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Factsheet

SWD/2021/621 final

IMPACT ASSESSMENT REPORT Accompanying the Proposal for a Directive of the European Parliament and the Council amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652

Supporting model(s)

PRIMES, METIS, GEM-E3

Impact assessment SWD/2021/621 final

Fact sheet on model contributions

Source: Commission modelling inventory and knowledge management system (MIDAS)

Date of Report Generation: 02/09/2021

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Overview

Title

IMPACT ASSESSMENT REPORT Accompanying the Proposal for a Directive of the European Parliament and the Council amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652

Document ID

SWD/2021/621 final

Year of publication

2021

Led by

ENER

Model(s) used

PRIMES, METIS, GEM-E3

Additional information on model use for this Impact assessment

The baseline scenario builds on the most recent [EU reference scenario](#) [1]. The policy scenarios are developed from the basis of the Climate Target Plan policy scenarios ([SWD/2020/176 final](#)).

[1] European Commission, EU Reference Scenario 2020: Energy, Transport and GHG Emissions: Trends to 2050, Publications Office, Luxembourg, 2021, <https://doi.org/10.2833/35750>.

PRIMES

Full title

PRIMES Energy System Model

Run for this impact assessment by

Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens

Contributed to

Baseline and assessment of policy options

Helped to assess the following impacts

<i>Impact area</i>	<i>Impact category</i>	<i>Impact subcategory</i>
Economic impacts	Specific regions or sectors	Significant effects on sectors
Economic impacts	Macroeconomic environment	Economic growth and employment
Economic impacts	Macroeconomic environment	Investments and functioning of markets
Social	Employment	Impact on jobs
Social	Employment	Impact on jobs in specific sectors, professions, regions or countries
Social	Effects on income, distribution and social inclusion	Households income and at risk of poverty rates
Environmental	Climate	Emission of greenhouse gases
Environmental	Climate	Economic incentives set up by market based mechanisms
Environmental	Climate	Emission of ozone-depleting substances
Environmental	Climate	Ability to adapt to climate change
Environmental	Transport and the use of energy	Energy intensity of the economy
Environmental	Transport and the use of energy	Fuel mix used in energy production
Environmental	Transport and the use of energy	Demand for transport
Environmental	Transport and the use of energy	Vehicle emissions
Environmental	Transport and the use of energy	Energy and fuel consumption
Environmental	Land use	Change in land use

METIS

Full title

Markets and Energy Technologies Integrated Software

Run for this impact assessment by

Artelys

Contributed to

Baseline and assessment of policy options

Helped to assess the following impacts

<i>Impact area</i>	<i>Impact category</i>	<i>Impact subcategory</i>
Environmental	Climate	Emission of greenhouse gases
Environmental	Climate	Economic incentives set up by market based mechanisms
Environmental	Transport and the use of energy	Fuel mix used in energy production
Environmental	Transport and the use of energy	Demand for transport
Environmental	Transport and the use of energy	Energy and fuel consumption

GEM-E3

Full title

General Equilibrium Model - Economy, Energy, Environment

Run for this impact assessment by

Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens

Contributed to

Baseline and assessment of policy options

Helped to assess the following impacts

<i>Impact area</i>	<i>Impact category</i>	<i>Impact subcategory</i>
Economic impacts	Specific regions or sectors	Significant effects on sectors
Economic impacts	Macroeconomic environment	Economic growth and employment
Economic impacts	Macroeconomic environment	Investments and functioning of markets
Economic impacts	Macroeconomic environment	Macro-economic stabilisation
Social	Employment	Impact on jobs
Social	Employment	Impact on jobs in specific sectors, professions, regions or countries
Social	Employment	Indirect effects on employment levels
Social	Effects on income, distribution and social inclusion	Households income and at risk of poverty rates
Social	Effects on income, distribution and social inclusion	Inequalities and the distribution of incomes and wealth
Social	Effects on income, distribution and social inclusion	Access to and quality of social protection benefits

PRIMES

PRIMES Energy System Model

Fact sheet

Source: Commission modelling inventory and knowledge management system (MIDAS)

Date of Report Generation: 02/09/2021

Dissemination: Public

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Overview

Acronym PRIMES

Full title PRIMES Energy System Model

Main purpose

Energy system model designed to project the energy demand, supply, prices, trade and emissions for European countries and assess policy impacts.

Summary

The PRIMES (Price-induced market equilibrium system) model is being developed by E3Modelling, a spin-off of the E3MLab at National Technical University of Athens (NTUA). The model is suited for medium-term and long-term (up to 2070) projections in 5-year steps and covers all EU Member States, and EFTA (except Lichtenstein) and candidate countries.

PRIMES combines micro-economic foundations of the behavioural modelling with the engineering and energy-system approach, covering all energy sectors and markets at a disaggregated level. The model determines energy prices, energy supply, energy demand, trade, emissions, costs and investment. Furthermore, the model captures the technology learning and economies of scale.

PRIMES can be used for policy analysis and impact assessment. It provides energy sectors, markets and system projections including energy system restructuring, both in the demand and supply sides. The model can support the impact assessment of specific energy, transport and environment policies and measures applied either at the Member State or EU level, including taxation, subsidies, emissions trading system, technology promoting policies, renewable energy sources policies, efficiency promoting policies, environmental policies and technology standards.

PRIMES can be linked to other models such as GAINS and GLOBIOM for a full coverage of sectors when assessing climate or environmental policies.

Keywords

emissions , energy demand , energy supply

Model category (thematic)

Energy

Model home page

<https://e3modelling.com/modelling-tools/primes/>

Ownership & license

Ownership

Sole ownership [3rd party]

Ownership details

E3Modelling and E3Mlab at NTUA

Licence type

Non-Free Software licence. The license has one or more of the following restrictions: it prohibits creation of derivative works; it prohibits commercial use; it obliges to share the licensed or derivative works on the same conditions.

Details

PRIMES structure and approach

The PRIMES model (Price-Induced Market Equilibrium System) is a large scale applied energy system model that provides detailed projections of energy demand, supply, prices and investment into the future, covering the entire energy system including emissions. The distinctive feature of PRIMES is the combination of behavioural modelling (following a micro-economic foundation of optimisation by agent or sector) with engineering aspects, covering all energy sectors, and with market equilibrium. The model includes a detailed representation of instruments for policy impact assessment related to energy markets, technology adoption and climate mitigation, including market drivers, standards, and targets by sector or overall. It simulates the EU Emissions Trading System in its current form (changes can be simulated). It handles multiple policy objectives, such as GHG emissions reductions, energy efficiency, and renewable energy targets, and provides pan-European simulation of internal markets for electricity and gas.

