Accelerating clean energy innovation

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The European Parliament adopted by 559 votes to 63, with 43 abstentions, a resolution on accelerating clean energy innovation.

The EU must remain ambitious in its policies and instruments in order to maintain its global leading market position in clean energy research and innovation. Energy-related research and innovation was recognised as a priority area under FP7 and Horizon 2020, and should continue to be one under FP9, given the Union's commitments within the Energy Union and under the Paris Agreement, so as to leverage public and private R&D funding more effectively, and to help lower the investment risks of most prospective innovation in clean energy, particularly in energy efficiency and renewables.

In this regard, Parliament noted that the EU needs to **send strong and consistent signals** and create incentives, in order to provide investor certainty and boost private investment in clean energy innovation, R&D and deployment.

Coherence with other EU policies: although welcoming the Commission communication setting the framework for accelerating the EU's clean energy innovation, Parliament stressed the need for a regulatory and financing framework for energy innovation that is coherent with the EU's energy roadmap 2050 and its commitments under the Paris Agreement.

It stated that the successful deployment of energy innovation is a **multidimensional challenge** that encompasses both supply- and demand-side value chains, human capital, market dynamics, regulation, innovation and industrial policy issues. The importance of further liberalising European energy markets, notably by removing obstacles to free price formation and phasing out energy subsidies was also stressed.

Parliament emphasised the importance of:

- putting in place **mechanisms for coordinating** EU, national and regional research and energy innovation programmes in order to foster synergies and maximise the market uptake of new technologies;
- **reducing the complexity of existing financial instruments** in order to improve the coherence between the relevant funds, including the Structural Funds, dedicated to clean energy projects;
- setting up within the Commission a dedicated inter-service team specifically responsible, *inter alia*, for new planning of common research and innovation policies;
- further supporting investments in sustainable sourcing of raw materials and steer innovation towards better product design, recycling and reuse of existing metals and materials in a circular economy;
- ensuring that **work on innovation and standards and interoperability** is coordinated so that the Union can achieve global leadership in setting standards in clean energy 'Internet of Things'-integrated sectors.

Long-term financing certainty: Parliament reiterated its call for an increased overall budget of at least **EUR 120 billion** for FP9 (2021-2027). It urged the Commission to increase the proportion of related financing for sustainable, low-emission energy projects under FP9 by at least **50 %** over and above the corresponding Horizon 2020 amounts, so as to ensure sufficient funding to support EU's energy transition and the effective implementation of the Energy Union.

Citizen-driven energy innovation: Members pointed out that a cost-effective energy transition towards environmentally friendly, consumer-oriented and more digitalised and decentralised systems with **active**

prosumers and prosumer communities requires research and the deployment of innovation across all energy system sectors.

Accelerating clean energy innovation requires Europeans to undergo a change in their mind-set that would transcend simple awareness of energy issues and move towards a **deeper understanding of the behavioural changes**, especially in energy savings and new production and consumption patterns.

The Commission is urged to:

- pay more attention in its R&D initiatives to the link between innovation in energy systems and new professional profiles, education needs, jobs and training requirements;
- assist in empowering local and regional authorities in the deployment of clean energy innovation, such as smart cities, e-mobility and smart and micro-grids;
- encourage the Commission to support existing funding for electric vehicles infrastructure deployment;
- support and develop further initiatives such as the Europe-wide electro mobility initiative and the Fuel Cells and Hydrogen Joint Undertaking;
- ensure the financing of innovation aimed at the development of hydrogen storage and advanced long-term storage solutions for electric vehicles, the development of a hydrogen charging infrastructure, as well as infrastructure and plug-in solutions, including charging infrastructure for electric vehicles.

The resolution encouraged the Member States and local authorities to take further initiatives, such as **fiscal incentives** in relation to the market penetration of electric and hydrogen vehicles, tax reductions and exemptions for the owners of electric and hydrogen vehicles, as well as various other initiatives in relation to the promotion of the use of electric vehicles, such as price reductions, bonus payments and premiums for the buyers of electric vehicles, and the creation of free parking spaces for electric vehicles.

Lastly, the Commission was invited to (i) exploit the full potential of the Mission Innovation initiative so that its members can honour their commitment to double the annual spending on clean energy R&D between 2015 and 2020; (ii) develop a comprehensive export strategy for clean and sustainable energy technologies through a dedicated support facility.