

Council of the European Union

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NOTE		
From:	Presidency	
То:	Delegations	
Subject:	Innovative energy technologies promoting climate neutrality	
	- Presidency background note	

Delegations will find attached the Presidency background note on the above subject, with a view to the lunch debate at the Transport, Telecommunications and <u>Energy</u> Council on 24 September 2019.

## ANNEX

## Innovative Energy Technologies Promoting Climate Neutrality

Informal lunch discussion of EU Energy Ministers

Achieving long-term European energy and climate policy targets requires substantial investments in innovative energy technologies. Smart integration of the electricity, heating, transport and industry sectors is necessary in order to accelerate the deployment of clean energy solutions across the economy.

The Commission analysed a wide range of technology options to deeply decarbonise the EU in the Communication 'A Clean Planet for all – A European strategic long-term vision for a prosperous, modern, competitive and climate- neutral economy (LTS)'. Investing in energy research and innovations in the 2020s is crucial in order for the EU to develop a wide range of cost-efficient technologies enabling deep decarbonisation post-2030. A key task at national and EU level is to establish the long-term policy incentives for both developing and deploying energy technologies that promote climate neutrality.

At EU level, the Energy Union constitutes the tool for the transition towards a secure, competitive and climate-neutral economy. Under its Research, innovation and competitiveness dimension, efforts focus on coordinating research and helping to finance projects. The European Strategic Energy Technology Plan (SET-Plan) has a key role in promoting European energy research and innovation in partnership with stakeholders.

In parallel, via the National Energy and Climate Plans (NECPs), Member States are invited to align their energy research and innovation efforts with their national 2030 energy and climate policy priorities, which are in turn linked to the Energy Union Strategy. Member States are further encouraged to establish clear, measurable and quantified research and innovation objectives with a 2030 and 2050 perspective in mind and to accompany those objectives with concrete policies and measures. The June Energy Council highlighted the potential of energy technology in the conclusions on the Future of Energy Systems in the Energy Union to ensure the energy transition and the achievement of energy and climate objectives towards 2030 and beyond, and stressed the need for the energy transition towards an affordable, safe, competitive, secure and sustainable energy system, and the achievement of energy and climate targets towards 2030 and beyond. To that end, the Council highlighted the development of interconnected, reliable and cost-effective energy networks and the modernisation of the energy system through the promotion of innovative technologies. In that context, the Council recognised the principle of technology-neutrality. The Council also called on the European Commission to analyse sector coupling and sector integration technologies.

At the July informal meeting of Ministers responsible for Competitiveness (Internal Market and Industry), one of the policy debates focused on the competitiveness/climate nexus. During the debate, several Member States stressed the importance of directing R&D investments in climate solutions, the benefits of technology-neutral policies, the complementarity of different forms of financing and the role of the internal market in achieving climate goals.

## The Presidency invites Ministers to discuss this topic informally over lunch and to consider the following guiding questions:

- How to best encourage the development and deployment of innovative energy technologies promoting climate neutrality in the EU?
- How to accelerate smart sector integration to deploy clean energy across the economy?