# **European Parliament**

2014-2019



## Committee on Regional Development

2017/2084(INI)

8.12.2017

# **OPINION**

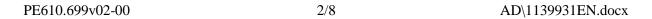
of the Committee on Regional Development

for the Committee on Industry, Research and Energy

on accelerating clean energy innovation (2017/2084(INI))

Rapporteur: Monika Smolková

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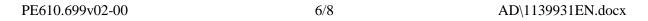
#### **SUGGESTIONS**

The Committee on Regional Development calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Recalls that Article 8 of the Common Provision Regulation (CPR) lays down that 'the objectives of the ESI Funds shall be pursued in line with the principle of sustainable development', with the EU's aim of preserving, protecting and improving the quality of the environment, and with its commitments under the Paris Agreement; stresses, in that regard, the need for greater coherence between the EU's sectoral and funding policies; urges the Commission and the Member States to involve cities, regions and civil society, giving them an active role in drawing up and implementing specific measures;
- 2. Recalls that the Partnership Agreements and programmes under the CPR aim to promote resource efficiency, climate change mitigation and adaptation, and the horizontal principles of partnership, multi-level governance, non-discrimination and gender equality;
- 3. Recalls that the European Structural and Investment Funds (ESI Funds) provide important opportunities for energy innovation and its market deployment and in this way can play an important role in Europe's energy transition; welcomes the Commission's intention to put in place targeted financial instruments to achieve the right balance between grants and financial instruments and underlines that public-private partnerships (PPPs) and joint undertakings in the field of research, development and innovation could encourage private sector investments in clean energy; emphasises that support for regions and cities under the ESI Funds must be stepped up in the area of the energy transition; points out, specifically, that economic support and resources for the implementation of local energy renovation programmes should be increased; urges the Member States and the Commission to stop direct or indirect support for distorting or environmentally harmful subsidies, in order to redirect financial flows towards clean energy research; recalls the EU's 2020 strategy pledge to prioritise energy efficiency and renewable-based initiatives;
- 4. Notes the overall progress in the implementation of the Europe 2020 goals as regards the renewable energy transition; underlines, however, that the results vary significantly among different Member States; points out that increased investment in clean energyrelated scientific endeavours could help both in achieving set tasks and producing tangible outcomes; recalls that binding standards and targets can address climate change and environmental concerns, ensure the sustainable security of supply and maintain the EU's competitive advantage in the field of climate-friendly energy technologies; underlines that most of the clean energy technologies used currently (for example, wind and solar power) are highly dependent on variable natural factors that may compromise the stability of energy supply in separate regions or even Member States, and calls, therefore, for adequate attention to be paid to the interconnectivity of electricity grids, power reserve balancing, storage and other measures necessary for a fully functional common energy market; calls for investment in both research and innovative projects to be focused in particular on renewable energy cooperatives, renewable energy decentralisation and self-generation initiatives, and on innovative action on the part of

- SMEs; points out, in addition, the importance of maintaining territorial balance in the EU and of providing more extensive support for regions and cities that are less developed in this sense;
- 5. Considers that the smart specialisation approach (resulting in over 120 research and innovation strategies for smart specialisation), as set up by the reformed cohesion policy for 2014-2020, should be further developed; encourages also, in this context, the setting up of interregional partnerships, including on energy, with a particular focus on cross-border cooperation projects; stresses the need to improve information for beneficiaries at local and regional level in order to ensure the greatest possible involvement of small and medium-sized enterprises active in this field, along with young entrepreneurs, as well as cooperation with universities to ensure swift implementation of innovative solutions; stresses that continuous and reinforced cohesion policy is required in the post-2020 period if the EU's clean energy goals are to be achieved;
- 6. Emphasises the special characteristics of and opportunities provided by certain territories, such as the outermost regions, when it comes to innovation in clean energy; underlines, in this context, that additional support is needed for less developed, remote and rural regions to ensure energy convergence across all the EU regions;
- 7. Insists on the importance of a bottom-up, multidisciplinary and technology-neutral approach involving all relevant stakeholders local, regional and national authorities, universities and SMEs in order to stimulate research, development and innovation, in terms of both technology and partnerships under the umbrella of the European Innovation Council, which can contribute with innovative products, in particular through start-up and scale-up measures for SMEs; stresses that to ensure successful energy transition, regional and local authorities and stakeholders, including smaller ones, should be involved in the policy-making process at the early stage;
- Is concerned about the variety and complexity of the existing financial instruments 8. (Horizon 2020, ESI Funds, European Fund for Sustainable Development, European Fund for Strategic Investments, etc.), which could be used as an additional tool only for those sectors in which they have proven to be more appropriate than grants for achieving cohesion policy objectives, and insists that efforts be made to simplify and coordinate these instruments so that regional and local authorities and small project promoters can access funding sources more easily and thus contribute to overall economic, social and territorial cohesion; emphasises that the instruments should be tailored to the specific needs of different regions; points out that in order to enhance synergies and mitigate the complementarity of EU funds, the one-stop advisory facility and the European Investment Project Portal should be further developed, with a view to directing potential investors towards suitable financing instruments; underlines that the simplification and leveraging of EU financial instruments through the mobilisation of private investment alone will not be sufficient, and that EU public funding will be required to cover necessary and ambitious infrastructure projects, given the difficulties in accessing financial instruments and the complexity of the procedures, which have been cited by beneficiaries as key obstacles; notes that there should be no mandatory target for the use of financial instruments in post-2020 cohesion policy; supports the idea of increasing climate-related spending in cohesion policy after 2020;