PRIMES offer the possibility of handling market distortions, barriers to rational decisions, behaviours and market coordination issues and it performs a full accounting of costs (CAPEX and OPEX) and investment in equipment, energy savings and infrastructure. The model covers the horizon up to 2070 in 5-year interval periods and includes all Member States of the EU individually, as well as neighbouring and candidate countries in Europe. PRIMES is designed to analyse complex interactions within the energy system in a multiple agent – multiple markets framework.

Decisions by agents are formulated based on microeconomic foundation (utility maximization, cost minimization influenced by market equilibrium) embedding engineering constraints and explicit representation of technologies and capital vintages; optionally perfect or imperfect foresight for the modelling of investment applies in all sectors. The model allows simulating long-term transformations/transitions and includes non-linear formulation of potentials by type (resources, sites, acceptability etc.) and technology learning.

The PRIMES model is modular and consists of several sub-models (modules), each one representing the behaviour of a specific agent, a demander or supplier of energy. Sub-models link with each other through a model integration algorithm, which determines equilibrium prices in multiple markets and equilibrium volumes, including cap and trade systems (e.g. ETS), which satisfy balancing and policy, e.g. emissions, constraints and policy targets.

Demand modules formulate a representative agent who maximises benefits (profit, utility, etc.) from the energy demand and non-energy inputs (commodities, production factors) subject to prices, budget and other constraints. Constraints relate to activity, comfort, equipment, technology, environment or the fuel availability. In the demand sub-models, the agents may be simultaneously self-producers of energy services (e.g. using a private car, heating using a residential boiler, etc.) and purchasers of marketed energy commodities. The pricing of self-supplied energy services is endogenous and reflects average total costs. The mix of self-supply and the purchasing from external suppliers (e.g. private cars

versus public transportation, residential boiler versus district heating) derives from agent's optimisation, which depends on market conditions where the agents are price-takers.

Supply modules formulate stylised companies aiming at minimising costs (or maximising profits in model variants focusing on market competition) to meet demand subject to constraints related to capacities, fuel availability, environment, system reliability, etc. Supply-side modules determine commodity and infrastructure prices by end-use sector (tariffs) by applying various methodologies by sector as appropriate for recovering costs depending on market conditions and regulations.

Both demand and supply modules are subject to system-wide constraints, mirroring overall targets for example on emissions, renewables, efficiency, import dependency, etc. When binding, constraints convey non-zero shadow prices (dual values) to the demand and supply modules. Hence, the PRIMES model has overall a mixed-complementarity mathematical structure.

Agents are price-takers when being energy demanders and price-makers when being energy suppliers. Optionally, the model can handle non-perfect market competition regimes. The electricity and gas market modules can optionally include explicit companies and apply the Nash-Cournot competition with conjectural variations. Pricing and costing includes taxes, subsidies, levies and charges, congestion fees, tariffs for use of infrastructure etc. Usually, these instruments are exogenous to the model and reflect policy assumptions.

PRIMES follows a descriptive approach concerning factors which influence decisions by private entities, where perceived costs and uncertainty factors play a significant role. Policy measures can reduce uncertainty and decrease perceived costs: such mechanism in the model is often used to simulate policy inducing higher uptake of advanced technology or investment enabling accelerated energy efficiency progress.

The capital formation derives from an economically driven investment and follows a dynamic accounting of equipment technology vintages: equipment invested on a specific date inherits the technical-economic characteristics of the technology vintage corresponding to that date. Capital turnover is dynamic and the model keeps track of capital vintages and their specific technical characteristics. The agent's investment behaviour consists in building or purchasing new energy equipment to cover new needs, or retrofitting existing equipment or even for replacing prematurely old equipment for economic reasons.

The PRIMES model is fully dynamic and has options regarding future anticipation by agents in decision-making. Usually, PRIMES assumes a perfect foresight over a short time horizon for demand sectors and an imperfect foresight over long time horizon for supply sectors. All economic decisions of agents are dynamic and concern both operation of existing equipment and investment in new equipment, both when equipment is using energy and when it is producing energy.

The PRIMES model also includes a detailed numerical model on biomass supply, namely PRIMES-Biomass, which simulates the economics of supply of biomass and waste for energy purposes through a network of current and future processes. The PRIMES-Biomass model is a key link of communication

between the energy system projections obtained by the PRIMES energy system model and the projections on agriculture, forestry and non-CO₂ emissions provided by other modelling specialist tools (CAPRI, GLOBIOM/G4M, GAINS).

Computationally, PRIMES solves an EPEC problem (equilibrium problem with equilibrium constraints), which allows prices to be explicitly determined. The overall convergence algorithm simultaneously determines multi-market equilibrium while meeting system-wide constraints.

Input and parametrization

A summary of database sources, in the current version of PRIMES, is provided below:

- Eurostat and EEA: Energy Balance sheets, Energy prices (complemented by other sources, such as IEA), macroeconomic and sectoral activity data (PRIMES sectors correspond to NACE 3-digit classification), population data and projections, physical activity data (complemented by other sources), CHP surveys, CO₂ emission factors (sectoral and reference approaches) and EU ETS registry for allocating emissions between ETS and non ETS, Process CO₂ emissions
- Technology databases: ODYSSEE-MURE, ICARUS, Eco-design, VGB (power technology costs), TECHPOL – supply sector technologies, NEMS model database, IPPC BAT Technologies
- Power Plant Inventory: ESAP SA and PLATTS
- RES capacities, potential and availability: JRC ENSPRESO, JRC EMHIREs, RES ninja, ECN, DLR and Observer, IRENA
- Network infrastructure: ENTSOE, GIE, other operators
- Other databases: District heating surveys (e.g. from COGEN), buildings and houses statistics and surveys (various sources, including ENTRANZE project, INSPIRE archive, BPIE), JRC-IDEES, update to the EU Building stock Observatory

The model is fully calibrated to match the historical energy balance of the last PRIMES historical year (5-year step modelling: historical points years are 2000, 2005, 2010, 2015, ..) and to capture the more recent evolution since that year.

Main output

The PRIMES model provides, per country represented and for the EU as a whole detailed and comprehensive energy balances of the energy system, related CO₂ emissions and detailed economic information associated to the energy system (investments, costs, prices, taxes, ..).

