

**Multi-year Expert Meeting on Trade, Services and Development, tenth session**  
**The role of trade and services for enhancing science, technology and innovation**  
**to promote a fair transition to sustainable energy**  
**Day 1 PM: 10 July, 15:00 – 16:30**

Guiding questions:

- What are the most relevant service sectors for energy transition in your country?
- What are the critical challenges in improving the performances of those service sectors?
- What policies (e.g., trade and STI) do you have in place to improve the performance of those sectors?

### Introduction

**The role of trade and services for enhancing science, technology and innovation to promote a fair transition to sustainable energy” – 7 minutes**

### Speaking points

- In December 2019 the Commission announced the European Green Deal
  - This document marked the start of the European Commission with the Ursula von der Leyen as the new President
  - The European Green Deal is a new growth strategy for the EU:
    - where there are no net emissions of greenhouse gases in 2050
    - where economic growth is decoupled from resource use.
    - It also aims to protect the health and well-being of citizens from environment-related risks and impacts.
    - Big emphasis that the transition must be just and inclusive
- Almost 4 years later, good opportunity to present what we have learned from the implementation
- Of course, there were important events since the plan was announced:
  - Russia's aggression on Ukraine and its policy to try to manipulate Energy markets.
  - This meant that the EU had to accelerate its plan on the energy side, that meant we needed to accelerate the renewables deployment which are home-grown and cheaper than fossil fuels.
- That is why in May 2022, the EU launched the REPowerEU plan to:
  - save energy
  - quickly produce renewable energy
  - diversify its energy supplies
- The key element of the work was also on innovation and skills.
- As concerns innovation: To reach 2050 climate neutrality goal the EU would to rely on technologies that do not yet exist. New forms of renewable energy (tidal), electricity storage etc. All these new technologies also require new services
- **On services**, the EU quickly noticed the shortage of the relevant staff. Our schooling system was simply not adapted to the needs. With the shift to renewables we didn't have enough installers of solar panels, heat pumps, etc. It takes several years to develop wind parks onshore and offshore but for solar panels and heat pumps the demand is instantaneous
- One focus was to ensure support for the development of skills
- The EU is a market operating on the basis of the free movement of services. Services providers can move freely within the EU without any restrictions. This was of a tremendous help but what we needed to ensure that our education system is adjusted to the requirements.

- This required the help from the industry to understand the needs.
- Important part was Pact for Skills:
  - The Pact for Skills supports large-scale skills partnerships in different industrial ecosystems, including Energy Intensive Industries, Construction and Renewable Energy.
  - **Networking**: support in finding partners
  - **Knowledge sharing**:: webinars, peer learning activities; updates on EU policies and instruments
  - **Guidance and resources hub**, including: access to information on relevant EU funding; guidance to identify financial possibilities
- Funding is important, but equally is coordination. Putting the teaching institutions together in the same room as industry representatives and explaining well to both the policy direction of the government is key.
- Investing into skills is essential to ensure energy transition: to ensure the process is fair, and that there is enough social support. Citizens need to understand well what is in for them.
- Shift into energy need to therefore be combined with immediate upskilling and reskilling of the workforce.
- Coal mines vs lack of new workforce for renewables production
- Not everything can be done domestically, thus important to have effective trading relations allowing for services providers exchanges
- The European Green Deal required also the new strategy to integrate EU trade policy within the bloc's economic priorities as reflected in the Green Deal.
- From the very start the EU assumed that the trade policy needs to support the EU's ecological transition.
- On climate change, the Commission proposed to make the respect of the Paris agreement an essential element for all future comprehensive trade agreements.
- This was not to impose necessary our vision on others. As the EU is shifting towards more sustainable focus, we are creating a new demand for goods and services. In this respect it was necessary to make sure that our trading partners understand this. That they too can use it as a business opportunity for them.
- One thing that we learned from the Russian's attempt to try to manipulate the EU energy markets is the energy transition need to ensure that the EU does not create any new dependencies.
- This is not limited to fossil fuel dependencies. It applies equally to trade in renewable installations and services to install them. Creating a fair undistorted trade is a key element of that strategy.