

Policy Working Group

Meeting #2 – 24 February 2022



5 min

1) Welcome and approval of Minutes

5 min

4) SUPEERA Developments

5 min

7) Open Consultations

15 min

2) Latest EU and International Policy Developments

5 min

5) Report: Meeting with EC, EERA, BEUC and E3G

5 min

8) For Your Agendas

3) Tour de Table

20 min

15 min

6) EERA Strategy Working Group

5 min 9) AOB



Welcome and approval of the minutes of last POL WG meeting



Latest EU and international policy developments

Final Taxonomy Proposal



- ► EU Taxonomy → 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.
- Final document: includes gas and nuclear energy in the list of activities covered by its scope by stipulating a series of limitations linked to emissions of GHG during processes

Status of the process: until June

- ► EU Parliament object to full text with simple majority (≥ 353 MEPs)
- ► EU Council object to full text with reinforced majority (≥ 20 Member States, representing at least 65% of the EU population)
- If no objection is successful, text will enter into force as of 1 January 2023
- Brief collection of follow ups <u>here</u>

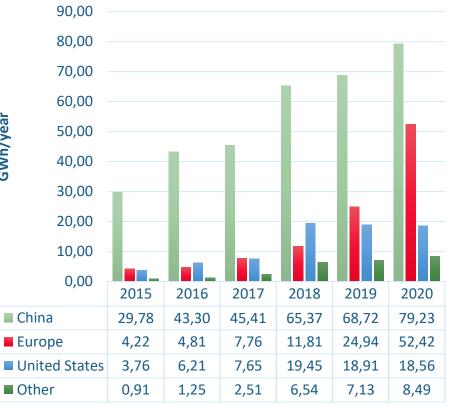
New EU rules for design, production and disposal of batteries

3Wh/year

- \blacktriangleright 10/12//2020 \rightarrow EC presents a proposal for a regulation concerning batteries and waste batteries. It is the first in the world that sets environmental criteria for the entry of electric batteries onto the market
- ► 10/02/2022 → EP ENVI committee puts forward key amendments -Introduction of:
 - New category of "batteries for 'light means of transport' (LMT)", such as e-bikes
 - A carbon footprint declaration and label
 - A maximum value for the life cycle carbon footprint
 - Minimum levels of recovered cobalt, lead, lithium and nickel from waste for reuse in new batteries
- The proposed entry into force is anticipated by six months, from 1 July to 1 January 2027
- ▶ Next steps → amended proposal **expected to be adopted by plenary in** March and will constitute Parliament's negotiation position with EU governments on the final shape of the legislation.

More info here

Battery demand by region



Data Source: IEA

European Chips Act

- 08/02/2022: the EC put forward the proposal for a <u>European Chips Act</u> to move closer to "digital sovereignty"
- The package includes a mix of legislative and non-legislative initiatives to increase production capacity, relax state aid rules, invest in research, and boost international partnerships
- Looks to leverage 43 billion euros of investment into the semiconductor industry and help the bloc to become an "industrial leader" in the future
- ► Aims to quadruple European chip production, from a market share of 8% now to 20% by 2030, and produce the "most sophisticated and energy-efficient semiconductors in Europe." → EUR 11 billion will be earmarked for research, development and expansion of production capacities by 2030
- It is composed of 4 different documents:
 - 1) The Communication from the EC: A Chips Act for Europe ("To address the shortage of semiconductors, we need concerted actions")
 - 2) The Proposal for a Regulation establishing a framework of measures for strengthening Europe's semiconductor ecosystem.
 - > 3) The Proposal to establish a Chips Joint Undertaking (Chips for Europe Initiative)
 - 4) The Commission Recommendation on a common Union toolbox to address semiconductor shortages and an EU mechanism for monitoring the semiconductor ecosystem

EU Commission working document on R&I for hydrogen development

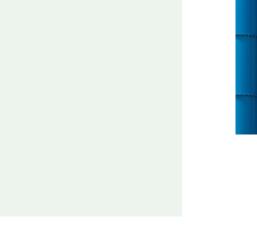
In the context of the European Research Area