In association with the GAINS model and the GLOBIOM model, it provides comprehensive GHG balances per country represented and for the EU as a whole.

Spatial - temporal extent

The output has the following spatial-temporal resolution and extent:

Parameter	Description
Spatial Extent / Country Coverage	EU Member States plus United Kingdom, Norway, Switzerland, Iceland, Albania, Serbia, Montenegro, Kosovo, Bosnia-Herzegovina, FYROM and Turkey.
(Spatial) resolution	Country level
Temporal extent	Until 2070
Temporal resolution	5 yearly

Quality & transparency

Quality

Question	Answer	Details
Models are by definition affected by uncertainties (in input data, input parameters, scenario definitions, etc.). Have the model uncertainties been quantified? Are uncertainties accounted for in your simulations?	yes	Uncertainties on assumptions can be addressed by producing variants with the model.
Sensitivity analysis helps identifying the uncertain inputs mostly responsible for the uncertainty in the model responses. Has the model undergone sensitivity analysis?	yes	Sensitivity analysis can be produced with the model.
Has the model undergone external peer review by a panel of experts, or have results been published in peer-reviewed journals?	yes	The model has undergone a peer review. See Commission staff working paper: SEC(2011)1569. Results have been published in peer-reviewed journals. The model has been used in multiple peer reviewed publications, that can be found here: https://e3modelling.com/publications/
Has model validation been done? Have model predictions been confronted with observed data (ex-post)?	not_applicable	The model is calibrated on historical data. The model does not do predictions but comparative scenario analysis based on assumptions.

References related to external peer-review and publication in scientific journals:

- No references provided in MIDAS

Transparency

Question	Answer	Details
Is the model underlying database (i.e. the database the model runs are based on) publicly available?	yes	The input data to the model is not published, but it builds on multiple sources, a large number of which being publicly accessible.
Can model outputs be made publicly available?	yes	Selected model outputs are made publicly available. Published outputs are defined by the Commission and are project-specific.
Is the model transparently documented (including underlying data, assumptions and equations, architecture, results) and are these documents available to the general public?	yes	The model documentation is publicly available. The model documentation includes the architecture and logic of the model and its different modules as well as the mathematical formulation.
Is the model source code publicly accessible or open for inspection?	no	The code is not open. However, the mathematical formulations of the model are published in the manual as well as in peer reviewed articles.

References related to documentation:

- No references provided in MIDAS

The model's policy relevance and intended role in the policy cycle

The model is designed to contribute to the following policy areas

- Climate action
- Energy
- Transport

The model is designed to contribute to the following phases of the policy cycle

- Formulation

The model's potential

The PRIMES model is designed to provide long-term energy system projections and system restructuring up to 2070, both in demand and supply sides. The model (including its transport module PRIMES-TREMOVE) can support impact assessment of specific energy, climate, transport and environment policies and measures, applied at Member State or EU level, including price signals, such as taxation, subsidies, ETS, as well as technology promoting policies, RES supporting policies, efficiency promoting policies, environmental policies and technology standards. The PRIMES model is sufficiently detailed to represent concrete policy measures in various sectors, including market design options for the EU internal electricity and gas markets. Policy analysis is based on comparative analysis of policy scenarios against a "baseline" projection.

NOTE The field 'use of the model in ex-ante impact assessments of the European Commission' focuses on the contributions of the model to the assessment of policy options.

In addition, please note that the model has also been extensively used in impact assessments to contribute to the construction of the baseline as part of the modelling framework of the EU reference scenario 2016 Energy, transport and GHG emissions : trends to 2050, Luxembourg: Publications Office of the European Union, 2016, doi:10.2833/9127.

The use of the Reference Scenario is reported under 'Additional information' in the entries of the related impact assessments.

Previous use of the model in ex-ante impact assessments of the European Commission

Use of the model in ex-ante impact assessments since July 2017.

In the Year	PRIMES contributed to the Impact assessment called	Led by	By providing input to the	The model was run by	Details of the contribution
2021	Impact assessment accompanying the Proposal for a Regulation of the European Parliament and of the Council: on the use of renewable and low-carbon fuels in maritime transport SWD/2021/635 final	MOVE	Baseline and assessment of policy options	<i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i>	PRIMES is one of the core models of the modelling framework for energy, transport and greenhouse gas emissions projections. PRIMES-Maritime, a module of PRIMES and PRIMES-TREMOVE transport model, provided the developments in the maritime transport activity, energy use in the maritime sector, the greenhouse gas emissions and air pollution emissions, as well as the associated costs. The PRIMES model also provided an assessment of the biomass feedstock and the electricity consumption for producing synthetic fuels, while ensuring the links with the rest of the energy system.
2021	Impact assessment accompanying the Proposal for a Directive of the European Parliament and the Council: amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 SWD/2021/621 final	ENER	Baseline and assessment of policy options	<i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i>	The model helped to assess the following impacts: <ul style="list-style-type: none"> - Significant effects on sectors - Economic growth and employment - Investments and functioning of markets - Impact on jobs - Impact on jobs in specific sectors, professions, regions or countries - Households income and at risk of poverty rates - Emission of greenhouse gases - Economic incentives set up by market based mechanisms - Emission of ozone-depleting substances - Ability to adapt to climate change - Energy intensity of the economy - Fuel mix used in energy production

2021	<p>Impact assessment accompanying the Proposal for a Directive of the European Parliament and of the Council: on energy efficiency (recast)</p> <p>SWD/2021/623 final</p>	ENER	<p>Baseline and assessment of policy options</p>	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<ul style="list-style-type: none"> - Demand for transport - Vehicle emissions - Energy and fuel consumption - Change in land use <p>The model helped to assess the following impacts:</p> <ul style="list-style-type: none"> - Investment cycle - Markets for Innovation - Innovation for productivity/resource efficiency - Investments and functioning of markets - Emission of greenhouse gases - Energy intensity of the economy - Fuel mix used in energy production - Energy and fuel consumption
2021	<p>Impact assessment accompanying the Proposal for a Regulation of the European Parliament and of the Council: on ensuring a level playing field for sustainable air transport</p> <p>SWD/2021/633 final</p>	MOVE	<p>Baseline and assessment of policy options</p>	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<p>PRIMES is one of the core models of the modelling framework for energy, transport and greenhouse gas emission projections. The PRIMES-TREMOVE model, a module of PRIMES, provided the developments in the air transport activity, the energy use in the aviation sector, the greenhouse gas emissions and air pollution emissions, as well as the associated costs. The PRIMES model also provided an assessment of the biomass feedstock and the electricity consumption for producing synthetic fuels, while ensuring the links with the rest of the energy system.</p> <p>Supporting study: Ricardo et al. , Study supporting the impact assessment of the ReFuelEU Aviation initiative</p>
2021	<p>Impact assessment accompanying the Proposal for a Regulation of the European Parliament and of the Council: on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU of the European Parliament and of the Council</p> <p>SWD/2021/631 final</p>	MOVE	<p>Baseline and assessment of policy options</p>	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<p>PRIMES is one of the core models of the modelling framework for energy, transport and greenhouse gas emission projections. The PRIMES-TREMOVE model, a module of PRIMES, provided the developments in the vehicle fleet and the associated recharging and refuelling infrastructure, as well as the developments in CO2 emissions and air</p>

