

# ► EERA Policy WG meeting

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Online Call #1 – 27 January 2022

## ► Agenda

- 1) Welcome and approval of the minutes of last POL WG meeting (25.11.21) – 2.5'
- 2) Latest EU and international policy developments – INFORMATION – 12.5'
  - a. Horizon Europe
  - b. ERA & Pact for R&I
  - c. Clean Hydrogen Partnership
  - d. EU taxonomy
  - e. EU Gas Package
  - f. EU Carbon Strategy
  - g. Guidelines on state aid for environmental protection and energy
- 3) Tour de table: What are members currently working on in their respective organizations, especially with relevance to the EU and international policy agenda? - DISCUSSION – 12.5'
- 4) SUPEERA Developments – DISCUSSION – 20'
- 5) EERA Strategy Working Group: Update on Task Forces – INFORMATION – 20'
- 6) Open consultations – DISCUSSION – 2.5'
- 7) For your agendas – INFORMATION – 2.5'
- 8) AOB – 2.5'

## 1) Welcome and approval of the minutes



# Draft minutes – POL WG 25.11.21



## POL WG meeting MINUTES

**Date** 25 November 2021  
**Time** 10:00 – 11:15 hrs  
**Location** Zoom

### Participants

Jana Kalivodova (CVR)  
Karina Veum (TNO)  
Kristin Heidebroek (EERA)  
Lone Falsig Hansen (DTU)  
Pinar Derin-Güre (METU)  
Raffaele Guerini (EERA)  
Rosie Christodoulaki (CRES)  
Rosita Zilli (EERA)  
Vanessa Polito (ENEA)  
Vassiliki Drosou (CRES)  
Yelda Erden (METU)

### Agenda

| Topics discussed   |
|--|
| 1) Welcome and approval of the minutes of last POL WG meeting (28.10.21)   |
| 2) Latest EU and international policy developments - INFORMATION   |
| 3) Tour de table: What are members currently working on in their respective organizations, especially with relevance to the EU and international policy agenda? - DISCUSSION |
| 4) SUPEERA Developments - DISCUSSION   |
| 5) EERA Strategy Working Group - INFORMATION   |
| 6) Open Consultations - DISCUSSION   |
| 8) AOB   |

### Links to useful documents

- [POL WG meeting PPT](#)

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### Key Outcomes

#### Welcome and approval of minutes

Minutes approved.

#### Latest EU and international policy developments

**Summary of the outcome of COP26:** 130 countries pledged to halt and reverse deforestation; the US and the EU launched a global initiative to cut methane emissions. Participating countries agreed to keep the Paris Agreement targets and reconvene next year in Egypt to revise NDCs, world leaders signed the first UNFCCC international agreement to phase out fossil fuels (but only phase down of coal), developed countries pledged \$100 billion to more vulnerable countries and island nations between 2020-2025. However, experts say pledges from COP26 will not keep global warming below 1.5C even if entirely fulfilled.

- EERA prepared a statement on the COP26 ([published here](#))

Agreement between the EU and Catalyst Partnership to boost investment in critical climate technologies: according to the MoU, up to EUR820 million will be mobilised between 2022-2026.

22 governments have announced new missions through Mission Innovation on urban transition, emissions from industry, CO2 removal and renewable fuels, chemicals, and materials.

New EU budget for 2022: Horizon Europe will receive an additional EUR100 million (total of EUR 12.2 billion) in 2022. Concerning other developments in Horizon Europe, the association of Switzerland is still unsure, and no further progress is expected before January 2022.

The EC announced two new proposals to curb deforestation and soil protection strategy. The EC aims to reduce climate impact from deforestation by banning products from the single market that have contributed to deforestation or forest degradation through agricultural practices. In addition, the soil strategy aims to address soil and land-related issues and degradation.

Regarding the EU Green Taxonomy, the EC is expected to release a delegated act that will include gas and nuclear in it. Negotiations have been dividing Member States into blocks around this issue.

The state of the Energy Union has been released, showing RES overtook fossil fuels for the first time. With the effect of the pandemic, EU GHG emissions were 31% lower compared to 1990 but emissions are expected to rise again with activities going back to normal.

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### Tour de table: What are members currently working on in their respective organizations, especially with relevance to the EU and international policy agenda?

