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European strategic energy technology plan

P6_TA(2008)0354

European Parliament resolution of 9 July 2008 on the European Strategic Energy Technology Plan (2008/2005(INI))

(2009/C 294 E/08)

The European Parliament,

- having regard to the Commission Communication entitled 'A European Strategic Energy Technology Plan (SET-Plan): Towards a low carbon future' (COM(2007)0723) (the SET-Plan Communication),
- having regard to the full impact assessment (SEC(2007)1508), the 'Technology Map' (SEC(2007)1510) and the 'Capacities Map' (SEC(2007)1511) accompanying the SET-Plan Communication,
- having regard to the Commission Communication entitled '20 20 by 2020: Europe's climate change opportunity' (COM(2008)0030),
- having regard to the impact assessment of the Package of implementation measures for the EU's objectives on climate change and renewable energy for 2020 (SEC(2008)0085),
- having regard to the Commission Communication entitled 'Supporting Early Demonstration of Sustainable Power Generation from Fossil Fuels' (COM(2008)0013),
- having regard to the Commission staff working document entitled 'The support of electricity from renewable energy sources' (SEC(2008)0057),
- having regard to the Commission Communication entitled 'An Energy Policy for Europe' (COM(2007)0001),
- having regard to the Commission Communication entitled 'Economic reforms and competitiveness: key messages from the European Competitiveness Report 2006' (COM(2006)0697),
- having regard to the proposal for a directive of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (COM(2008)0019),
- having regard to the proposal for a directive of the European Parliament and of the Council amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading system of the Community (COM(2008)0016),
- having regard to the proposal for a directive of the European Parliament and of the Council on the geological storage of carbon dioxide and amending Council Directives 85/337/EEC, 96/61/EC, Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC and Regulation (EC) No 1013/2006 (COM(2008)0018),
- 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) ⁽¹⁾,

⁽¹⁾ OJ L 412, 30.12.2006, p. 1.

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- having regard to Council Decision 2006/976/Euratom of 19 December 2006 concerning the specific programme implementing the Seventh Framework Programme of the European Atomic Energy Community (Euratom) for nuclear research and training activities (2007 to 2011) ⁽¹⁾,
 - 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) ⁽²⁾,
 - having regard to the proposal for a Council Regulation setting up the Fuel Cells and Hydrogen Joint Undertaking (COM(2007)0571),
 - having regard to its resolution of 25 September 2007 on the Road Map for renewable energy in Europe ⁽³⁾,
 - having regard to its resolution of 31 January 2008 on an Action Plan for Energy Efficiency: Realising the Potential ⁽⁴⁾,
 - having regard to its resolution of 13 March 2008 on the Global Energy Efficiency and Renewable Energy Fund ⁽⁵⁾,
 - having regard to its position of 11 March 2008 on the European Institute of Innovation and Technology ⁽⁶⁾,
 - having regard to the Presidency conclusions of the Brussels European Council of 8 and 9 March 2007,
 - having regard to the conclusions of the Transport, Telecommunications and Energy Council of 28 February 2008 on the European Strategic Energy Technology Plan,
 - having regard to the Presidency conclusions of the Brussels European Council of 13 and 14 March 2008,
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy and the opinion of the Committee on the Environment, Public Health and Food Safety (A6-0255/2008),
- A. whereas successive announcements by Parliament, the Council and the Commission have stressed that the objectives of European energy and climate policy are tackling climate change, improving energy security and enhancing the competitiveness of the European economy,
- B. whereas the threat posed by climate change continues to grow and the COP14 talks at Poznan and the COP15 talks at Copenhagen will be of critical importance to achieving an international agreement on climate change to replace the Kyoto protocol regime,
- C. whereas the Stern Review on the Economics of Climate Change recognises that the cost of not acting to mitigate climate change far outweighs the cost of action,
- D. whereas the European Union's dependency on imports of fossil fuels could increase to 65 % of total consumption by 2030,

⁽¹⁾ OJ L 400, 30.12.2006, p. 404.

⁽²⁾ OJ L 310, 9.11.2006, p. 15.

⁽³⁾ Texts adopted, P6_TA(2007)0406.

⁽⁴⁾ Texts adopted, P6_TA(2008)0033.

⁽⁵⁾ Texts adopted, P6_TA(2008)0096.