					<p>pollution emissions. The PRIMES model ensured the links with the rest of the energy system in developing the baseline and the policy scenarios.</p> <p>Supporting study: Ricardo et al. (2021), Impact assessment support study on the revision of the Directive on the Deployment of Alternative Fuels Infrastructure (2014/94/EC) (for details, see the impact assessment report).</p>
2021	<p>Impact assessment accompanying the document Proposal for a regulation of the European Parliament and of the Council: establishing a carbon border adjustment mechanism</p> <p>SWD/2021/643 final</p>	TAXUD	Baseline and assessment of policy options	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<p>The model helped to assess the following impacts:</p> <ul style="list-style-type: none"> - EU Exports & imports - Investment flows & trade in services - Cost of doing business - Business' capacity to innovate - Market share & advantages in international context - Free movement of goods, services, capital and workers - Competition - Innovation for productivity/resource efficiency - Budgetary consequences for public authorities - Consumer's ability to benefit from the internal market or to access goods and services from outside the EU - Prices, quality, availability or choice of consumer goods and services - Significant effects on sectors - Disproportionately affected region or sector - Impacts on third countries - Goods traded with developing countries - Investments and functioning of markets - Impact on jobs - Impact on jobs in specific sectors, professions, regions or countries - Wages, labour costs or wage setting mechanisms - Emission of greenhouse gases - Sustainable production and consumption - Relative prices of environmental friendly and unfriendly products

					<ul style="list-style-type: none"> - Pollution by businesses - Environment in third countries - Energy intensity of the economy - Fuel mix used in energy production - Energy and fuel consumption
2021	<p>Impact assessment accompanying the document Proposal for a regulation of the European Parliament and of the Council: amending Regulation (EU) 2018/842 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement</p> <p>SWD/2021/611 final</p>	CLIMA	Baseline and assessment of policy options	<i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i>	The PRIMES model and its variants are used to model all aspects of the energy system, including buildings, transport and industry. Regarding greenhouse gas emissions it reports all CO2 emissions from these sectors.
2021	<p>Impact assessment accompanying the document Proposal for a Regulation of the European Parliament and of the Council: amending Regulation (EU) 2019/631 as regards strengthening the CO2 emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition</p> <p>SWD/2021/613 final</p>	CLIMA	Baseline and assessment of policy options	<i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i>	The PRIMES model is used to assess the projected evolution of the transport system, as part of the wider energy system, resulting from different policies, including CO2 emission standards for vehicles.
2021	<p>Impact assessment accompanying the document Directive of the European Parliament and of the Council: amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union, Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union greenhouse gas emission trading scheme and Regulation (EU) 2015/757</p> <p>SWD/2021/601 final</p>	CLIMA	Baseline and assessment of policy options	<i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i>	(1) General modelling of ETS strengthening and possible extension to buildings and transport/ all fossil fuel combustion. (2) Extension of emissions trading to maritime transport and alternatives. The PRIMES-Maritime module has been used to assess the impact of the various maritime policy options. PRIMES-Maritime is a specific submodule of the PRIMES-TREMOVE transport and the overall PRIMES energy systems model aiming to enhance the representation of the maritime sector within the energy- economy- environment modelling nexus.

2020	Impact Assessment accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Stepping up Europe's 2030 climate ambition	CLIMA	Baseline and assessment of policy options	<i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i>	The PRIMES model and its variants are used to model all aspects of the energy system, including buildings, transport and industry. Regarding greenhouse gas emissions it reports all CO2 emissions from these sectors.
SWD/2020/176 final					
2018	Impact assessment accompanying the document Proposal for a Regulation of the European Parliament and of the Council on: the establishment of a framework to facilitate sustainable investment and; Proposal for a Regulation of the European Parliament and of the Council on: disclosures relating to sustainable investments and sustainability risks and amending Directive (EU) 2016/2341 and; Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2016/1011 on: low carbon benchmarks and positive carbon impact benchmarks	FISMA	Problem definition	<i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i>	The yearly average investment gap for the period 2021 to 2030 was based on PRIMES projections
SWD/2018/264 final					

Bibliographic references

- *EU reference scenario 2016 : energy, transport and GHG emissions : trends to 2050. - MJ-01-15-793-EN-N*
- *EU energy, transport and GHG emissions, trends to 2050 : reference scenario 2013. - 10.2833/17897*

METIS

Markets and Energy Technologies Integrated Software

Fact sheet

Source: Commission modelling inventory and knowledge management system (MIDAS)

Date of Report Generation: 02/09/2021

Dissemination: Public

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Overview

Acronym METIS

Full title Markets and Energy Technologies Integrated Software

Main purpose

Energy system model designed to simulate the operation of electricity, gas and heat markets and to assess impacts of policy initiatives on the European energy system and markets.

Summary

METIS is an energy model covering with high granularity the European energy system with a focus on electricity, gas and heat. The original model has been developed by the company Artelys. It is currently improved with respect to the representation of energy networks and renewable energy potentials with the aim of modelling and integrated European energy system. The model covers all EU Member States at the regional (NUTS2) level and can be run for medium term projection in an hourly resolution.

The METIS power system captures the European power system, representing power production, consumption and transmission assets. The gas system embeds gas-specific assets and performs simulations for the security of the gas supply or supply source dependence analysis. The intra-day module of METIS allows assessing the impact of the re-adaptation of the generation dispatch up-to real-time, while the balancing module allows simulating the real-time dispatch of the reserve units to face imbalance. Both system- and market-wide results can be computed also stochastically, to account for unpredictable events in the energy supply. The model incorporates four bidding strategies as a post treatment of power system simulations: marginal, strategic, oligopoly and fixed-operating costs.

