## **Investing in Low Carbon Technologies**

P7\_TA(2010)0064

European Parliament resolution of 11 March 2010 on investing in the development of low carbon technologies (SET-Plan)

(2010/C 349 E/16)

The European Parliament,

- having regard to the Council conclusions of 28 February 2008,
- having regard to the Commission's Communication on Investing in the Development of Low Carbon Technologies (SET-Plan) (COM(2009)0519) and the Working Papers drawing up the technology roadmaps 2010-2020 for the implementation of the SET Plan (SEC(2009)1295) and the R&D investment in the priority technologies (SEC(2009)1296),
- having regard to its resolution of 9 July 2008 on the European Strategic Energy Technology Plan (2008/2005(INI)) (1),
- having regard to Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) (²),
- having regard to Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (3),
- having regard to Regulation (EC) No 663/2009 of the European Parliament and of the Council of 13 July 2009 establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy (4),
- having regard to Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (5),
- having regard to Directive 2009/29/EC of the European Parliament and of the Council of 23 April 2009 amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the Community (6),
- having regard to the Commission's Communication of 10 January 2007 on Energy Policy for Europe, which defines the EU's core objectives for energy as sustainability, competitiveness and energy security (COM(2007)0001),
- having regard to its resolution of 10 February 2010 on the outcome of the Copenhagen Conference on Climate Change (COP 15) (7),

<sup>(1)</sup> Texts adopted, P6\_TA(2008)0354.

<sup>(2)</sup> OJ L 412, 30.12.2006, p. 1.

<sup>(3)</sup> OJ L 310, 9.11.2006, p. 15.

<sup>(4)</sup> OJ L 200, 31.7.2009, p. 31.

<sup>(5)</sup> OJ L 140, 5.6.2009, p. 16.

<sup>(6)</sup> OJ L 140, 5.6.2009, p. 63.

<sup>(7)</sup> Texts adopted, P7\_TA(2010)0019.

- having regard to the questions of 12 February 2010 on investing in the development of low carbon technologies (SET-Plan) (O-0015/2010 B7-0011/2010, O-0016/2010 B7-0012/2010),
- having regard to Rules 115(5) and 110(2) of its Rules of Procedure,
- A. whereas the European Union can only achieve its target of reducing greenhouse gas emissions by 20 %, and by 30 % in the event of an international agreement, reducing the use of primary energy compared with projected levels by 20 % and reaching a figure of at least 20 % of energy produced from renewable sources by 2020, if it increases its efforts to develop a portfolio of affordable, clean, efficient and sustainable low carbon energy technologies,
- B. whereas such technologies can be part of the solution to properly address the challenges of climate change, to secure EU energy supply and to ensure the competitiveness of our economies,
- C. whereas public and private energy research budgets have decreased since the 1980s; whereas the current level of resources does not match the scale of the challenges in moving towards a sustainable low carbon energy system,
- D. whereas financing is one of the major challenges in driving forward innovation in the field of energy in the EU.
- E. whereas in the field of the six European Industrial Initiatives (EIIs) the Commission identifies a need for public and private investment over the next 10 years of EUR 6 billion for wind energy, EUR 16 billion for solar energy, EUR 2 billion for electricity networks, EUR 9 billion for bio-energy, EUR 13 billion for carbon capture and storage (CCS), EUR 7 billion for nuclear fission and EUR 5 billion for the Joint Technology Initiative (JTI) on fuel cells and hydrogen,
- F. whereas the SET Plan has the objective, and the potential, of turning the EU into an innovative economy, thereby creating hundreds of thousands of new skilled jobs in the next decade and pushing forward a fast growing industrial sector,
- G. whereas the urgently needed shift in the energy paradigm calls for a risk-sharing approach, in which all relevant actors, public and private, have to take shared responsibility, which implies the need for more public financial support, but also the need for industry, banks and private investors to take greater responsibility for sharing technological and market risks,
- H. whereas research is chronically underfunded in the EU,
- 1. Welcomes the SET Plan as describing concrete actions for research in the field of clean, sustainable and efficient low carbon energy technologies; underlines its potential to turn the EU into an innovative economy; stresses also, that without this new approach the EU will not meet its energy and climate goals for 2020;
- 2. Recognises the need to increase substantially public and private investment in the development of sustainable low carbon energy technologies, in order to speed up the development, cost-effective deployment and fast, widespread application of these technologies over the next 10 years;
- 3. Believes strongly that funding needs for the implementation of the SET-Plan can only be met if additional public and private resources are made available and that the SET-Plan is only credible if new money is reallocated to it from the EU budget;
- 4. Calls on both public and private stakeholders to allocate immediately additional resources to the implementation of the agreed roadmaps, whereby the major part has to come from the private sector with a substantive increase in the portion of public investment both at EU and at national level;