- Denmark is preparing a plan for its green transition. A significant part of the Danish funding system's budget is being funnelled towards CCUS and power-to-X topics. DTU has been leading the CCUS initiatives and has considerable influence also in the power-to-X.
- The Catalyst Initiative sounds quite interesting to some members, who would like to know more about its future developments and funding opportunities.
- CRES is the official consultant of the Greek government regarding renewables and energy efficiency. Currently working on implementing the EU Climate Law and working on drafting the national Climate Law for the Greek government, which will soon be open for public consultation.
- About Turkey, it signed the Paris Agreement in October and Erdogan announced zero emissions by 2053. METU is meeting with ministers and other stakeholders over how they can work together on the clean energy transition. There is interest from stakeholders in PV and geothermal.
- In the Netherlands, the government issued the draft "North Sea Programme" to increase offshore wind capacity from 11.5 GW to 22 GW (roughly) by 2030, which will be needed to decarbonise industries. There are also interests in the SDE++ , a support scheme to deploy low carbon energy, [i.e.](#) green hydrogen. Otherwise, TNO is busy looking into the Commission draft Work Programme for Horizon Europe 2023-2024.
- In Italy, ENEA is following closely the debate on nuclear energy and the new programme of Horizon [Europe](#) and is engaged in battery and hydrogen as well.
- In the Czech Republic, a new government has still not been formed but the political line emerged from the elections is in favour of a Green Deal which includes nuclear in the energy mix. Tenders to complete new nuclear reactors will then be launched and discussions on installing SMRs to replace coal powerplants is currently ongoing. CVRZ is working with ORIENT-NM to look for funding for the EU partnership.

### SUPEERA Developments

- A webinar is coming up on December 16 on energy efficiency and sufficiency in the "Fit for 55" context and what are some of the opportunities and challenges for R&I (register [here](#)).
- Policy Briefs: the PB on the European Climate Law was finalised and has been released ([here](#)). The forthcoming PB is on the new EU Strategy on Adaptation to

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Climate Change, which is due by the end of the year. The aim is to have it finalised by December 17. The POL WG will be requested to review the document for quality assurance.

### EERA Strategy Working Group

For TF#1 and TF#2 an action plan is currently being developed based on the discussions held during the year. Such action plan will be presented at the next JP Coordinator meeting on 14 December.

TF#3 met three times already with a fourth appointment expected for the 10<sup>th</sup> of December. This TF is aimed at analysing EERA's positioning towards MS/ACs, industry and the broader international community. Until the end of the year, work will be focused on engaging with MS/ACs and with the international community, whereas the positioning work towards industry will start next year.

### Open Consultations

- EERA will respond to the consultation on the Action Plan for the digitalisation of the energy sector. With reference to this topic, EERA is developing a collaboration with the European consumer association BEUC which may lead to a joint statement and the organisation of a webinar also together with the European Commission and the Think Tank E3G.
- EERA submitted a reply to the EC consultation on the recast EU energy efficiency directive (EED) ([here](#)).

### AOB

EERA will hold the [webinar](#) "EU Energy Policy Review: Impact on Renewable Energy" on next 17 December. (Link to registrations [here](#)).

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## 2) Latest EU and international policy developments



## ► Horizon Europe

- The European Commission has **increased the budget** for the **5 HEU Missions**. It will make available **€673 million**, channelling the new funds to **19 research calls**
- The Commission is also looking for experts to advise on the HEU Missions. Each Mission Board shall consist of up to 15 independent high-level individuals with excellent expertise in serving public authorities and citizens, and in combining public and/or private funding. Applications are open until **February 02, 17h00 CET**
- A survey conducted among researchers showed that many respondents reported:
  - Struggles in defining impact
  - Uncertainty about third countries association
  - Lack of clarity about new features
  - Issues on the submission platform
- The EU is **continuing the process of third countries association**, with seven countries (Georgia, Israel, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia) being added to the list in December only.