The model can be used for the policy formulation. METIS is able to simulate the entire European energy system and markets operation for electricity, gas and heat energy carriers under a stochastic uncertainty, capturing for example weather variations and other stochastic events.

Keywords

Energy , energy system analysis , energy market analysis

Model category (thematic)

Energy

Model home page

<https://ec.europa.eu/energy/en/data-analysis/energy-modelling/metis>

Ownership & license

Ownership

Multiple ownership [Original code owned by European Union]

Ownership details

No information provided

Licence type

Non-Free Software licence. The license has one or more of the following restrictions: it prohibits creation of derivative works; it prohibits commercial use; it obliges to share the licensed or derivative works on the same conditions.

Details

METIS structure and approach

The METIS model consists of three main modules: *power system*, *gas system* and *power market*. Each of the three modules interact with each other mutually, as the output of one module is fed into other modules as input. Alternatively, the three modules can be run independently, when analysing electricity, gas and heat energy separately.

The *Power System module* of METIS has been designed to analyse multiple power systems issues, following a welfare-maximisation principle. It is also being used to analyse the European power systems' dynamics, by providing production plans, electricity flows, production costs, systemic marginal costs, scarcity periods and loss of load, or other standard indicators detailed further in the document. The Power System module contains a library of assets for production, consumption and transmissions that can be attached to each node of the network.

The Power System module contains the following assets: thermal non-renewable energy assets, hydro assets, other renewable energy assets, other storage assets, power consumption, power transmission, fuel contracts, CO₂ emissions, reserve requirements, loss of load, and surplus of energy at each node.

The *Gas System module* has been designed to address multiple gas systems issues, following a welfare-maximisation principle, as in the Power System module. It allows the analysis of the European gas systems' dynamics, by providing production plans, gas flows, loss of load, etc.

The Gas System module contains the following assets: the gas consumption as described by the national demand of natural gas, the gas production as captured by the indigenous production of natural gas, the gas storage as described by storage facilities for gas, the liquefied natural gas (LNG) terminal as captured by gasification terminals that are receiving and transforming LNG into natural gas, LNG imports as described by imports of LNG sent to LNG terminals, LNG exports as captured by the liquefaction train liquefying natural gas and exporting, gas imports as captured by imports of natural gas from non-modelled countries through pipelines, gas exports as described by exports of natural gas to non-modelled countries through pipelines, pipelines as captured by gas transmissions between modelled zones, and CO₂ emissions as described by CO₂ emissions due to the consumption of natural gas associated with a CO₂ price.

The *Power Market module* replicates the market participants' decision process. For a given period (typically, hours or days), the generation plan (including both energy generation and balancing reserve supply) is first optimised based on day-ahead demand and renewable energy generation forecasts. Market coupling is modelled via net transfer capacity (NTC) constraints for interconnectors. Then, the generation plan is updated during the day, taking into account updated forecasts and asset technical constraints. Finally, imbalances are drawn to simulate balancing energy procurement. Imbalances are the result of events that could not have been predicted before the gate closure.

The METIS model files, technical documentation and user's instructions can be found on the model's website:

https://ec.europa.eu/energy/data-analysis/energy-modelling/metis_en

Input and parametrization

METIS requires as inputs the following types of data (up to hourly granularity):

- Capacity and technical characteristics of infrastructure
- Capital and technology costs
- Fuel prices
- CO2 emission factors and prices
- Weather data (actual data and forecasts)
- Wind, solar and hydro profiles
- Demand profiles and level of demand

The main sources of data are derived from publically available sources, in particular Eurostat, ENTSO-E and ENTSO-G.

Data for renewable energy potentials and time series are currently updated. A significant part of the input is context dependent, i.e. on the scenario against which METIS is calibrated (e.g. relevant PRIMES scenarios as in the case of the Market Design studies).

In general METIS is very flexible in using very different sources of data and not being restricted to specific databases or sources.

Main output

The model provides the dispatch of energy assets at hourly (or otherwise specified) time resolution.

Spatial - temporal extent

The output has the following spatial-temporal resolution and extent:

Parameter	Description
Spatial Extent / Country Coverage	The model can be used at EU country or regional level, as specified by analysts.
(Spatial) resolution	MS level or finer granularity if specified.
Temporal extent	One year unless specified differently.
Temporal resolution	Hourly.

Quality & transparency

Quality

Question	Answer	Details
Models are by definition affected by uncertainties (in input data, input parameters, scenario definitions, etc.). Have the model uncertainties been quantified? Are uncertainties accounted for in your simulations?	yes	METIS allows stochastic simulations.
Sensitivity analysis helps identifying the uncertain inputs mostly responsible for the uncertainty in the model responses. Has the model undergone sensitivity analysis?	yes	Sensitivities runs are included in several METIS studies. These are highly dependent on the context rather than the model.
Has the model undergone external peer review by a panel of experts, or have results been published in peer-reviewed journals?	yes	Review by expert panel, led by JRC in 2019.
Has model validation been done? Have model predictions been confronted with observed data (ex-post)?	not_applicable	Most of the analysis performed with METIS addresses future time periods.

References related to external peer-review and publication in scientific journals:

- No references provided in MIDAS

Transparency

Question	Answer	Details
Is the model underlying database (i.e. the database the model runs are based on) publicly available?	yes	Based on Eurostat, ENTSO-E, ENTSO-G
Can model outputs be made publicly available?	yes	At request or by re-running publicly available scenario files.
Is the model transparently documented (including underlying data, assumptions and equations, architecture, results) and are these documents available to the general public?	yes	Fully documented. All documentation can be found on the METIS website: https://ec.europa.eu/energy/data-analysis/energy-modelling/metis_en
Is the model source code publicly accessible or open for inspection?	yes	Model scripts are available for download from DG ENER's website.

References related to documentation:

- No references provided in MIDAS

The model's policy relevance and intended role in the policy cycle

The model is designed to contribute to the following policy areas

- Energy

The model is designed to contribute to the following phases of the policy cycle

- Formulation

The model's potential

The model can be used for the policy formulation. METIS is able to simulate the entire European energy system and markets operation for electricity, gas and heat energy carriers under a stochastic uncertainty, capturing for example weather variations and other stochastic events (short to medium term).

Previous use of the model in ex-ante impact assessments of the European Commission

Use of the model in ex-ante impact assessments since July 2017.

