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COMPROMISE AMENDMENTS 43 - ITRE 1

Draft motion for a resolution

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Supported by EPP, S&D, Renew, Greens/EFA, The Left

Compromise amendment replacing amendments: 409, 412, 413, 414, 419, 420, 421, 422, 425

And ITRE paragraphs:

Energy policy: 1, 2, 3, 4, 6, 7, 8, 12, 13, 14, 16, 18, 19

Industry, SMEs and competitiveness: 22, 23, 26, 27, 28, 29, 30

Research, innovation, digital technologies and space policy: 31, 32, 33, 34, 35, 36, 37

Energy policy

1. Welcomes all initiatives to reduce the EU's dependency on fossil fuels; notes the ongoing work of the EU with international partners to diversify energy supplies;
2. Highlights that climate change and extreme events are having an impact on our energy systems, including the production of hydropower, bioenergy yields, the efficiency of thermal power plants, and heating and cooling demands; recalls the need of developing more feasible power system retrofit options that support infrastructure resiliency, reliable power systems, and efficient water use for existing and new power generation systems;
3. Welcomes the higher EU-binding targets agreed by the co-legislators in 2023 for renewables under the revised renewable energy directive of 42,5 %, and the aim to achieve 45% and for energy efficiency under revised energy efficiency directive of 11,7 %;
4. Highlights the central role of energy efficiency and a diversified energy system, in the transition towards a climate-neutral economy¹; recognizes the progress achieved in the build-out of renewable energy sources and calls at the same time for further build-out of energy efficient actions such as sector integration and reuse of excess heat; acknowledges however the importance of aligning renewable energy and energy efficiency targets to achieve climate neutrality at the latest by 2050 and to comply with the Paris Agreement; recognizes that an increased ambition of the Union's 2030 energy efficiency target should be compatible with the needed increase and uptake of electrification, hydrogen, e-fuels and other clean technologies necessary for the green transition;
5. Recalls the need for a massive scaling-up and speeding-up of permit-granting procedures for renewable energy projects, making them as predictable as possible;
6. Recalls the Union's commitment to the Energy Efficiency First principle, taking into account cost efficiency, system efficiency, storage capacity, demand side flexibility and security of supply; underlines the importance of mainstreaming and implementing the principle in all relevant legislation and initiatives, policy decisions and across all sectors where appropriate; points out the untapped potential of energy efficiency in sectors such as industry², IT, transport and buildings, including heating and cooling; calls on the Commission and Member States to rapidly implement ambitious targets as set in recently

¹ IPCC 2023 synthesis report AR6,

https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_LongerReport.pdf

² It is estimated that the economic potential of reducing final energy consumption for industry by 2030, compared to business as usual, is 23.5 %.

agreed Energy Efficiency Directive recast;

7. Believes that for the Union to achieve climate neutrality its energy system should be integrated and based on a cascading priority starting from implementing the energy efficiency first principle; recalls that, in order to have an impact, the energy efficiency first principle needs to be consistently applied by national, regional, local and sectoral decision makers in all relevant scenarios and policy, planning and major investment decision and that this principle implies adopting a holistic approach, which takes into account the overall efficiency of the integrated energy system, security of supply and cost effectiveness and promotes the most efficient solutions for climate neutrality across the whole value chain, from energy production, network transport to final energy consumption, so that efficiencies are achieved in both primary and final energy consumption; considers that such an approach should look at the system performance and dynamic use of energy, where demand-side resources and system flexibility are considered to be energy efficiency solutions;
8. Highlights the need to accelerate the electrification of energy demand, building on a renewables-based power system; stresses the need for the electricity markets to integrate renewable energy sources flexibility demand and energy storage; calls for a future proof climate-responsive electricity market, prepared to tackle energy prices shocks; welcomes the reform of the EU's electricity market design, in order to accelerate a surge in renewables and the phase-out of gas, ensure affordable consumer bills that are less dependent on volatile fossil fuel prices, better protect consumers from future price spikes and potential market manipulation, and make the EU's industry clean and more competitive;
9. Highlights that energy policies should be pursued in line with the principle of a fair and just transition as well as in close cooperation with civil society and social partners; considers, therefore, that public policies, stronger social partnerships and civil society engagement at both local, national and EU level are fundamental to achieving climate neutrality across all sectors of society in a fair, inclusive and socially sustainable way;
10. Calls for European leadership in the renewable industry and its supply chains be as part of EU's industrial policy;
11. Encourages the ongoing work to revise the Directive on Energy Taxation aiming to align taxation policies to the energy and climate targets for 2030 and 2050, while assessing the impacts, including on consumers, energy and transportation poverty;
12. Stresses that although Europe is working towards meeting its ambitious goals, achieving global net zero emissions at the latest by 2050 will require coordinated global actions; highlights that developing countries will require international assistance in order to achieve their green transition; stresses the importance of enhancing close cross-border cooperation and best practices sharing with international partners in the fields of policy making and science, technology transfer, to promote energy efficiency and investments in sustainable energy technologies and infrastructure; welcomes that COP27 saw the launch of a new five-year program to promote climate technology solutions in developing countries;

