable-based production was more competitive than the lignite, coal and natural gas based production -> share of RES increased significantly in the declining electricity production

Options for green recovery in the Visegrad region

Conclusions:

- The recession after the Covid will challenge planned economic growth plans
 - Employment programs and economic recovery actions will be more valuable than climate ambitions <-> However, the pandemic has shown that sustainability is a value
- Which actions might ensure the success of green ambitions under the current situation? What are the low hanging fruits?
 - 1) Green finance as safe investment (better asset characteristics)
 - 2) RES uptake
 - 3) The energy efficient renovation of the building stock is well-positioned to enable green recovery as this is performed mostly by local actors and SMEs (*Emphasized by the European Commission in the recent assessment of National Energy & Climate Plans*)
 - 4) Accelerated coal-phase out: Closure of Prunerov I coal power plant in the Czech Republic this summer, in Poland historical agreement last week to close down all coal mines in 30 years
 - 5) Postpone investments

Questions to the speakers:

- How are the climate ambitions affected in your country?
- Which solutions are considered to accelerate economic recovery?

Thank you for your kind attention!

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