

The EU electricity sector must rely on all technologies compatible with the decarbonisation trajectory

Given the current dramatic geopolitical situation, the EU must rethink its energy positioning. We must ensure our security of supply and limit the rise in energy costs while fighting climate change. The EU must therefore accelerate the roll-out of all clean energy technologies while stepping up its energy savings efforts.

In this context, we, the signatories of this Declaration, call for a European climate legislation that recognises the role of every low-carbon technology and adopts a technology-neutral approach to achieving EU's decarbonisation. Resilience is built with an ambitious decarbonisation strategy based on diverse low-carbon energy sources.

The current situation reinforces the need for Europe to rethink its leniency towards its energy dependence: Europe must therefore diversify its energy supplies with clean energy. The European Commission's Communication "*Stepping up Europe's 2030 climate ambition*" published in 2020, already showed that most **ambitious decarbonisation scenarios** have all an important common feature: **they all include a broad range of technologies, combining variable renewable technologies and dispatchable technologies as well as a strong electrification for energy uses.** Scenarios also recall that the future energy system will need more storage capacities and flexibility. **Unfortunately, the ongoing discourse within the Fit for 55 negotiations, where policy makers pick winning technologies, does not reflect these needs, and risks hampering many important investments.**

Diversifying energy supplies will also limit rising energy costs. Alongside with **energy savings**, it is the best way to **ensure the transition remains affordable for customers and society.** It is therefore essential that market players can invest in all relevant technologies in line with the decarbonisation target.

What we expect from the EU Climate package

A strong carbon signal is a must to roll-out low-carbon technologies

The EU emission trading scheme (EU ETS) is a cost-efficient and reliable instrument to reduce GHG emissions. It is technology neutral and creates long term visibility for businesses and society.

But the EU cannot rely on this instrument alone to become carbon neutral. It will have to use all the sectoral policies and all the legislative tools to intensify its climate action. The inclusion of a carbon criterion in sectoral policies should be used to ensure that deadlines are met and give investors visibility.

Final energy consumers need to respond to clear incentives to switch from fossil fuel technologies to low carbon ones.

Energy taxation sends the signal to support consumers

The energy taxation directive must provide the right signals to consumers. This is why we welcome the proposal of the Commission to consider the environmental performance of energy products: this will guarantee a level playing field and facilitate investments in low-carbon technologies.

Decarbonised hydrogen is essential for many sectors

Decarbonising industry and many hard-to-abate sectors will require the development of electrolyzers and production of large volumes of decarbonised hydrogen.

Additionality rules that are too stringent or limits on technologies and electricity sources that can be used in hydrogen production would be very harmful for the scaling up of hydrogen market.

Recovering and recycling of energy reduce emissions from district heating

All types of sources of recovered heat should be treated equally with the renewable energy sources in the renewable energy directive and in the energy efficiency directive. Where sustainable, the use of recovered heat instead of renewable primary energy sources, should be used.

But more generally, the heat consumption in buildings should be driven by a carbon criterion ensuring consistency with the decarbonisation path.

Bioenergy must not be disregarded

Bioenergy is an important part of the renewable energy mix in the EU and its share will probably increase in the future as well. It is vital to make sure that it respects the sustainability criteria of the renewable energy directive. When criteria are met, there should be a level playing field with other renewable energy sources.

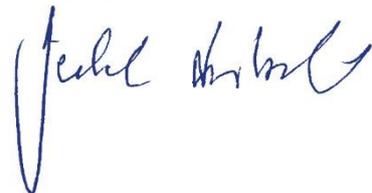
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