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EERA statement on the "Fit for 55" package

On 14 July 2021, the European Commission (EC) adopted 14 proposals to make the EU's climate, energy, transport, and taxation policies tailored to reduce net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. With the package 'Fit for 55: delivering the EU's 2030 Climate Target on the way to climate neutrality', the EC has put forward the legislative tools to deliver on the targets of the European Climate Law and fundamentally transform the European economy and society. Through the package, the European Commission also intends to send a clear signal to the financial system since the EU sustainable finance package currently under discussion – of which the Taxonomy Regulation is part – represents the instrument designed by the EU to finance the transition to a netzero society. As Europe's largest energy research community, the European Energy Research Alliance (EERA) welcomes the adoption of the 'Fit for '55' package. EERA considers that achieving the targeted emission reduction in the next decade will be crucial to make Europe the world's first climate-neutral continent by 2050 and realise the European Green Deal's objectives.

The Alliance recognises the importance of research and innovation (R&I) in promoting smart, future-oriented policies and encourages technological and social innovation. In this respect, the 'Fit for 55' package perfectly illustrates EERA's driving mission, i.e. that **designing effective transition pathways calls for a holistic, systemic, cross-sectoral, and interdisciplinary approach**. EERA indeed believes that while the change will require massive and accelerated R&I investments for delivering the needed clean technologies - half of which are still in development or in their infancy - transitioning to net-zero will require a fast transformational change in all aspects of our society. It is then crucial that the European R&I agenda goes beyond technological innovations and incorporates challenges related to R&I in the social domain.

Against this backdrop and concerning the specifics of the legislative proposals encompassed by the package, EERA would furthermore like to submit to the attention of the EU policymakers the following set of preliminary policy considerations. More specifically, the alliance:

- Welcomes the proposed extension of the Emission Trading System (ETS) to new sectors by including emissions from maritime activities and introducing a new, separate emissions trading system to cover emissions from fuels used in road transport and buildings. In this respect, it is sees it as essential to pair the instrument with the Social Climate Fund to compensate less affluent consumers for higher fuel costs. It is also imperative for the ETS to be continuously assessed against the legislative framework already in place not to create disincentives and critical trade-offs;
- Supports the introduction of **CO2** emission standards for cars and vans, which *de facto* point to a phase-out of internal combustion engine (ICE) vehicles from 2035 and considers the proposal an example of how regulatory measures can effectively support innovation;
- Endorses the reinforced level of ambition in the revised proposal for the Energy Efficiency
 Directive, while strongly encouraging EU policymakers to include in its scope the pivotal
 concept of energy sufficiency, which is now missing, to maximise impact;
- Appreciates the Commission's proposal to align the taxation of energy products with EU energy and climate policies under the **revised Energy Taxation Directive**, thereby promoting clean







technologies and removing outdated exemptions and reduced rates that encourage the use of fossil fuels;

- Strongly supports an **EU carbon border adjustment mechanism** to create a sustainable marketplace for low carbon footprint products;
- Upholds the strengthened ambition of the Land Use, Land Use Change and Forestry (LULUCF) regulation, particularly concerning the biodiversity emergency. In this regard, it welcomes the linkages made in the proposal between LULUCF, the Biodiversity Strategy, and the Farm to Fork Strategy to couple the transition towards climate neutrality with a push towards protecting degraded ecosystems and restoring nature.

In more general terms, EERA considers that the package is a clear example of how **no single policy will be sufficient to create the momentum needed to engender the expected economic and societal change**. As 'Fit for 55' shows, **breaking the silo-based approach** currently characterising the EU policy landscape is more relevant than ever. In the same direction, the alliance believes that all Clean Energy Transition (CET) – related policies and research roadmaps should be designed in the context of stronger interlinkages between different energy carriers, infrastructures, and consumption sectors. This will be crucial to achieve greater overall policy coherence and maximise impact. Additionally, **twinning technological and societal transformation** will be critical in delivering the transition. These aspects form an integral part of the holistic perspective needed to bring about the change necessary to stop the climate crisis and need to be carefully thought through.

Finally, enhanced, concerted action by public bodies, industry, and the R&I community will be required for the 'Fit for '55' objectives to be translated into reality. EERA is fully committed and ready to play a pivotal role in this process by mobilising energy R&I players across Europe. The outcome of such effort will directly shape the achievement of the EU 2030 and 2050 energy and climate targets and the EU's success in shaping a highly desirable, fair, sustainable, and climate-neutral future.

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The European Energy Research Alliance (EERA) is the association of European public research centres and universities active in low-carbon energy research. EERA pursues the mission of catalysing European energy research for a climate-neutral society by 2050. Bringing together more than 250 organisations from 30 countries, EERA is Europe's largest energy research community. EERA coordinates its research activities through 18 Joint Programmes and is a key stakeholder in the European Union's Strategic Energy Technology (SET) Plan. In line with its mission, EERA is committed to supporting Europe in achieving a successful energy transition in line with the EU's climate 2050 goals and Paris commitments. For further information, see https://www.eera-set.eu/. EERA Transparency Register number: 339037837173-73.

