



Press Release

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EU needs better energy storage to hit energy and climate goals, say Auditors

The EU needs better energy storage to meet its energy targets and achieve its climate objectives, according to a new briefing paper by the European Court of Auditors. The auditors identify challenges to energy storage technologies in the EU, both for the grid and transport. They warn that EU battery manufacturing capacity lags behind international competitors and might remain below the European Battery Alliance's 2025 target.

Energy storage can help to achieve EU energy and climate goals. Energy storage technologies provide a flexible response to the imbalances caused by an increased share of variable renewable energy sources, such as solar and wind, in the power grid. Fuels produced from renewable sources, such as renewable electricity or hydrogen, can help to reduce transport emissions; improved energy storage technology can support the expansion of the fleet of vehicles using such fuels.

The briefing paper outlines the main challenges to EU support for the development and deployment of energy storage, which the auditors found to be threefold: designing an EU strategy for energy storage, using research and innovation effectively, and establishing a supportive legislative framework.

“Energy storage will play a fundamental role in achieving a low-carbon, mainly renewables-based energy system in the EU,” said Phil Wynn Owen, the Member of the European Court of Auditors responsible for the briefing paper. “The EU has taken steps to develop a strategic framework for energy storage, but there is a risk that the measures taken so far will not be sufficient to achieve the EU strategic objectives for clean energy”.

The auditors warn that the current EU strategy might not meet energy transition challenges. They say the EU is developing the manufacturing capacity for lithium-ion batteries (as used in electric vehicles) later than other leading global regions. As it will enter the battery-production market as a “second mover”, it may have difficulties gaining a competitive advantage.

The purpose of this press release is to give the main messages of the briefing paper by the European Court of Auditors. The full paper is on www.eca.europa.eu.

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At the same time, the European Battery Alliance – established with the aim of creating competitive, sustainable battery-manufacturing in Europe – is largely focused on existing rather than breakthrough technologies, and risks not achieving its ambitious objectives.

The Commission recognises the importance of research and innovation, and has taken steps to simplify the EU's main research programme, Horizon 2020, say the auditors. Between 2014 and late 2018, it granted €1.3 billion from the programme for grid energy storage or low carbon mobility projects. However, there is a risk that the EU has not sufficiently supported the market deployment of innovative energy storage solutions. Moreover, the auditors note that there is scope to reduce the complexities of EU research funding further and increase participation by innovative companies.

Investors in storage solutions on the power grid have faced obstacles until now, but new legislation should help to overcome most of these issues, say the auditors. However, as regards electric mobility, they warn that late and inconsistent deployment of charging infrastructure could delay the widespread take-up of electric vehicles.

The audit identified the following main challenges to EU support for the development and deployment of energy storage technologies:

- ensure a coherent strategy;
- increase stakeholder support;
- reduce the complexity of EU research funding;
- support research and innovation in energy storage technologies;
- deploy storage technologies;
- remove obstacles encountered by investors; and
- develop alternative fuels infrastructure.

Notes to Editors

The auditors reviewed EU support for storage of electricity both for the grid and vehicles, as well as synthetic gas production. Storage of fossil fuels was not covered by the review. The paper takes account of developments in the EU energy storage sector until the end of January 2019.

A Briefing Paper is a descriptive and analytical document concerning a policy area. It does not contain audit findings.

The ECA's briefing paper "EU support for energy storage" is currently available on the ECA website (eca.europa.eu) in English, French and German; other EU languages will be added shortly.