- 5. Underlines that, in the light of the economic crisis, investing in those new technologies that have the greatest potential for job creation should be a priority; underlines that it will lead to the creation of markets, generate new revenue streams and contribute to the development of the EU's economy and competitiveness; stresses, finally, that it will, furthermore, strengthen the security of the EU's energy supply and reduce its energy dependency on a limited number of energy resources, suppliers and transport routes;
- 6. Reiterates its request to ensure adequate financing to support clean, sustainable and efficient low carbon energy technologies, which amounts in total to at least EUR 2 billion per annum of the EU budget being spent in addition to FP7 and CIP from 2010 onwards; calls, in this context, for the urgent establishment of a funding timetable by the Commission and the Member States of the resources they will commit to ensure that funds start flowing from 2010;
- 7. Calls, furthermore, on the Council and the Commission to take advantage of the debate on the midterm review of the current financial perspectives and on the debate of the next financial perspectives, in order to better align the current and future EU budgets with EU policy priorities, notably as regards research, climate action and security of energy supply;
- 8. Considers it absolutely necessary to rapidly use the EUR 300 million allowances set aside from the New Entrants Reserve of the EU Emission Trading Scheme (ETS) to support carbon capture and storage and innovative renewable sources of energy; urges the European Investment Bank (EIB) to align its lending criteria with eligible innovative renewable installations;
- 9. Reminds Member States that from 2013 onwards the ETS auction revenues are a crucial source of funding for climate mitigation and the deployment and development of sustainable low carbon energy technologies;
- 10. Calls for the role of the EIB in financing energy-related projects to be enhanced, in particular by increasing its lending target in the field of energy, by increasing its capacity to offer loan guarantees to energy projects and by improving the coordination and continuity of funding for higher-risk research and development energy projects;
- 11. Calls on the EIB to consider with adequate priority those projects that will realistically enhance the viability of sustainable low carbon technology demonstration (e.g. the development of smart grids and mini hydro facilities);
- 12. Welcomes the ongoing initiatives such as the Risk Sharing Finance Facility (RSFF), the 'Marguerite Fund' (2020 European Equity Fund for Energy, Climate Change and Infrastructure), venture capital and the High Growth and Innovative SME Facility (GIF), whose role in contributing to the financing of the SET-Plan initiatives should be strengthened and submitted to a proper evaluation process under a mid-term review;
- 13. Asks the Commission, in close cooperation with the EIB, to come forward without delay, and by 2011 at the latest, with a comprehensive proposal for an instrument to finance renewable energy and energy efficiency projects and smart grids development;
- 14. Stresses that the capacity of the EU research base needs to be enlarged and that further education and training is essential to provide the quantity and quality of human resources required to take full advantage of the new technology opportunities opening up;
- 15. Stresses the need to create the right conditions and a stable and favourable regulatory framework to support the establishment of public-private partnerships, which are a pre-requisite for implementing the SET-Plan and the European Industrial Initiatives (EIIs);
- 16. Calls on the Commission to ensure that technology manufacturers can apply directly for SET-Plan funding, not just as members of consortia with energy utilities as is the case for the economic recovery programme and the NER300;

