COVID19 recovery in the energy sector in line with the European Green Deal

EU – Japan Webinar

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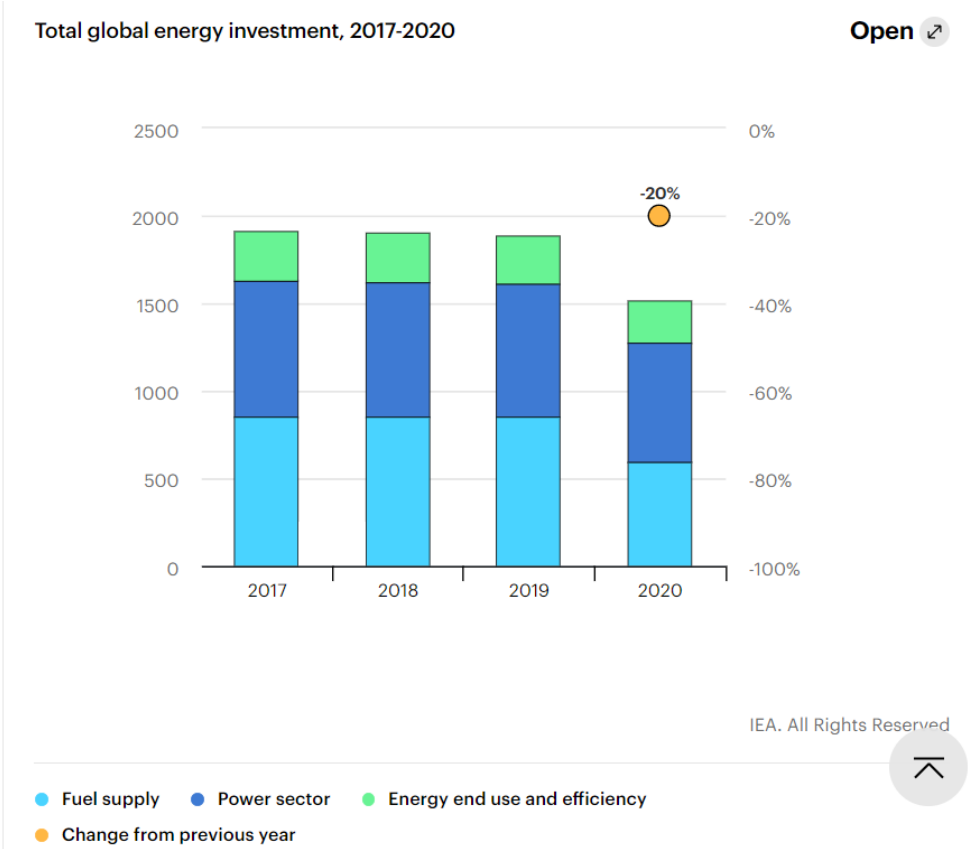
Energy and Green Recovery in the EU

- **European Green Deal:** the EU growth strategy; the **engine and the compass** of the European recovery efforts

- Covid-19 and the economic downturn:

  - **fall in global energy investments** (IEA); **17% decline in Europe** (solar PV, oil, gas)
  - sharp reduction in private sector investment in 2020-2021
  - **vulnerability of European value chains**

- **Investment needs for delivering the green and digital transition: €595 bn per year**