In the Year	METIS contributed to the Impact assessment called	Led by	By providing input to the	The model was run by	Details of the contribution
2021	Impact assessment accompanying the Proposal for a Directive of the European Parliament and the Council: amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 SWD/2021/621 final	ENER	Baseline and assessment of policy options	Artelys	The model helped to assess the following impacts: - Emission of greenhouse gases - Economic incentives set up by market based mechanisms - Fuel mix used in energy production - Demand for transport - Energy and fuel consumption
2021	Impact assessment accompanying the document Proposal for a Regulation of the European Parliament and of the Council: on guidelines for trans-European energy infrastructure and repealing Regulation (EU) No 347/2013 SWD/2020/346 final/2	ENER	Baseline and assessment of policy options	European Commission	The key outcomes of the REKK model were cross-checked with the internal METIS model run by JRC.
2017	Impact assessment accompanying the document Commission Regulation (EU) No .../... on: establishing a Guideline on Electricity Balancing SWD/2017/0383 final	ENER	Baseline and assessment of policy options	Artelys	Used to assess the activation of balancing energy

Bibliographic references

- *Wholesale market prices, revenues and risks for producers with high shares of variable RES in the power system. - MJ-04-19-401-EN-N*
- *Cost-efficient district heating development. - MJ-04-19-410-EN-N*
- *The role and potential of Power-to-X in 2050 : METIS Studies : Study S8. - MJ-01-19-431-EN-N*
- *Effect of electromobility on the power system and the integration of RES : study S13. - MJ-02-19-296-EN-N*
- *Effect of high shares of renewables on power systems : study S11. - MJ-03-19-327-EN-N*
- *Simulating electricity market bidding and price caps in the European power markets : S18 report. - MJ-01-19-439-EN-N*
- *Weather-driven revenue uncertainty for power producers and ways to mitigate it : study S16. - MJ-03-19-328-EN-N*
- *Assessing market design options in 2030 : study S12. - MJ-02-19-302-EN-N*
- *The role and need of flexibility in 2030 focus on energy storage : study S07. - MJ-01-19-440-EN-N*
- *Assessing TYNDP 2014 PCI list in power : study S02. - MJ-02-19-303-EN-N*
- *Impact of PCIs on gas security of supply in Europe : study S05. - MJ-02-19-305-EN-N*
- *Generation and system adequacy analysis : study S04. - MJ-03-19-329-EN-N*
- *Optimal flexibility portfolios for a high-RES 2050 scenario : METIS Studies : study S1. - MJ-01-19-415-EN-N*
- *Decentralised heat pumps : system benefits under different technical configurations : METIS Studies, study S6. - MJ-02-19-295-EN-N*

GEM-E3

General Equilibrium Model - Economy, Energy, Environment

Fact sheet

Source: Commission modelling inventory and knowledge management system (MIDAS)

Date of Report Generation: 02/09/2021

Dissemination: Public

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Overview

Acronym GEM-E3

Full title General Equilibrium Model - Economy, Energy, Environment

Main purpose

A macro-economic model used to assess energy, climate and air quality policies.

Summary

The GEM-E3 model is a global multi-sectoral general equilibrium model. GEM-E3 covers the interactions between the economy, the energy system and the environment. The model is used to calculate macro-economic impacts such as GDP, welfare, consumption, trade, employment, sectoral output, and carbon price.

It covers all EU Member States and the rest of the world, which is divided into 19 major economies. Countries are linked through endogenous bilateral trade. The calibration of the model is based on the [GTAP database](#) and uses techno-economic inputs from sectoral models such as POTEnCIA, PRIMES, POLES, GAINS, and GLOBIOM. The model simultaneously computes the equilibrium prices of goods, services, labour, capital and tradable emission rights such that all markets are in equilibrium. It integrates micro-economic behaviour into a macro-economic framework and allows assessing the medium to long-term implications of policies. The model evaluates the emissions of carbon dioxide (CO₂) and other GHG (e.g. CH₄). There are three mechanisms of emission reduction: (i) substitution between fuels, and between energetic and non-energetic inputs, (ii) emission reduction due to less production and consumption, and (iii) purchasing abatement equipment.

The model can be used for policy anticipation, formulation and implementation to assess macro-economic impacts of energy, climate and air quality policies. The model has been used, among others, for the Impact Assessments of the 2030 Framework of Energy and Climate Policies, its implementation in the context of the Energy Union, the Paris Agreement, and the Clean Air Package.

Keywords

Energy , Environment , Climate , General equilibrium , Climate policy , Air Pollution

Model category (thematic)

Economy

Model home page

<https://ec.europa.eu/jrc/gem-e3>

Ownership & license

Ownership

Joint copyright

Ownership details

The ownership is shared with the institutions that developed the model and the JRC, European Commission: a) Institute of Communication and Computer Systems - National Technical University of Athens (ICCS/NTUA); b) CES, Centre for Economic Studies, Katholieke Universiteit Leuven c) DG JRC, European Commission (C6) which has developed various modules for GEM-E3, as well as extended and updated the supporting databases (incl. GTAP).

Licence type

Non-Free Software licence. The license has one or more of the following restrictions: it prohibits creation of derivative works; it prohibits commercial use; it obliges to share the licensed or derivative works on the same conditions.

Details

GEM-E3 structure and approach

GEM-E3 can be used for policy anticipation, formulation and implementation.

In terms of anticipation and formulation, as applied general equilibrium model covering the interactions between the Economy, the Energy system and the Environment with high level of details, the GEM-E3 Model is well suited to assess the impact of climate, energy, and transport regulations, as well as fiscal, air quality, and labour market policies. It can simulate the welfare effects of alternative regulation regimes as well as the consequences of emission targets.

The Clean Air Programme for Europe envisages a regular update of the impact assessment analysis, to track progress towards the objectives of the Directive and to serve as input into the regular [Clean Air Forum](#). In 2018 GEM-E3 was used to update the Impact Assessment during the implementation phase. For more information see http://ec.europa.eu/environment/air/clean_air/outlook.htm. Results featured in the First Clean Air Outlook.

One of the applications of the model includes an economic and employment impact assessment of different EU decarbonisation scenarios for 2050. This is included in the in-depth analysis accompanying the European Commission's *Clean Planet for All* communication of 2018. See https://ec.europa.eu/clima/policies/strategies/2050_en#tab-0-1

See <https://ec.europa.eu/jrc/en/gem-e3> for latest updates.