Industry, SMEs and competitiveness

13. Believes that economic prosperity, social cohesion, job creation, sustainable industrial development and climate policy should be mutually reinforcing; highlights that combatting climate change should aim to reducing energy poverty, increasing resilience, competitiveness and provides opportunities for EU industry and SMEs that can be materialised if legislators commit to timely, tailor made, solidarity based and adequate policy response; deems it of the utmost importance for the Union to ensure a just transition, and a first mover advantage and to lead by example while ensuring a level-playing field for European industries globally;
14. Stresses that the Union should do its utmost to keep its industries' and SMEs' leading position and global competitiveness in the transition towards a net-zero greenhouse gas emissions economy; underlines the need to rapidly decarbonise the European industry further and to continue the Union support for this endeavour, in particular for solutions proportionate for take-up by SMEs; notes that the proposed Net-Zero Industry Act (NZIA) aims at increasing the European manufacturing capacity of net-zero technologies that are key in meeting the EU's climate neutrality goals; welcomes the initiatives undertaken for strategic value chains; recognises the positive effects on the European industries, including SMEs, stemming from adopting early strategies to fight climate change; stresses the necessity of establishing enforceable multi- and bilateral agreements between the EU and its partners; stresses the need to prevent the relocation of production and investments of the European industries and SMEs due to less ambitious climate measures existing outside the Union; considers that production and investments in Europe would strengthen the industrial value chain and strategic autonomy of the EU in light of the unstable global context; recognises that climate change is also affecting industrial and service sectors, causing occasional supply and operational disruptions, particularly from extreme weather events; stresses the need for industries to take adapting measures to the changing climate;
15. Recognises the essential role of SMEs, in particular micro enterprises and start-ups, in driving and delivering on employment and growth as well as in leading the way on the digital and green transitions; reminds that SMEs are an essential part of the European economic and social fabric which have to be supported and incentivised in this transition by legislators, in particular by ensuring access to financing for sustainable technologies, services and processes, and simplifying administrative procedures, and equal chances in public procurements; is concerned that SMEs opportunities and vulnerabilities are not sufficiently taken into account in all EU policies dealing the single market, including in the drive to digitalisation and the green transition;
16. Considers that the transition towards a sustainable economy needs to be combined with upholding Europe's competitiveness and creating jobs as well as upholding the promise that no one is left behind; stresses that this combination is crucial to the success of the European Green Deal and that the Single Market remains cost efficient when adjusting to a new and favourable regulatory environment in particular for the net-zero industries and the sustainability of European industries, aiming at achieving the 2030 and 2050 climate objectives and driving the transformation to climate neutrality and sustainable circular economy;
17. Emphasizes the need for the promotion of competitive markets of commodities and rare metals that are essential for the green transition; highlights that a continued dependency on a few suppliers will undermine some of the current policy measures such as the RePowerEU plan and efforts made by the Union's citizens; points to the need to improve the limited capacity for domestic sourcing and processing; believes that the EU Innovation

Fund should support the scaling up of state-of-the-art and recycling innovative EU net zero industry technologies and their supply chains; notes that the proposed Critical Raw Materials Act (CRMA) aims at reducing the dependency on current suppliers and ensuring instead that Union can continuously access a secure, diversified, affordable and sustainable supply of critical raw materials, while protecting the environment;