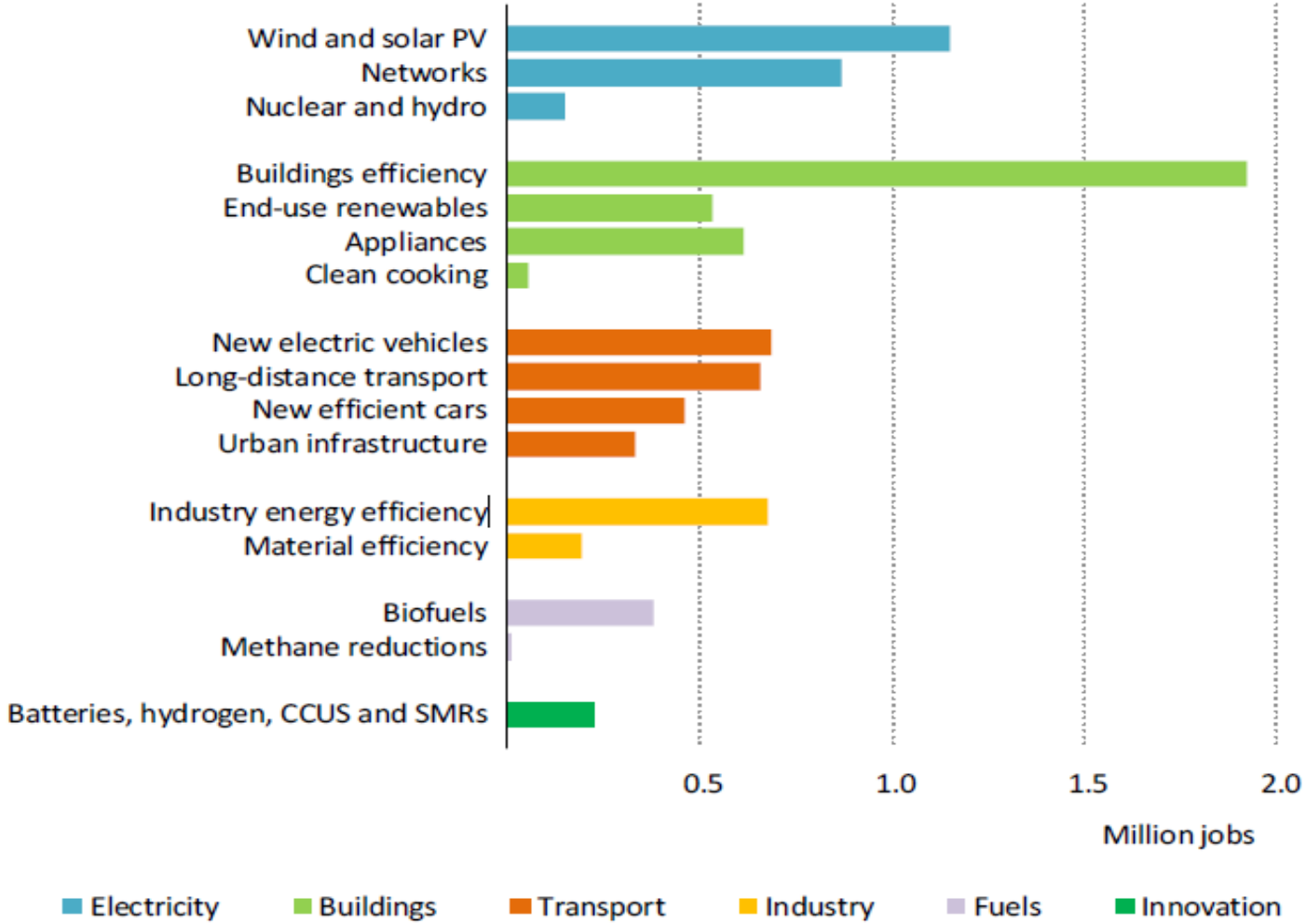


"…we should invest in the new economy to come out of the crisis in better shape than we went into it, fit for the future: sustainable, inclusive, competitive and prepared."
/EVP Timmermans/

European Commission

Energy and Green Recovery

Annual average jobs created in constructing and manufacturing projects per policy area (IEA)



Nearly 9 million new jobs would be created on average each year by the sustainable recovery plan; around 35% of these jobs would be in the buildings sector.

