

The energy transition and services in EU's trade agreements

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The energy transition

Green deal

- Develop a fully integrated, interconnected and digitalised energy market
- Energy efficiency

REPowerEU

- Diversify sources of energy following the disruption of gas supply from Russia
- Accelerate the transition to renewables

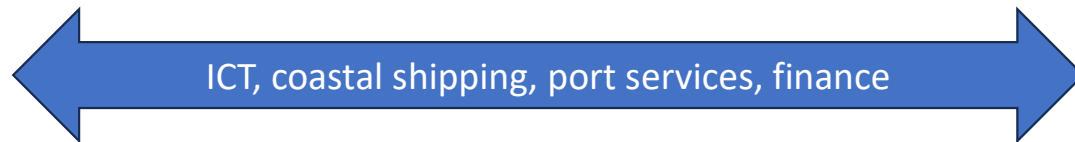
Critical raw materials act

- Develop domestic capacity
- Diversify sourcing

Services supporting renewable energy

Example: offshore wind power





Planning
Engineering



Installation



Operations

The trade dimension

- EU's trade strategy is spelled out in the document [Trade Policy Review - An Open, Sustainable and Assertive Trade Policy](#)
- The objectives most relevant to the energy transition:
 - Support the green transition and promote responsible and sustainable value chains
 - Support the digital transition and trade in services
 - Strengthen the EU's regulatory impact

Trade agreements

- The WTO
 - Liberalization of environmental goods and services
 - Greening of aid for trade
 - Support an agreement on fossil subsidies
 - JSIs on services domestic regulation and e-commerce
- Bilateral agreements
 - Secure market access for renewable energy technology and products
 - Promote undistorted trade and investment in raw materials and energy goods
 - Separate chapters on sustainable development. They typically do not include provisions on energy transition explicitly
 - Dedicated chapter on non-tariff measures in renewable energy
 - Obligations to implement the Paris Agreement included in recent RTAs
 - Deep agreements with neighboring countries: obligation to adopt EU directives on green-house-gas emissions, including carbon pricing.

Conclusion

- EU aligns its trade policy with its values and general policy objectives
- It aims for mainstreaming environmental considerations, including the energy transition, into all WTO functions and FTAs
- Ambition to take a lead in setting regulatory standards
- The energy transition is services and data driven
- As such, the GDPR and cyber security regulations set premises for how services trade supports the energy transition, particularly related to energy efficiency