⁽⁶⁾ Texts adopted, P6_TA(2008)0081.

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- E. whereas the Commission has estimated that it will cost EUR 70 billion per annum by 2020 to achieve the European Union's greenhouse gas reduction and renewable energy targets,
- F. whereas improving energy efficiency is one of the most cost-effective means of cutting greenhouse gas emissions,
- G. whereas research and technological development are key to achieving the objectives of European energy policy,
- H. whereas better synergy in future European energy technology research can only stimulate sustainable economic growth, contribute to the comparative advantages of the European economy, improve employment and thus help achieve the objectives of the Lisbon strategy and combat climate change,
- I. whereas the Seventh Framework Programme (FP7) allocates only EUR 2,3 billion over the seven-year period to energy research,
- J. whereas private sector investment in research on energy technology is very limited in the European Union when compared to the efforts made by third-country competitors as well as other EU sectors,
- K. whereas public and private energy research budgets in the European Union have declined substantially since the 1980s; and whereas the European Union performs poorly when innovation indicators based on technology research spending levels are compared at international level,
- L. whereas public intervention in support of new, less-polluting energy technologies is necessary and justified since these are initially more costly than those they replace and, at the initial market-penetration stage, may therefore not be accompanied by either short-term trading profits or better prices for consumers,

Need for a Strategic Energy Technology Plan

1. Welcomes the European Strategic Energy Technology (SET-Plan); considers that a European energy technology policy with adequate financial support is fundamental to achieving the European Union's energy and climate change objectives for 2020;
2. Stresses that the European Union must deliver its greenhouse gas reduction, energy efficiency and renewable energy targets by 2020 whilst maintaining a competitive and sustainable economy; believes that the development and deployment of innovative, low-cost, low-carbon energy technologies, energy efficiency and renewable energy is essential to reducing the cost of cutting emissions, creating new markets for EU industry and securing a world-wide commitment to tackling climate change;
3. Considers that in order to achieve those targets it is vital to reduce the cost of green energy and boost innovation in the energy sector; believes that this makes it necessary to improve the process of technology transfer from research centres to enterprises, cut market penetration times, end the current technological and regulatory inertia and enhance network interconnectivity;
4. Believes that new technologies, particularly renewable energy and energy efficiency technologies, are also needed to facilitate the diversification of energy sources, reduce energy demand and provide less polluting and safer methods of using indigenous resources, in aid of security of energy supply; calls on the Commission to undertake an assessment of the European Union's energy resources;
5. Believes that the SET-Plan should support a wide range of activities which stimulate public debate on the merits of different new energy technologies, namely through consumer education and information campaigns;
6. Believes that cheaper, more effective low carbon technologies can contribute to achieving a new international agreement on climate change to replace the Kyoto protocol regime;

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Coordination and Strategic Planning

7. Stresses the need to enhance the coordination of Strategic Energy Technologies at various levels and among different partners; also stresses the need to avoid excessive bureaucracy, ensure simplicity and clarity and secure widespread participation of all potential partners when improving coordination, for example through the proposed European Community Steering Group on Strategic Energy Technologies and the proposed European Energy Research Alliance, which should be open to all European research centres regardless of their dimension or resources;

8. Supports the establishment of a high-level steering group and a transparent and easily accessible information system on energy technology, in particular for small and medium-sized enterprises, and asks the Commission to keep Parliament informed about the establishment of this group and its work and about the information strategy;

9. Notes that instruments developed under the Framework Programmes (ERA-NETs, NoEs, ETPs) could be used to support the future European Energy Technology Information System;

10. Emphasises that coordinated cooperation with the Member States is vital in order to achieve the targets set, maximise benefits and reduce costs; believes that the Community instruments that operate at Member State level, such as the Structural Funds, may bolster research, development and innovation capacities in those areas;

11. Emphasises the vital importance of improving coordination with third countries and reinforcing international cooperation in order to implement a coherent and differentiated strategy in relation to developed, developing and emerging economies;

12. Stresses that the capacity of the European Union 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; believes that an integrated approach across the FP7 specific programmes could be beneficial in this regard;