European Commission

The EU's crisis response

Exceptional and temporary increased own resources ceiling

Larger Headroom

Commission borrowing on capital market

To be committed until the end of **2023**

Next Generation EU
€ 750 bn

reinforced **Multiannual Financial Framework**
€1074 billion

Impact of Next Generation EU:

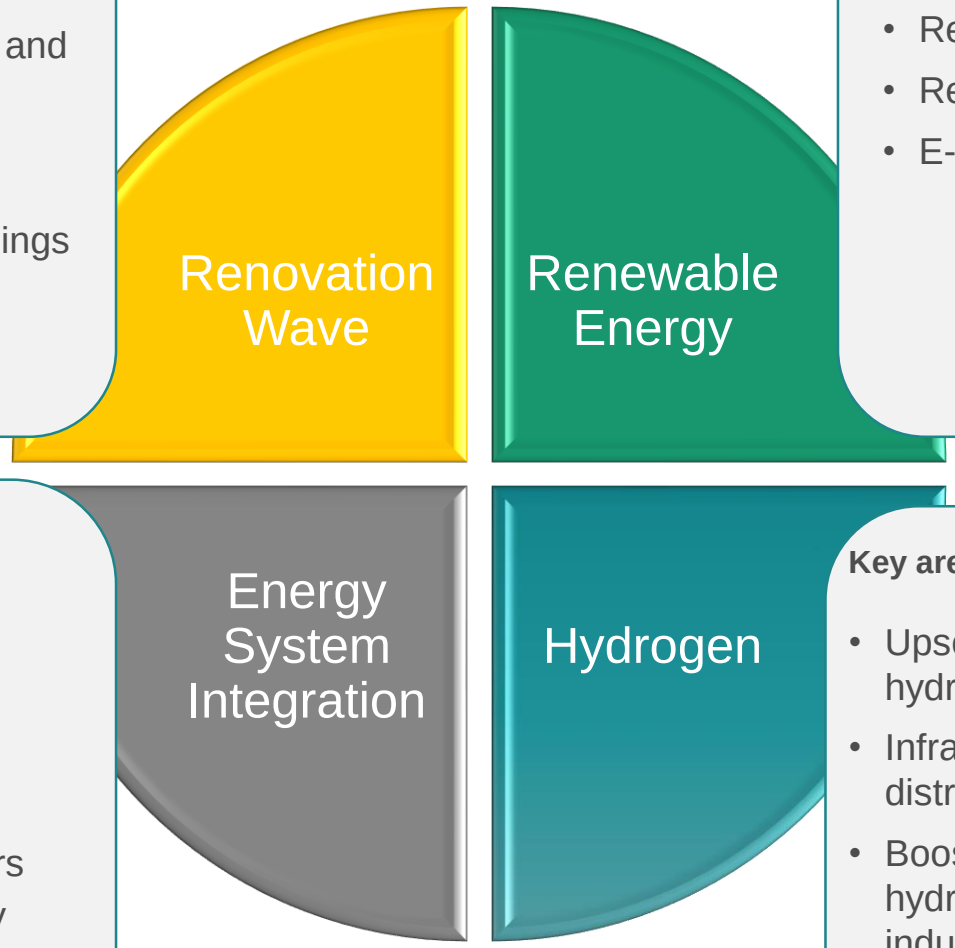
- **GDP increase of 2.25% by 2024**
- **up to 2 million additional jobs by 2022**

European Commission

Financing energy priorities

Key areas:

- Energy renovations in public buildings and social infrastructure, including through engagements of Energy Service Companies (ESCOs)
- Energy renovations of residential buildings
- Energy efficiency in SMEs (buildings)



Key areas:

- Renewable Power Generation
- Renewable-based heating and cooling
- E-mobility based on renewables

Key areas:

- Transmission and distribution infrastructure
- Smart grids
- Storage infrastructure
- District heating and cooling
- Direct electrification in end-use sectors
- Industrial energy efficiency and EE by SMEs
- Infrastructure for CO2 transport

Key areas:

- Upscaling electrolyser capacity for green hydrogen production
- Infrastructure for the transmission and distribution of hydrogen
- Boosting the use of green or low carbon hydrogen in end-use sectors [transport, industry]

Thank you for your attention!