- 9. Stresses the need for a stable, sustainable, transparent and predictable regulatory environment for the development of innovative projects, with thematic and geographical allocation of resources and more straightforward dissemination of innovations to citizens; takes the view that Member States have a key role to play in the field of energy transition and stresses the need to coordinate research and innovation measures geared towards energy transition at EU level to meet the EU's energy targets; emphasises the importance of investing more energy in the transition of less developed regions so that they can exploit the potential of clean energy and the circular economy in order to ensure swift cohesion; encourages the Member States to join the Mission Innovation initiative and increase their research spending; believes that future ESI Fund planning should be better integrated with the national energy and climate plans for 2030;
- 10. Considers that the Urban Agenda for the EU is an important tool to engage cities and also to promote energy transition in the EU, and stresses the importance of incentives for innovation in the field of the energy efficiency of buildings, with a view to reducing energy consumption to a minimum in 2050; calls for a flexible, tailor-made approach in the implementation of the Urban Agenda, providing incentives and guidance to fully exploit the potential of cities; notes that regions and urban areas are most suitable for testing and implementing integrated energy solutions in direct connection with citizens; considers that synergies between EU policies should be strengthened through a unified and consistent EU position on anti-dumping measures, in order to ensure that the manufacturing industry takes full advantage of the energy transition;
- 11. Welcomes the forthcoming revision of the Energy Performance of Buildings Directive; calls, nevertheless, on Member States to launch further initiatives to improve conditions for energy-poor households; sees improved energy efficiency as an opportunity for the creation of new jobs, in particular in the building sector; recommends, therefore, that the bioeconomy be promoted, especially among young entrepreneurs active in the sector;
- 12. Underlines the need to extend the Investment Plan for Europe to SME funding as far as possible, which should be adapted to their requirements;
- 13. Believes that citizens should be at the centre of the energy transition and that a more decentralised bottom-up, user-centred energy system, in which consumers, local energy communities, cities and small-start-ups can participate and push future developments and innovations, represents a driver for innovation; endorses efforts, therefore, to support and harmonise the technological education of children and young people in the EU; notes the importance of administrative capacities and civic awareness with regard to the end goals and possibilities of involvement in clean energy transition;
- 14. Stresses the importance of identifying and tackling excessive bureaucracy and unfair market practices given their negative impact in the early stages of revolutionary emerging technologies;
- 15. Recognises the vital role of regions, cities and towns in promoting ownership of the energy transition worldwide and in pushing climate- and energy-related bottom-up innovation; calls for the application of the same environmental quality standards for all energy technology entering the EU market; expresses its concern about the safeguarding of urban green areas.



## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

| Date adopted                           | 7.12.2017   |
|--|---|
| Result of final vote                   | +: 30<br>-: 1<br>0: 0   |
| Members present for the final vote     | Pascal Arimont, Victor Boştinaru, Andrea Cozzolino, Rosa D'Amato, John Flack, Michela Giuffrida, Krzysztof Hetman, Ivan Jakovčić, Constanze Krehl, Iskra Mihaylova, Andrey Novakov, Konstantinos Papadakis, Stanislav Polčák, Fernando Ruas, Monika Smolková, Ruža Tomašić, Ramón Luis Valcárcel Siso, Ángela Vallina, Monika Vana, Matthijs van Miltenburg, Lambert van Nistelrooij, Derek Vaughan, Kerstin Westphal, Joachim Zeller |
| Substitutes present for the final vote | Viorica Dăncilă, Andor Deli, Tunne Kelam, Norica Nicolai, Bronis<br>Ropė, Claudia Schmidt, Milan Zver   |

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## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

| 30        | +   |
|-----------|---|
| ALDE      | Ivan Jakovčić, Iskra Mihaylova, Matthijs van Miltenburg, Norica Nicolai   |
| ECR       | John Flack, Ruža Tomašić  |
| EFDD      | Rosa D'Amato  |
| GUE/NGL   | Ángela Vallina  |
| PPE       | Pascal Arimont, Andor Deli, Krzysztof Hetman, Tunne Kelam, Lambert van<br>Nistelrooij, Andrey Novakov, Stanislav Polčák, Fernando Ruas, Claudia Schmidt,<br>Ramón Luis Valcárcel Siso, Joachim Zeller, Milan Zver |
| S&D       | Victor Boştinaru, Andrea Cozzolino, Viorica Dăncilă, Michela Giuffrida, Constanze<br>Krehl, Monika Smolková, Derek Vaughan, Kerstin Westphal  |
| VERTS/ALE | Bronis Ropė, Monika Vana  |

| 1  | -                      |
|----|------------------------|
| NI | Konstantinos Papadakis |

| 0 | 0 |
|---|---|
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# Key to symbols:

+ : in favour- : against0 : abstention