13. Draws attention to the potential risk of duplication and multiplication of new initiatives; calls on the Commission to consider how the new European Industrial Initiatives (EIIs) will fit in with existing programmes, including FP7 and more specifically the European Technology Platforms, the Joint Technology Initiatives decided upon under FP7, the Competitiveness and Innovation Framework Programme (CIP) and, in particular, with the European Institute of Innovation and Technology and its Knowledge and Information Communities on climate change and energy; calls on the Commission to explain how the EIIs will support synergies between Community and national level;

14. Reiterates that the SET-Plan needs to build energy research and innovation capacity on an EU scale; agrees with the Commission that pan-European research infrastructures form part of the solution; asks, therefore, the European Strategy Forum on Research Infrastructures to identify the need for European research infrastructures in the field of innovative energy technologies, such as renewable energy technologies;

15. Believes that the trans-European energy networks and simplified authorisation procedures in this sector play a fundamental role in the European Union's strategic energy policy;

Research and technology transfer

16. Stresses that necessary coordination has to extend to the various scientific and technological fields which, owing to their multidisciplinary nature, play a part in energy technology research and development; emphasises, in this respect, the need to boost research in basic sciences such as biology, information technology, materials science and macro-technologies;

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17. Asks the Commission to take into consideration the potential for employment of energy technologies in the more recently acceded Member States and to introduce supporting mechanisms based on the EU policies;
18. Emphasises the need to improve the transfer of technology from research centre to enterprise; urges that the new European Institute of Innovation and Technology play a role in this field;
19. Urges that the private sector invest more in research and assume greater risks, this being a prerequisite for the European Union to become a frontrunner in this area;

European Industrial Initiatives

20. Strongly believes that increased support is needed for low carbon technologies in the demonstration and commercialisation phase for new decentralised renewable technologies; welcomes the proposed EII, therefore; stresses, however, the need also to increase support for R&D in technologies that will be needed over the longer term, with particular emphasis on strategically important technologies such as solar energy technologies that can lead to an energy-independent European Union in the long term;
21. Considers that the EIIs should be focused on areas with the greatest potential to help achieve the European Union's climate change, energy efficiency and renewable energy objectives on a sustainable basis and for reduced costs and replication in the long term;
22. Calls for the life cycle of each technology and its environmental impact at each stage of the production processes to be taken into account when prioritising EIIs; calls for the possibility of transferring those technologies to developing economies to be taken into consideration in order to reduce the technology gap with those countries;
23. Calls for enhanced technology transfer with the developed countries and for the establishment of scientific cooperation with those countries for the development of new energy technologies;
24. Supports the Commission's proposal that EIIs should be developed differently to suit the needs of specific technologies; believes that such adaptability would enable the development of strategic alliances between Member States, local and regional governments, research centres and the private sector for the development of particular technologies; calls on these bodies to work together to develop detailed proposals for EIIs as a matter of urgency;
25. Strongly supports the proposed EIIs on wind, solar, bio-energy, CO₂ capture, transport and storage, electricity grids and nuclear fission;
26. Calls, in particular, for biofuels research to be intensified so as to ensure that the overall environmental impact of producing such fuels is unequivocally beneficial;
27. Notes the importance of developing large-scale biomass to gas conversion to produce hydrogen and liquid synthetic fuels for sustainable transport technologies;
28. Stresses that the EII on nuclear fission should enable continuity and include the R&D work on third and fourth generation technologies;
29. Regrets that the SET-Plan focuses mainly on supply side measures and omits measures to reduce energy demand, such as energy savings and energy efficiency;
30. Insists that energy efficiency should figure more prominently in the SET-Plan, since it is the area with the most potential for cost effective emission reductions in the medium term, particularly in the building sector, which accounts for 40 % of the total EU energy consumption; calls, therefore, on the Commission to add energy efficiency technologies, including co- and poly-generation, to the areas covered by the EIIs; supports the inclusion of energy efficiency as one of the priorities covered by the EIIs;

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31. Asks the Commission to investigate the possibility of extending the EITs proposed to other sectors with significant emissions reduction potential such as cogeneration, hydrogen, the construction and housing sector, heating and cooling systems, better energy storage and distribution infrastructures and interconnection of networks;

32. Believes that the development of carbon capture and storage (CCS) technology could play a role in reducing greenhouse gas emissions, provided its efficiency and safety is assured; calls on the Commission to facilitate the realisation of up to 12 proposed CCS full-scale demonstration projects within the EITs; notes that support for clean coal technologies, as coal to gas conversion, will make it easier and cheaper to deploy CCS with the possibility of making it mandatory in the future;