## ► European Research Area (ERA) & Pact for Research and Innovation

- **EU Council on 26/11/2021** → conclusions on the governance structure of the new ERA and on Pact for R&I:
  - **Governance structure of the new ERA:** i) **ERA policy agenda 2022-2024** → contains **20 actions** to contribute to the priority areas defined in the Pact for R&I to be implemented on a voluntary basis (e.g.: Make EU R&I missions and partnerships key contributors to the ERA; An ERA for green transformation → Development of a green hydrogen R&I ERA pilot action; Accelerate the green/digital transition of Europe's key industrial ecosystems → Development of a policy approach to link industrial and R&I policies, notably on how to accelerate the industrial take-up of R&I results, and launch pilots in transport and energy industrial ecosystems – Complete list in the **annex here**); ii) **ERA Forum**: expert group composed of the Commission and Member States' representatives, to be established at the beginning of 2022, tasked with enforcing the new ERA and monitoring the implementation of its policy agenda.
  - **New Pact for R&I** → MS commit for the coming years to: i) a set of common EU principles and values for R&I; ii) come up w/ shared priority areas for voluntary joint action; iii) a renewed commitment to the goal of investing 3% of EU GDP in research and development
- **SUPEERA Policy Brief on the New European Research Area** → Policy paper analysing the new ERA with particular reference to R&I challenges and industrial opportunities
- The Commission **has published a toolkit** to mitigate foreign interference in R&I activities, presented in combination with the new **strategy for higher education**.

## ► Clean Hydrogen Partnership



- New name of the Fuel Cell and Hydrogen Joint Undertaking
- **€2 billion funding:** €1 billion from the EU's Horizon research funding and another €1 billion from industry partners
- **Change of name reflecting shifting of priorities from mobility towards applications for hydrogen in industrial use** as reaction agents and feedstock, long-haul aviation, maritime shipping, back-ups for renewable energy and in large-scale heating grids
- The main aims:
  - Bring the cost of clean hydrogen below €1.8 per kilo by 2030
  - Reduce the distribution "costs to less than €1/kg at scale
- The EU Commission expects hydrogen to represent 17% of new trucks' fuel by 2030, in line with the goals of both the Partnership, the new Gas package unveiled in December, and the new TEN-E regulation

## ► EU Taxonomy

- EU Taxonomy (22/06/2020) → set of rules designed to provide investors with a common definition of what is green and what is not in order to channel more capital into sustainable businesses. The list of activities that Europe considers “green” or “transitional” investments will be laid down in the so-called ‘**delegated acts**’.
- **First delegated act**: published at this [link](#)
- **Second delegated act**: published at the end of 2021 → Newest proposals aim at qualifying nuclear and gas investments as “green”, with limitations:
  - **Nuclear** → The nuclear power project has **a plan, funds and a site to safely dispose of radioactive waste**. Also, permits for new nuclear plants need to be issued by 2045. The lifetime extension of existing power plants could also be considered green “in view of the long lead times for investments in new nuclear generation capacity”
  - **Gas** → Considered environmentally sustainable if projects produce emissions below 270g of CO<sub>2</sub> equivalent per kilowatt-hour, a limit **requiring carbon capture and storage** technologies or the **addition of hydrogen and/or biogas** to the fuel mix. Other conditions: obtaining *construction permits by 31 December 2030* and the plants to be *technically equipped to burn low-carbon gases*
- **Single Act**: the whole proposal passes or fails as a single unit → Political cleavage between pro-nuclear countries (e.g. FR) and anti-nuclear but pro-gas countries (e.g. DE). Spain, Austria, Luxembourg and Denmark: against both nuclear and gas, but too few to meet the blocking threshold.

## ► EU Gas Package (1/4)

- 15/12/21: EC's 2<sup>nd</sup> batch of FF55 legislation, incl. 'Hydrogen and Gas Market Decarbonisation package' ("gas package"), legislation on methane emissions, energy performance of buildings, Communication on Sustainable Carbon Cycles
- Comprises: revision of Regulation on natural gas transmission networks + revision of the Directive on common rules for the internal market on natural gas from 2009
- Core aims of the updates:
  - establish the **conditions for facilitating the rapid and sustained uptake of renewable and low-carbon gases**,
  - **improve market conditions and increase engagement of gas consumers**,
  - better account for **contemporary security of supply concerns**,
  - address **price and supply concerns** at the level of the Union,
  - recalibrate the **structure and composition of regulatory bodies**.
- Under the current timeline → EU Member States required to transpose the Gas **Directive** into domestic law by **31 December 2023**, and the Gas **Regulation** would apply as of **1 January 2023**. Timing to be confirmed on the basis of the legislative process (delays expected).