- 17. Recognises that SMEs are a major driving force in the development of many sustainable low carbon energy technologies, in particular as regards developing more decentralised energy systems, and underlines, therefore, that access to public grants and loans, including funding under the SET-Plan, must be designed in an SME-friendly manner; calls for a very significant share of the EU funding available under the SET-Plan to be earmarked for SMEs;
- 18. Welcomes the focus on funding of demonstration projects (large scale); underlines, however, the need to make available funds for risky medium and long-term basic and applied research too;
- 19. Invites the European Energy Research Alliance (EERA) to launch and implement joint programmes for implementing the SET-Plan by developing strong links with the EIIs and to expand its activities; stresses that, if the EERA is fully to assume this role, sufficient funds should be allocated by EU and national budgets;
- 20. Expresses its concern at the fact that the European Research Council (ERC) is not planning any specific energy-related programmes, thereby demonstrating the lack of proper investment in basic research;
- 21. Welcomes the initiative of the European Institute of Technology & Innovation (EIT) to launch specific Knowledge and Innovation Communities (KICs) on sustainable energy and climate change adaptation and mitigation;
- 22. Welcomes the proposal that the new Smart Cities Initiative focusing on energy efficiency in European cities (in particular the signatories of the Covenant of Mayors) be added to the existing six EIIs with the aim of creating the conditions to trigger mass market take-up of energy efficiency and renewable energy technologies as well as smart distribution grids in urban areas; urges the Commission and the Member States to implement rapidly this new initiative that boosts the local economy and promotes social cohesion, involving fully local and regional authorities, which have a crucial role to play in the promotion and use of sustainable low-carbon energy technologies;
- 23. Reminds the Commission of its reporting obligations under the Energy Recovery Plan Regulation and its undertaking to make additional proposals that would allow funding for projects in the areas of energy efficiency and renewable energy sources if money remains after the call for proposals; notes that EUR 50 million are uncommitted; expects EUR 116,19 million of uncommitted money to be available for such projects;
- 24. Invites the Commission and the Member States to further explore and disseminate innovative approaches to urban planning and development, especially integrated urban planning that meets the needs for strengthened social inclusion, territorial cohesion, and strong deployment of sustainable energy and clean transport in order to build resilient urban systems;
- 25. Urges the Commission to come forward with complementary initiatives to exploit the great potential of other technological avenues mentioned in its Communication on Investing in the Development of Low-Carbon Technologies (SET-Plan) of 7 October 2009, as well as of salinity gradients and geothermal energy; stresses the need to make additional resources available from the EU budget in order to finance these;
- 26. Welcomes the selection of the six EIIs and the drawing up of the 2010-2020 technology roadmaps providing concrete objectives for making each sustainable low carbon technology cost-competitive, and invites the Commission to launch mature EIIs, ensuring that their governance structure is light, non-bureaucratic and transparent and that a central common feature is regular contact with the SET-Plan Steering Group and the EIB;
- 27. Invites the SET-Plan Steering Group to report to the European Parliament once a year and to envisage a wider structure of expertise by creating technical working groups in the areas of interest in order to involve a larger number of stakeholders in the discussion and decision process;

- Invites the Commission to foster international cooperation with other key strategic partners in developed, emerging and developing countries in the field of the development, deployment and diffusion of sustainable low carbon energy technologies, notably through funds such as GEEREF, which focuses on small-scale projects;
- Welcomes moves to foster cooperation in the field of energy technologies, such as the one initiated by the recent establishment of the EU-US Energy Council; calls, in this context, on the Energy Council to exploit synergies for implementing the SET-Plan;
- Calls on the Commission and the Member States to promote world-wide carbon emission trading to create a stable and fair competitive environment for the development and deployment of sustainable low carbon technologies;
- Asks the Commission to monitor the effective implementation of the SET-Plan, to introduce an accompanying evaluation system for this purpose, to assess any obstacles encountered in implementing the roadmaps and to inform Parliament regularly on the progress made on implementing the SET-Plan and its roadmaps;
- Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

# Effects of the Xynthia storm in Europe

P7 TA(2010)0065

European Parliament resolution of 11 March 2010 on the major natural disaster in the autonomous region of Madeira and the effects of the storm 'Xynthia' in Europe

(2010/C 349 E/17)

The European Parliament,

- having regard to Article 3 of the Treaty of the EU and Articles 191 and 349 of the Treaty on the Functioning of the EU,
- having regard to the Commission proposal for a Regulation establishing a European Union Solidarity Fund (COM(2005)0108) and to Parliament's position of 18 May 2006 (1),
- having regard to its resolutions of 5 September 2002 on floods in Europe (2), of 8 September 2005 on natural disasters (fires and floods) in Europe (3), of 7 September 2006 on forest fires and floods (4) and its resolutions of 18 May 2006 on natural disasters (forest fires, droughts and floods) - agricultural aspects (5), regional development aspects (6) and environmental aspects (7),
- having regard to the White Paper 'Adapting to climate change: Towards a European framework for action' (COM(2009)0147) and to the Communication from the Commission on a Community approach on the prevention of natural and man made disasters (COM(2009)0082),

<sup>(1)</sup> OJ C 297 E, 7.12.2006, p. 331.

<sup>(2)</sup> OJ C 272 E, 13.11.2003, p. 471.

<sup>(3)</sup> OJ C 193 E, 17.8.2006, p. 322.

<sup>(4)</sup> Texts adopted, P6\_TA(2006)0349.

<sup>(5)</sup> Texts adopted, P6\_TA(2006)0222. (6) Texts adopted, P6\_TA(2006)0223.

<sup>(7)</sup> Texts adopted, P6\_TA(2006)0224.