Financing

33. Awaits the Commission's proposed Communication on financing for new low carbon and CCS technologies; regrets that that Communication was not published together with the SET-Plan;

34. Stresses that the SET-Plan should not be financed through the reallocation of funds made available for energy under FP7 or CIP;

35. Believes that, given the priority attached to climate change and energy issues, significant additional EU resources for energy efficiency and renewable energy technologies are needed and should be deployed to help to meet the EU's 2020 targets;

36. Encourages the Commission urgently to ensure adequate financing and support for new low carbon and zero carbon technology R&D, demonstration and commercialisation, so that from 2009 onwards, at least EUR 2 billion per annum of the European Union budget is spent on support for such technologies independently from FP7 and CIP; also calls on the Commission to put forward proposals for additional resources in the mid-term review of the financial framework 2007-2013;

37. Considers that better and greater use should be made of both financial and human resources to speed up the development and deployment of clean future technologies;

38. Emphasises the need to increase EU research capacity; calls, therefore, for more funding for human resources and training in the energy technology sector; calls also for greater coordination between Community and national financial instruments to support training and research, in particular the FP7;

39. Supports, in the light of the need for more complementarity between EU funds, the proposals in the Commission Communication entitled 'Competitive European regions through research and innovation' (COM(2007)0474); welcomes, in that context, the Commission's practical guide on coordinating EU funds from regional, national, EU and European Investment Bank (EIB) sources in the field of R&D and innovation; agrees with the Commission that there is a need to communicate better to stakeholders the provision of Article 54(5) of Council Regulation (EC) No 1083/2006 ⁽¹⁾ concerning the use of funding from two different Community sources for the same set of eligible costs;

40. Calls on the Commission, when presenting the financial plan, to explain where joint EU action provides added value in the various technology sectors and set out the findings relating to the sustainability of the various technological developments;

41. Notes the need for resources to be deployed in partnership with industry, in order to leverage private sector investments in new low carbon technologies; stresses the need for a clear long-term vision and financial framework, supported by financial institutions such as the EIB, in order to give private sector partners sufficient certainty to invest; stresses the need to involve SMEs, particularly in technologies for dispersed energy supply systems;

⁽¹⁾ OJ L 210, 31.7.2006, p. 25. Regulation as amended by Regulation (EC) No 1989/2006 (OJ L 411, 30.12.2006., p. 6).

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42. Notes that, under the proposed revision of the EU Emissions Trading Scheme, auction revenues could provide a significant source of funding for enhancing the European Union's security of supply in energy while achieving its targets as regards climate change, energy efficiency and renewables;

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43. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.

Sovereign Wealth Funds

P6_TA(2008)0355

European Parliament resolution of 9 July 2008 on sovereign wealth funds

(2009/C 294 E/09)

The European Parliament,

- having regard to the Commission Communication on a common European approach to Sovereign Wealth Funds (COM(2008)0115),
 - having regard to the ongoing work of the International Monetary Fund (IMF) and, in particular, of the International Working Group on Sovereign Wealth Funds,
 - having regard to the report of the Organisation for Economic Cooperation and Development (OECD) Investment Committee adopted on 4 April 2008,
 - having regard to Articles 64 and 65 of the Treaty on the Functioning of the European Union (TFEU) (ex Articles 57 and 58 of the Treaty establishing the European Community),
 - having regard to Rule 108(5) of its Rules of Procedure,
- A. whereas sovereign wealth funds (SWFs) have been active in global financial markets for more than 50 years,
- B. whereas no disruption of financial markets may be attributed to the activities of SWFs,
- C. whereas the ownership structure of SWFs places them outside the scope of EU financial market regulation,
- D. whereas the investment strategy of SWFs has shown a preference for long-term, stable investments,
- E. whereas there is some concern regarding a lack of transparency in some SWFs as regards their assets, investment strategies, profits and governance structures,
- F. having regard to SWFs' role during the recent financial crisis in saving some major financial institutions from bankruptcy,
- G. having regard to the growth potential of SWFs,
- H. whereas the European Union should remain firmly committed to a policy of openness to investments and free movement of capital,