## ► EU Gas Package (2/4)

### ► Network

- Entity for European Distribution System Operators (DSOs) to be set up
- Network association for hydrogen network operators to be established: 'The European Network for Network Operators of Hydrogen' (ENNOH) → New notion of "**Hydrogen Network Operator**" (HNO): applies to all transport operators on hydrogen networks, without distinction between the transmission or distribution levels.
- Hydrogen interconnection projects eligible to apply for funding if they fall within the scope of the wider Ten-Year Network Development Plans (TYNDPs) of the European Network of Transmission System Operators for Gas (ENTSO-G) - provided they are not already covered under the Important Projects of Common European Interest (IPCEIs)
- **The majority of the rules governing the existing natural gas network will remain relatively unchanged for decarbonised gases and also carry over for hydrogen networks.**

## ► EU Gas Package (3/4)

### ► Market

- Revised directive: *“Low-carbon fuels (LCFs) such as low-carbon hydrogen (LCH) may play a role in the energy transition, particularly in the short and medium-term to rapidly reduce emissions of existing fuels, and support the uptake of renewable fuels such as renewable hydrogen.”*
  - LCFs to be certified according to a lifecycle assessment (LCA) of greenhouse gas (GHG) emissions
  - Neither the Gas Directive nor the Regulation make any meaningful distinction between the treatment of ‘low carbon’ and ‘renewable’ fuels or gases.
- Definition of ‘**low-carbon hydrogen**’ and ‘**low-carbon gases**’ establishing a “**greenhouse gas emission reduction threshold of 70%.**” The GHG in question is not specified nor the benchmark against which the 70% reduction applies. ‘Renewable hydrogen’ and ‘renewable gases’ are defined in reference to the EU Renewable Energy Directive of 2018.
- No specific targets or details on the phase-out of unabated fossil gas (also not defined) BUT 2049 as sunset date for the conclusion of unabated long-term gas supply contracts.
- Member States must ensure that national law does not prevent the cross-border trade in gas and that no undue barriers exist within the internal market for gases as regards market entry and exit, trading and operation.
- Aims to restrict market interference with suppliers’ price-setting discretion and contains provisions to ensure that prices are set by supply and demand.

## ▶ EU Gas Package (4/4)

### ▶ Consumers

- ▶ Special provisions after widespread perception that consumer concerns in the gas sector were lagging behind the electricity sector – where they have been more recently bolstered through the Clean Energy Package (CEP)
- ▶ Main provisions:
  - ▶ clarifying basic contractual rights of consumers;
  - ▶ regulating the right to switch;
  - ▶ introducing the “active customer” status;
  - ▶ specifying billing rights and obligations;
  - ▶ specifying rules on smart metering;
  - ▶ introducing a protection regime for vulnerable consumers;
  - ▶ requiring the establishment of a national “single point of contact”, to provide customers with information on their rights, applicable laws and a dispute settlement mechanism.

## ► Communication on Sustainable Carbon Cycles

- Published on 15/12/21, available at this [link](#)
  - Sets out plans for the development of sectors including **carbon farming, innovative industrial solutions and regulation**
  - Introduces actions to support the upscale of carbon farming, aiming to encourage land managers to implement carbon sequestration and biodiversity protection technologies. By 2030, carbon farming initiatives should contribute 42Mt of CO<sub>2</sub> storage to Europe's natural carbon sinks
  - Includes a plan to develop an internal market for capturing, using and storing carbon. This instrument should bring about the removal of 5Mt of CO<sub>2</sub> annually by 2030.
- The EC intends to publish the regulatory framework for the carbon removal certification by the end of 2022.
- The main bottleneck identified are the lack of capacity for transport and storage of CO<sub>2</sub>. The transport network needs to connect the current and future CO<sub>2</sub> sources with the available CO<sub>2</sub> storage sites and production sites consuming CO<sub>2</sub>, to track the carbon flow

