SPEECH TJISSE STELPSTRA WORKSHOP HEINRICH BÖLL STIFTUNG BRUSSELS, 25 APRIL 2016

Ladies and gentlemen,

Thank you for the invitation to take part in this stakeholder workshop. I will shortly be addressing the questions posed, but I would first like to briefly sketch the region I represent.

I am a member of the Executive Council of the Province of Drenthe, which effectively makes me a regional minister. With approximately 500,000 inhabitants, Drenthe is one of the smallest provinces in The Netherlands. Our province directly borders to the German federal state of Lower Saxony. Together with the provinces of Groningen and Friesland, we make up the Northern Netherlands region.

The Northern Netherlands are relatively sparsely populated and have a loosely woven economic structure. We have many SMEs in our province, whereas there are only a few multinationals and the precence of heavy industry is limited. Our economic priority areas are Healthy Ageing, Water Technology, Agrifood, Sensor Technology and Energy.

Traditionally, the Northern Netherlands is the energy region of the Netherlands and perhaps of North-Western Europe. We have the largest gas fields in Western Europe, which have produced a lot of gas since the 1960s. The stocks are now shrinking and these days gas extraction is causing earthquakes. This is an additional motivation to accelerate the transition to a sustainable energy supply.

Our overarching vision for this transition is the Energy System 2.0. This new energy system consists of sustainable fuels and fossil fuels – less and less of the latter – central and distributed generation of electricity and smart matching of supply and demand.

As a province, a few weeks ago we agreed our new policy agenda "Towards Energy-neutral Drenthe". In it, we focus on three aspects:

- 1. from awareness to taking conscious action (activating citizens and companies),
- 2. scaling up/making progress
- 3. stimulating innovation.

I would now like to show you a short film (2.5 min) of the visit of the Vice President of the European Commission, Maros Sefcovic, to our cross-border region in May last year. http://www.provincie.drenthe.nl/diverse-onderdelen/losse-pagina '/noordelijke-energie/)

The province of Drenthe is also internationally active in other ways. As part of this, we signed the Under2MOU during the COP21 in Paris. This initiative by the German federal state of Baden-Württemberg and California was an appeal to world leaders to come up with an ambitious climate agreement. As regions, we are the first to feel the effects of climate change and we therefore have an interest in ambitious targets.

At the same time, we are also active at the European level in the ENCORE network, the Environmental Conference of the Regions in Europe. Within this network, we share knowledge with other European regions in the realm of environment and climate change. I invite you all to the next conference of this network, which will be held in the Austrian federal state of Carinthia on 23

September of this year. The main theme will be climate change; energy transition will naturally also be discussed.

I have five appeals to make to the European Commission.

- Following the climate agreement in Paris, the challenge now is to translate the agreements reached to practice. As regions, we must continue to connect with each other to keep the attention on the actual solutions out there in the regions. We expect the European Commission to hold the member states to the targets set. Europe is a model region in the world; ambitious targets require ambitious implementation. This includes requirements within the targets concerning renewable energy for each member state.
- 2. We are ambitious in our targets, but we do want to achieve them with the support of the population. Energy transition solutions emerge in the regions of the world, but they only take effect there. These solutions also bring new challenges for the regions. The wind issue in my region is a good example: there is huge resistance to building wind turbines in the area. This is partly due to the planning system. We expect the European Commission to give the regions a strong say in implementation, precisely because of the spatial aspect of the energy challenge. The regions are in closer contact with residents than national governments are.. However, the current planning of wind farms by the national government is achieving just the opposite.
- 3. Cross-border cooperation brings to light conflicts in national regulations. Of course, member states have sovereignty in setting their policy agendas, but if legislation results in inefficient situations in border areas, member states should be urged to overcome such legal barriers. The electricity generated by a wind farm built in German waters should be able to come ashore in the Netherlands. Or, like the project SEREH mentioned earlier this afternoon, it may be easier to distribute an excess of renewable energy directly across the border than to build a new heavy-duty cable from the North Sea to Bavaria. As a region, we offer ourselves as a testing ground for such issues and expect an active role and support from the European Commission.
- 4. At present, funding for the development of pilot projects is problematic. Calls for the Horizon2020 Fund only have a low chance of success (10%). Developing an application will already cost the initiator 100 to 200 thousand euros. That is too much for small municipalities to afford. There should be a provision for this if the EU is to help stimulate regional cooperation in the field of energy.
 - If the EU wants pilots that fit within an Energy Union approach, it cannot require initiators to take part in some sort of lottery. Instead, less risky support for project development ought to be available.
- 5. Thanks to the Interreg programme, we have been able to promote cross-border cooperation in our region over the past few decades. In recent years also in the area of Energy. This took the form of projects such as Grünes Gas and Nachhaltige Energy Niederlande Deutschland in the previous programme (up to 2014). Plus increased long-term partnership between the research institutes and firms. The initial discussions about the budget period after 2020 have already begun. We expect the European Commission, with an eye on the budgetary period

from 2020, to again push strongly for cooperation across national borders. As a peripheral region, we stand to benefit greatly from these funds in transcending the border. In this way, we can achieve economic growth and welfare for our residents. Moreover, the knowledge partners on both sides of the border can work together on major European social challenges.

[What are the main challenges to regional cooperation? How can we remedy them with EU support? What would be an (ideal) action plan for the future?]

An ideal action plan for me would be:

- Involve regional and local authorities, because of their potential role in building support for the transition towards sustainable energy
- Don't forget the spatial effects of energy transition!
- Facilitate a network of regional leaders in energy transition.
- Encourage cooperation across the border via the Interreg programme, also after 2020.
- Help regions and cooperating local authorities to participate in competitive calls within the Horizon programme too.

Thank you for your attention.