



Danish Ministry
of Energy, Utilities
and Climate

Danish government response to the public consultation on the development of a comprehensive, integrated, research, innovation and competitiveness strategy for the Energy Union

Office/Department
EU-department

Date
17 May 2016

J nr. 2016-850

In response to the Commission's consultation on the development of a comprehensive, integrated research, innovation, and competitiveness strategy for the Energy Union, this position paper outlines the overall priorities of the Danish Government.

The strategy implements the fifth dimension of the Energy Union which plays a key role in strengthening the four other dimensions – decarbonisation, energy efficiency, energy security, and a fully integrated internal energy market – and is therefore essential in order to achieve the overall objectives of the Energy Union and in particular the EU's 2030 targets.

The Danish Government fully supports strong, EU-wide collaboration when it comes to research and innovation that can drive European competitiveness, growth, and job-creation. In addition, intensified research and innovation has the potential to contribute substantially to making the transformation of our energy system as cost-effective as possible.

The Commission has indicated that more targeted consultations will take place at a later stage of the process with the participation of stakeholders from the energy and transport sectors, and that expert-groups will be established to elicit expert input into the strategy-process. The Danish Government looks forward to these targeted consultations, as it believes that a more targeted approach is the most feasible way forward. Furthermore, it is very positive that these consultations will take into account the Strategic Energy Technology Plan (SET-Plan) and the proposed Strategic Transport Research and Innovation Agenda (STRIA) as these should be key elements when developing the overall strategy.

The Danish Government finds that the SET-Plan already contains many of the required elements for a comprehensive, integrated research, innovation, and competitiveness strategy, for example in terms of:

- 10 actions for research and innovation, based on an assessment of the energy system demands and on their importance for the energy system transformation and the potential to create growth and jobs in the EU;
- An integrated approach to research and innovation, which addresses the synergies across different sectors of the energy system, and provides linkages between research, innovation and competitiveness;

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- A new governance structure with a focus on transparency and the production of results.

In addition to these general introductory remarks, the Danish Government finds it important that an overall strategy strikes the right balance between transforming the energy system and at the same time maintaining a high level of competitiveness in the EU. Moreover, the Danish Government would suggest the following more specific principles that could serve as guidance in developing the strategy. The strategy should thus seek to:

- Promote commercially sustainable solutions, which are demanded in the international energy markets when it comes to renewable technologies.
- Focus on solutions promoting energy efficiency which are characterized as commercially viable because they have relatively short pay-back-periods and which in addition support a green transition.
- Promote smart-energy and smart-grid solutions that take advantage of synergies between different parts of the energy sector. This is for example the case when it comes to the electricity and heating systems, as well as the electricity and natural gas systems.
- Promote solutions within the transport sector which fit well into the overall energy system. This is the case for technologies such as electric vehicles and hybrid vehicles that suit a system which is increasingly based on electrification and where energy efficiency is high, emissions are low, and energy storage can be integrated into the concept.
- Promote advanced biofuels in situations where electric- and hybrid-options are infeasible. However, a cautious approach to biofuels should be applied giving priority to the special needs for those parts of the transport sector (e.g. long-haul, shipping, air transport, etc.), where electrification is more unlikely to happen and where alternatives are few. Consequently, advanced biofuels should be prioritized in the short-medium term, while for the long-term considerations should take into account that biomass-resources for biofuels production might become scarce.
- Focus on solutions that enhance cost-effectiveness in energy for the benefit of households and industry thereby promoting prosperity and competitiveness.
- Promote solutions which generally underpin energy security and which thus reduce the risk of dependence on a limited number of suppliers and sudden price increases.
- Link research, innovation and competitiveness efforts with the dedicated work taking place in the context of Mission Innovation, where appropriate and beneficial.



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The Danish Government looks forward to continued work on developing a strategy on research, innovation and competitiveness for the Energy Union and in particular the targeted consultations delivering specific inputs into the process.