## ► Guidelines on state aid for environmental protection and energy

- Published on 21 December 2021, available at this [link](#).
- The new rules involve an alignment with the important EU objectives and targets set out in the European Green Deal. The new provisions include:
  - Broadened categories of investments and technologies that Member States can support. The revised rules generally allow for aid amounts **up to 100% of the funding gap**, especially where aid is granted following a competitive bidding process
  - **Covering aid for numerous EGD areas**, including prevention or reduction of pollution, aid for resource efficiency and circular economy, aid for biodiversity, for the remediation of environmental damage, energy performance of buildings, and clean mobility.
  - Introducing **changes to the current rules on reductions on certain electricity levies** for energy intensive users. The rules aim at limiting the risk that, due to these levies, relocate activities abroad. The guidelines cover the reductions in **all levies financing decarbonisation and social policies**.
  - Introducing **safeguards to ensure that the aid is effectively directed** where it is necessary

### 3) Tour de table





**What are members currently working on in their respective organizations, especially with relevance to the EU and international policy agenda?**

## 4) SUPEERA Developments



## ► State-of-play from the policy side (Task 3.2)

### ► Last two activities of 2021:

#### ► Webinar on **Energy Efficiency & Sufficiency**:

► [Article](#) / [Presentations](#) / [Recording](#)

► 100+ Participants

#### ► Policy Brief on the **EU Strategy on Adaptation to Climate Change**:

► [Link](#)

### ► Objectives for year 2022 (M24 to M36)

► 2 Webinars

► 1 Dedicated session at the 2022 EERA Annual Strategy Meeting

► 4 Policy Briefs to be published



## ► **Webinars & Policy Briefs: provisional topics & calendar**

### ► **Webinars**

- 1<sup>st</sup>: April/May on **Hydrogen**
- 2<sup>nd</sup>: November/December on Energy Transition Analysis

### ► **Policy Briefs**

- 1<sup>st</sup>: By end of February/mid-March 2022: **Recast of the Energy Efficiency Directive**
  - 2<sup>nd</sup>: By end of May/mid-June 2022: Biodiversity
  - 3<sup>rd</sup>: By end of September/mid-October 2022: Sustainable Carbon Cycles
  - 4<sup>th</sup>: By end of November/early December 2022: TBD
- **Topics can be changed depending on evolving EU policy agenda and project's imperatives**
- **Role of the Policy Working Group** → Validation of topics chosen, quality assurance of content production and participation in the activities proposed

## 5) EERA Strategy Working Group



## 6) Consultations



## ► EC public consultations

| Policy Topic  | Stage          | Close by           |                                 |
|---|----------------|--------------------|---------------------------------|
| Energy Efficiency – Revision of the Energy Performance of Buildings Directive     | Open           | 18 March 2022      | <a href="#">Submit feedback</a> |
| Gas networks – revision of EU rules on market access                              | Open           | 18 March 2022      | <a href="#">Submit feedback</a> |
| Climate Change – new rules to prevent methane leakage in the energy sector        | Open           | 18 March 2022      | <a href="#">Submit feedback</a> |
| Gas networks – revision of EU rules on market access                              | Open           | 18 March 2022      | <a href="#">Submit feedback</a> |
| <b>EU Solar Energy Strategy</b>   | Open           | 12 April 2022      | <a href="#">Submit feedback</a> |
| Renewable energy projects – permit-granting processes & power-purchase agreements | Open           | 12 April 2022      | <a href="#">Submit feedback</a> |
| Certification of carbon removals – EU rules                                       | In preparation | First quarter 2022 | <a href="#">Link</a>            |
| <b>EU energy policy – revamping the Strategic Energy Technology Plan</b>          | In preparation | Third quarter 2022 | <a href="#">Link</a>            |

## 7) For your agendas



## ► EERA Events

- **EERA brokerage event: 1 February 2022**, online – Info & registrations [here](#)
- **EERA #2 Webinar on EU Policies on Renewables**, online - **18 March 2022**
- **EERA General Assembly #12: 4 May 2022**
- **EERA Annual Strategy Meeting: 22 & 23 June 2022**

## ► External events

- **Energy Transition Expertise Centre Stakeholder Workshop: 31st January 2022**, online – Info & Registrations [here](#)
- **EU Industry Days: 8-11 February 2022**, online – Info & Registrations [here](#)
- **Info Day Climate, Energy & Mobility: 3 February 2022**, online – Info & Registrations [here](#)
- **International Conference on Research Infrastructures (ICRI) 2022: 19-21 October 2022**, Brno, Czechia –  
More information [here](#)

## 8) AOB





Thank you!

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