Input and parametrization

- Input/Output tables and SAM (GTAP, Eurostat)
- Energy balances (International Energy Agency, IEA)
- Elasticity of Substitution and Armington elasticity (economic literature)
- Costs of Abatement Technology (Research Projects)
- Emission coefficients (Research Projects)
- Techno-economic inputs from sectoral models such as POTEnCIA, PRIMES, POLES, GAINS, and GLOBIOM

Main output

GEM-E3 analyzes the economic and distributional effects of environmental and economic policies for sectors, agents and regions. The output of GEM-E3 includes projections of

- input-output tables
- employment

- trade
- capital flows
- government revenues
- household consumption
- energy use
- atmospheric emissions.

The model allows the evaluation of the welfare and distributional effects of various environmental policy scenarios, including different burden sharing scenarios, environmental instruments (i.e. taxes, pollution permits or command-and-control policy) and revenue recycling scenarios.

Spatial - temporal extent

The output has the following spatial-temporal resolution and extent:

Parameter	Description
Spatial Extent / Country Coverage (Spatial) resolution	Global coverage; EU 27 Member States + UK and 18 World Regions Country level for each of the 27 EU Member States and for 8 non-EU countries; regional resolution for the rest of the world
Temporal extent	Currently, typical runs go up to 2050 (but can be extended beyond if there is a need to)
Temporal resolution	The model is solved in 5-year steps

Quality & transparency

Quality

Question	Answer	Details
Models are by definition affected by uncertainties (in input data, input parameters, scenario definitions, etc.). Have the model uncertainties been quantified? Are uncertainties accounted for in your simulations?	yes	Policy uncertainty is covered by running several scenarios in a what-if fashion
Sensitivity analysis helps identifying the uncertain inputs mostly responsible for the uncertainty in the model responses. Has the model undergone sensitivity analysis?	yes	Sensitivity of output results is done on ad-hoc basis
Has the model undergone external peer review by a panel of experts, or have results been published in peer-reviewed journals?	yes	The output published in academic papers and presented on academic conferences have been reviewed by peers. In addition, separate versions of the model are run independently by JRC and NTUA / E3M-Lab in Athens, enabling comparison of findings and investigation of differences.
Has model validation been done? Have model predictions been confronted with observed data (ex-post)?	yes	As the model does not aim to predict the future, we mainly validate the model through results with our peer group. In addition, elasticity parameters are based on historical data to validate partial model responses, such as reactions to changes in energy prices

References related to external peer-review and publication in scientific journals:

- Vandyck T; Keramidas K; Saveyn B; Kitous A; Vrontisi Z. A global stocktake of the Paris pledges: Implications for energy systems and economy. GLOBAL ENVIRONMENTAL CHANGE-HUMAN AND POLICY DIMENSIONS 41; 2016. p. 46-63. JRC101134
- Vandyck, T., Keramidas, K., Kitous, A., Spadaro, J., Van Dingenen, R., Holland, M. and Saveyn, B., Air quality co-benefits for human health and agriculture counterbalance costs to meet Paris Agreement pledges, NATURE COMMUNICATIONS, ISSN 2041-1723 (online), 9, 2018, p. 4939, JRC111245.

Transparency

Question	Answer	Details
Is the model underlying database (i.e. the database the model runs are based on) publicly available?	yes	The core data, GTAP, are publicly available (if purchased) Other major inputs like IEA energy balances etc. are as well. The input-output tables for future years are published and freely available for the GECO report (from 2018 onwards).
Can model outputs be made publicly available?	yes	Output usually is published in Report and academic papers. Most of them can be downloaded from https://ec.europa.eu/jrc/en/gem-e3/publications

Is the model transparently documented (including underlying data, assumptions and equations, architecture, results) and are these documents available to the general public?	yes	More detailed output can be published upon request See model documentation. JRC C.6 published a complete manual as an open-access Technical Report in 2013 with a detailed description of the model. Documentation of the NTUA/E3M-Lab version is also available online under http://www.e3mlab.eu/e3mlab/index.php?option=com_content&view=article&id=56%3Amanual-of-gem-e3-model&catid=36%3Agem-e3&Itemid=71&lang=en
Is the model source code publicly accessible or open for inspection?	no	The GAMS model code is not published as such, but can be replicated from the published set of equations.

References related to documentation:

- Capros P, Van Regemorter D, Paroussos L, Karkatsoulis P, Fragkiadakis C, Tsani S, Charalampidis I, Revesz T, authors Perry M, Abrell J, Ciscar Martinez J, Pycroft J, Saveyn B, editors. GEM-E3 Model Documentation. EUR 26034. Luxembourg (Luxembourg): Publications Office of the European Union; 2013. JRC83177

The model's policy relevance and intended role in the policy cycle

The model is designed to contribute to the following policy areas

- Climate action
- Taxation
- Employment and social affairs
- Energy
- Environment
- Transport

The model is designed to contribute to the following phases of the policy cycle

- Anticipation
- Formulation
- Implementation

The model's potential

GEM-E3 can be used for policy anticipation, formulation and implementation.

In terms of anticipation and formulation, as applied general equilibrium model covering the interactions between the Economy, the Energy system and the Environment with high level of details, the GEM-E3 Model is well suited to assess the impact of climate, energy, and transport regulations, as well as fiscal, air quality, and labour market policies. It can simulate the welfare effects of alternative regulation regimes as well as the consequences of emission targets.

The Clean Air Programme for Europe envisages a regular update of the impact assessment analysis, to track progress towards the objectives of the Directive and to serve as input into the regular Clean Air Forum. In 2018 GEM-E3 is used to update the Impact Assessment during the implementation phase. For more information see http://ec.europa.eu/environment/air/clean_air/outlook.htm. Results featured in the First Clean Air Outlook.

One of the applications of the model includes an economic and employment impact assessment of the European Commission's strategic long-term vision for greenhouse gas reductions, a document that sets the stage for the debate on the long-term climate policy in the EU.

Concerning contributions to Impact Assessments see www.gem-e3.net for latest updates.

Previous use of the model in ex-ante impact assessments of the European Commission

Use of the model in ex-ante impact assessments since July 2017.