18. Highlights the need for qualification programs to reinforce the workforce to meet the increasing demand of labour in energy efficiency, renewables, building renovations and green tech solutions; calls on all Member States to take steps to ensure that the European workforce now and in the future acquires all the necessary skills to manage, implement and innovate the green transition, especially in regions more negatively impacted by the transition;
19. Believes that the Union should aim to enhance cooperation on trade, research and production of net-zero technologies with like-minded and reliable partners through bilateral cooperation and joint efforts to enhance the multilateral trading system and that the Union should foster international collaboration and partnerships to promote secure, sustainable and resilient global supply chains through the promotion of open and rules-based trade;
20. Underlines that the solutions based on carbon capture and storage (CCS) and carbon capture and use (CCU) technologies can play a role in decarbonisation, especially for the mitigation of process emissions in industry, for those Member States that choose this technology; underlines the importance of European leadership in this regard;

Research, innovation, digital technologies and space policy

21. Welcomes the role of the Horizon Europe programme and its contribution to climate neutrality; is of the opinion that the partnerships under Horizon Europe, including the Joint Undertakings, will foster the collaboration between the public and the private sectors with the goal of contributing to the achievement of the green transition, while ensuring that innovations are sustainable, available, accessible and affordable; underlines the importance of improving SMEs access and participation to Horizon Europe calls and of better communicating to and involvement of citizens concerning the results of European R&D projects and on new technologies, including lighthouse projects, in order to increase public uptake and make the role of the Union more visible to its citizens;
22. Welcomes the role of the Copernicus programme and new EU Knowledge Centre on Earth Observation for land, atmosphere and marine environment monitoring Service; underlines the importance of satellite observation capacities to monitor, model, predict and support policy making on climate change;
23. Highlights the need to attract more investment, both public and private, in research, innovation and deployment of new sustainable technologies, including in labour-intensive industries, in necessary new infrastructure networks and projects contributing to the goals of the European Green Deal and the Paris Agreement; stresses that future research and technology should consider sustainability and circularity; emphasises at the same time the importance of basic research as well as collaborative and transdisciplinary approaches in R&I in order to address the climate challenges; further points to the need of supporting social innovation indispensable to addressing unmet societal needs and challenges while

- empowering people within the green transition;
24. Underlines the importance of ensuring the coherence and consistency of incentives to foster innovative technologies to achieve the 2030 and 2050 targets, addressing the deployment of already mature technologies as well as investments in new technologies that need to be developed to reach the Union's goal of climate neutrality by at the latest 2050;
 25. Stresses the need for the twin transition, where the digital and green transitions go hand in hand; notes that the digital divide in Europe is still very significant, with considerable differences between Member States and regions; underlines the need to create a competitive and robust data economy that enables for a high-level digitalization in all areas of the society and the economy in a sustainable, energy efficient, cyber secure and affordable manner; underlines the fundamental role that digital technologies can play in the Union green transition; reminds that the Union recovery requires creating a stable regulatory framework conducive to progress, including market driven, in research, innovation and development of sustainable technologies and the appropriate conditions for their financing;
 26. Underlines that digitalisation is one of the key factors driving energy system integration as it can enable dynamic and interlinked flows of energy carriers, allow for more diverse markets to be interconnected, and provide the necessary data to match supply and demand; highlights the potential of digital technologies to increase energy efficiency and thus reduce overall GHG emissions; highlights the need to ensure a secure regulatory framework with non-discriminatory and transparent procedures for access and transport of energy data; recalls that the Commission estimates that the environmental footprint of ICT accounts for between 5 % and 9 % of global electricity use and more than 2 % of global greenhouse gas emissions; underlines that 47 % of digital carbon emissions are due to consumer equipment such as computers, smartphones, tablets and other connected objects; welcomes the EED recast, which will require all but small data centres in the EU to publicly report, inter alia, their energy performance yearly, and calls for further measures to reduce the carbon footprint of the ICT sector, data centre and consumer device level and reiterates the goal to make data centres climate-neutral and highly energy-efficient by no later than 2030, as stated in the Digital Strategy;
 27. Reminds the importance of R&I's contribution to achieve the goals set out in the Paris Agreement and the European Green Deal's objectives; calls on the Commission and Member States to support research and innovation and overall increase Union and national budgets devoted to R&I in sustainable and safe energy technologies and innovation; calls on the Commission to consider further supporting technologies and innovative solutions that will contribute to a climate-proof and integrated energy system, including those where Europe has global leadership and domestic-based value chains; considers it is essential to have key segments of renewable energy value chains within the Union and calls for adequate measures to support the role of Europe-based content in the RES supply chain and legislation.