- Describes R&I instruments, challenges and opportunities to deploy hydrogen technologies on the market
 - Improve the efficiency, cost, durability and manufacturability of technologies for hydrogen production, distribution and end-use
 - Optimise their market-readiness and scaling up
 - Identifies R&I activities covering large-scale demonstration projects
 - Stipulates that R&I effort should be also placed on new technologies to produce renewable hydrogen
 - Promotes the creation of complete value chains for hydrogen, from production to end-use, across the EU; today, this is not the case

Further R&I efforts in the direction of:

- Circularity,
- Environmental and socio-economic impact,
- Use and dependence from critical raw materials,
- Safety issues along the whole value chain

Access to the full document <u>here</u>





Social Climate Fund

- As part of the <u>revision of the EU emissions trading system (EU ETS)</u> under <u>Fit for 55</u>, the EC has proposed to extend emissions trading to the **building** and **road transport** sectors.
- Under the EC proposal, emissions from these sectors will not be covered by the existing <u>EU ETS</u> but by **a new, separate ETS**
- To address social impacts arising from the new system, the EC has proposed on last 14/07/21 the introduction of the Social Climate Fund
- On 10/02/2022 the EMPL/ENVI EP committees discussed the proposal:
 - Controversy over the need to introduce a new carbon market for transport and buildings
 - ► Widespread support for the creation of a fund to help Europe's most vulnerable during the green transition → Agreement to limit direct income support to 25% of the fund and focus more on long term solutions, like renovation.
 - **Conditionality** with complying with EU rule of law standards + Enshrining a 2050 climate neutrality goal

 - ▶ Definition of transport poverty → "Households that have a high share of mobility expenditure to disposable income or a limited availability of affordable public or alternative modes of transport required to meet essential socio-economic needs," particularly in remote and rural areas
 - Request for entry into force in 2024, instead of the proposed 2025

Next steps: The amendments will be discussed in the EP Plenary, and once the file is voted upon, negotiations with the EU Council will start



Tour de table

Discussion



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



SUPEERA developments

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



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

- ▶ 1st: 20 May 2022 on **Hydrogen** → **Mark your calendars!**
- 2nd: November/December

Policy Briefs

- ▶ 1st: By end of February/mid-March 2022: Recast of the Energy Efficiency Directive → Soon in your mailbox for review!
- 2nd: By end of May/mid-June 2022: Biodiversity
- ▶ 3rd: By end of September/mid-October 2022: Sustainable Carbon Cycles
- ► 4th: By end of November/early December 2022: TBD



REPORT - Meeting EC-EERA-E3G- BEUC: Towards a "humancentric" digital transformation of the energy sector



EERA Strategy Working Group



Open consultations

EC public consultations

Policy Topic	Stage	Close by	
Energy Efficiency – Revision of the Energy Performance of Buildings Directive	Open	18 March 2022	Submit feedback
Gas networks – revision of EU rules on market access	Open	18 March 2022	Submit feedback
Climate Change – new rules to prevent methane leakage in the energy sector	Open	18 March 2022	Submit feedback
Gas networks – revision of EU rules on market access	Open	18 March 2022	Submit feedback
EU Solar Energy Strategy	Open	12 April 2022	Submit feedback
Renewable energy projects – permit-granting processes & power-purchase agreements	Open	12 April 2022	Submit feedback
Certification of carbon removals – EU rules → Internal deadline: Friday 4 March!	Open	2 May 2022	<u>Link</u>
EU energy policy – revamping the Strategic Energy Technology Plan	In preparation	Third quarter 2022	Link



For your agendas

For your agendas

EERA Events

- 18 March EERA + JP Wind Policy Event
- 04 May EERA General Assembly
- 20 May SUPEERA Webinar on Hydrogen
- 22 & 23 June EERA Annual Strategy Meeting



- 7 & 8 March <u>European Climate Conference</u>
- 9 March <u>A Successful Transition: From accessible</u> <u>low-carbon energy to sustainable finance</u>
- 15 March Industrial Policy Tools for Low-Carbon Industrial Transformation
- 27 & 28 April <u>Science advice under pressure: a</u> <u>conference by the European Commission's</u> <u>Scientific Advice Mechanism</u>
- 30 May to 05 June EU Green Week
- 26-30 September <u>EU Sustainable Energy Week</u>
- 19-21 October <u>International Conference on</u> <u>Research Infrastructures (ICRI)</u>









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