In the Year	GEM-E3 contributed to the Impact assessment called	Led by	By providing input to the	The model was run by	Details of the contribution
2021	Impact assessment accompanying the document Proposal for a Council Directive: restructuring the Union framework for the taxation of energy products and electricity (recast) SWD/2021/641 final	TAXUD	Baseline and assessment of policy options	European Commission	The model helped to assess the following impacts: <ul style="list-style-type: none"> - Equal treatment of products and businesses - Affects on individual Member States - EU Exports & imports - Investment flows & trade in services - Cost of doing business - Business' capacity to innovate - Market share & advantages in international context - Free movement of goods, services, capital and workers - Competition - Innovation for productivity/resource efficiency - Budgetary consequences for public authorities - Consumer's ability to benefit from the internal market or to access goods and services from outside the EU - Prices, quality, availability or choice of consumer goods and services - Significant effects on sectors - Disproportionately affected region or sector - Goods traded with developing countries - Economic growth and employment - Investments and functioning of markets - Macro-economic stabilisation - Impact on jobs - Impact on jobs in specific sectors, professions, regions or countries - Indirect effects on employment levels - Wages, labour costs or wage setting mechanisms - Employment, social protection and poverty impacts in non-Member States (including developing countries) - Emission of greenhouse gases

					<ul style="list-style-type: none"> - Economic incentives set up by market based mechanisms - Emissions of acidifying, eutrophying, photochemical or harmful air pollutants - Sustainable production and consumption - Relative prices of environmental friendly and unfriendly products - Pollution by businesses - Environment in third countries - Energy intensity of the economy - Fuel mix used in energy production - Demand for transport - Vehicle emissions - Energy and fuel consumption
2021	<p>Impact assessment accompanying the Proposal for a Directive of the European Parliament and the Council: amending Directive (EU) 2018/2001 of the European Parliament and of the Council, Regulation (EU) 2018/1999 of the European Parliament and of the Council and Directive 98/70/EC of the European Parliament and of the Council as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652</p> <p>SWD/2021/621 final</p>	ENER	Baseline and assessment of policy options	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<p>The model helped to assess the following impacts:</p> <ul style="list-style-type: none"> - Significant effects on sectors - Economic growth and employment - Investments and functioning of markets - Macro-economic stabilisation - Impact on jobs - Impact on jobs in specific sectors, professions, regions or countries - Indirect effects on employment levels - Households income and at risk of poverty rates - Inequalities and the distribution of incomes and wealth - Access to and quality of social protection benefits
2021	<p>Impact assessment accompanying the Proposal for a Directive of the European Parliament and of the Council: on energy efficiency (recast)</p> <p>SWD/2021/623 final</p>	ENER	Baseline and assessment of policy options	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<p>The model helped to assess the following impacts:</p> <ul style="list-style-type: none"> - EU Exports & imports - Cost of doing business - Economic growth and employment - Impact on jobs - Impact on jobs in specific sectors, professions, regions or countries - Wages, labour costs or wage setting mechanisms
2021	<p>Impact assessment accompanying the document Proposal for a regulation of the European Parliament and of the Council: establishing a carbon border</p>	TAXUD	Baseline and assessment of policy options	<p><i>European Commission</i></p>	<p>The model helped to assess the following impacts:</p> <ul style="list-style-type: none"> - Equal treatment of products and businesses - Affects on individual Member

adjustment mechanism

SWD/2021/643 final

States

- EU Exports & imports
- Investment flows & trade in services
- Non-trade barriers
- Cost of doing business
- Business' capacity to innovate
- Market share & advantages in international context
- Free movement of goods, services, capital and workers
- Competition
- Innovation for productivity/resource efficiency
- Budgetary consequences for public authorities
- Consumer's ability to benefit from the internal market or to access goods and services from outside the EU
- Prices, quality, availability or choice of consumer goods and services
- Significant effects on sectors
- Disproportionately affected region or sector
- Adjustment costs in developing countries
- Goods traded with developing countries
- Economic growth and employment
- Investments and functioning of markets
- Macro-economic stabilisation
- Impact on jobs
- Impact on jobs in specific sectors, professions, regions or countries
- Indirect effects on employment levels
- Wages, labour costs or wage setting mechanisms
- Employment, social protection and poverty impacts in non-Member States (including developing countries)
- Emission of greenhouse gases
- Economic incentives set up by market based mechanisms
- Sustainable production and consumption
- Relative prices of environmental friendly and unfriendly products
- Pollution by businesses
- Environment in third countries
- Energy and fuel consumption

2021	Impact assessment accompanying the document Proposal for a Regulation of the European Parliament and of the Council:	CLIMA	Baseline and assessment of policy options	<i>Energy - Economy - Environment Modelling Laboratory,</i>	GEM-E3 is used for macroeconomic assessment of different CO2 emission standards for vehicles levels.
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	<p>amending Regulation (EU) 2019/631 as regards strengthening the CO2 emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition</p> <p>SWD/2021/613 final</p>			<p><i>National Technical University of Athens</i></p>	
2020	<p>Impact Assessment accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Stepping up Europe's 2030 climate ambition</p> <p>SWD/2020/176 final</p>	CLIMA	Baseline only	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<p>GEM-E3 is used for sectoral economic assumptions used as inputs for the PRIMES energy system model.</p>
2020	<p>Impact Assessment accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: Stepping up Europe's 2030 climate ambition</p> <p>SWD/2020/176 final</p>	CLIMA	Baseline and assessment of policy options	<p><i>European Commission</i></p>	<p>GEM-E3 is used for the assessment of the impacts of policy options on key economic variables, including GDP, sectoral output and aggregate and sectoral employment.</p>
2017	<p>Impact assessment accompanying the document Proposal for a Regulation of the European Parliament and of the Council: setting emission performance standards for new passenger cars and for new light commercial vehicles as part of the Union's integrated approach to reduce CO2 emissions from light-duty vehicles and amending Regulation (EC) No 715/2007 (recast)</p> <p>SWD/2017/0650 final</p>	CLIMA	Baseline and assessment of policy options	<p><i>European Commission</i></p>	<p>GEM-E3 was used to assess macroeconomic impacts of target setting based on GDP per capita.</p>
2017	<p>Impact assessment accompanying the document Proposal for a Regulation of the European Parliament and of the Council: setting emission performance standards for new passenger cars and for new light commercial vehicles as part of the Union's integrated approach to reduce CO2 emissions from light-duty vehicles and amending Regulation (EC) No 715/2007 (recast)</p> <p>SWD/2017/0650 final</p>	CLIMA	Baseline and assessment of policy options	<p><i>Energy - Economy - Environment Modelling Laboratory, National Technical University of Athens</i></p>	<p>The model has been used by E3MLab/ICCS to provide the macro assumptions for the Reference scenario and for the policy scenarios.</p>

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