

5 May 2020

GASEOUS ENERGY IS AN INTEGRAL PART OF A SUSTAINABLE EU RECOVERY

The Covid-19 outbreak has unleashed an unprecedented socio-economic global crisis, affecting all citizens and sectors. While the energy sector is subject to extreme pressure stemming from coronavirus, the gas value chain continues to deliver low emission energy to the European industries and millions of citizens on and off the grid. Thanks to its affordability and security of supply, gas remains a crucial solution during the current crisis, but also provides solutions for a sustainable economic recovery.

While the crisis is first and foremost human, the economic consequences loom large and raise several questions around the EU's future strategic industrial capacity, critical for economic recovery. Gas is the main energy source for the European industry, and a crucial element in the sustainability transformation.

Thanks to its contributions to emissions reductions across sectors as well as quality job creation in Europe, combined with its affordability and reliability, gaseous energy has a key role to play in sustainable recovery packages aligned with the EU Green Deal objectives. Several industries do not have other realistic low-carbon alternatives for the near and mid-term and risk business closures and major job losses if they cannot rapidly recover and adapt.

GasNaturally, therefore, urges the EU institutions and Member States to make natural, renewable and decarbonised gases as well as secure and affordable energy supply as a central pillar of the sustainable recovery plans. In particular, we would like to emphasise the strategic importance of the following points.

- **Focusing on European leadership.** Concentrating our economic recovery efforts on climate technology sectors where Europe is leading, like hydrogen, biogas and bio-LPG, offers the benefits of both stimulating economic recovery and jobs, as well as contributing to the energy transition. These sectors have a predominantly European-based value chain. The gas sector offers up to [2.4 million quality jobs](#) to Europe through the utilisation of renewable and decarbonised gases by 2050. There is potential for 150,000 direct and indirect jobs linked to CO₂ capture, transport and storage in Europe in 2050.¹ Carbon capture and storage (CCS) can also potentially support the development of a hydrogen economy which could provide up to 5.4 million jobs by 2050,² as well as the retention of existing jobs in energy-intensive industries.³
- **Investing in future-proof solutions.** The EU recovery packages' ambition needs to translate into significant public and private investments in energy efficiency, low-carbon energy, new low-carbon technologies, and gas infrastructures. For the EU to achieve climate neutrality by mid-century, renewable and decarbonised molecules, renewable electricity, and a more integrated use of the electricity grids and the gas infrastructures are required. The operation and construction of gas transmission infrastructure is indispensable from the perspective of emissions reduction, support towards RES development and reduction of air pollution. Investments –

¹ SINTEF (2018): *Industrial opportunities and employment prospects in large-scale CO₂ management in Norway*. Available from: https://www.nho.no/contentassets/e41282b08ceb49f18b63d0f4cc9c5270/industrial-opportunities-ccs_english.pdf

² FCH JU (2019): *Hydrogen Roadmap Europe*. Available from: https://www.fch.europa.eu/sites/default/files/Hydrogen%20Roadmap%20Europe_Report.pdf

³ High-Level Group on Energy-intensive industries (2019): *Masterplan for a Competitive Transformation of EU Energy-intensive Industries Enabling a Climate-neutral Circular Economy by 2050*. Available from: <https://ec.europa.eu/docsroom/documents/38403>

including through Public and Private Partnerships in large-scale industrial carbon management technologies, such as CCS and hydrogen – will play an important role to meet the European Green Deal objectives and allow a just transition to a sustainable and competitive low-carbon economy.

- **Prioritising the ‘renovation wave’.** GasNaturally supports prioritising the Commission’s ‘renovation wave’ initiative in the context of the EU’s post-Covid-19 recovery. The gas industry has a key role to play in addressing the twin challenge of energy efficiency and affordability of Europe’s ageing building stock. While modern gas boilers are already very efficient for space and water heating, the next generation will further increase efficiency by using the energy from air, ground or water in gas heat pumps. The use of natural gas, LPG and renewable gases provides affordable heat while the development of gas-based district-heating, including CHP, improves air quality.
- **Decarbonising transport.** In 2017, [27%](#) of total EU-28 greenhouse gas emissions came from the transport sector (22 % if international aviation and maritime emissions are excluded). CO2 emissions from transport increased by 2.2 % compared with 2016. Natural gas, LPG, decarbonised and renewable gases represent a quick and readily available way to complement efforts aimed at decarbonising the transport and logistics sector. Recognising their role within the sustainable recovery measures is the best way to ensure a swift restart of a safe, secure, and efficient system which supports European citizens’ mobility and companies’ logistics.

GasNaturally is a partnership of seven associations from across the whole gas value chain - Eurogas, Gas Infrastructure Europe (GIE), European Gas Research Group (GERG), International Association of Oil and Gas Producers (IOGP), International Gas Union (IGU), the Technical Association of the European Natural Gas Industry (MARCOGAZ) and Natural & Biogas Vehicle Association (NGVA Europe). Our members are involved in gas exploration and production, transmission, distribution, wholesale and retail operations, as well as gas in transport.

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