The HLG’s aim is to support the efforts of the European Energy-intensive Industries to improve their capacity to compete in the global market. By providing a European platform for mutual information, dialogue and exchange of best practice, it allows the Commission to consult the main stakeholders in order to constantly interact and receive feedback on the development and implementation of the different EU policies.

In order to promote growth and jobs in Europe while moving towards a lower carbon and more energy efficient economy, the Commission has to ensure coherence and cost-efficiency between economic, environmental and social policies. This is in line with the first four Juncker’s priorities:

- A new boost for jobs, growth and investment
- A deeper and fairer internal market with a strengthened industrial base
- A resilient Energy Union with a forward-looking climate change policy
- A connected digital single market.

The Energy Union will improve the functioning of the internal energy market in order to reduce energy price differentials both inside and outside the EU and strengthen EU competitiveness. In particular, it will allow a more flexible approach to match consumer’s needs with supply capacities. Enabling consumers’ active participation in the electricity market through the right legal framework and incentives will be a key element of the new electricity market design. A fully functioning energy market will provide the appropriate signals and incentives to drive the right investments. The public authorities should act as facilitators by setting the right regulatory framework, cutting red tape and ensuring a more effective use of funds.

The upcoming package of initiatives planned to be adopted still this year will include initiatives which could have profound impact on energy-intensive industries, notably: Energy Efficiency, Energy Performance of Buildings, Electricity Market Design, Renewable energy sources including Sustainable Bioenergy Policy, Governance of the Energy Union and a report on energy prices and costs in Europe.

These initiatives aim at delivering on the Energy Union Strategy, such as the agreed 2030 targets and pushing forward the decarbonisation of key systems (mostly power supply and buildings) in Europe, support the objectives of the Paris Agreement, foster the EU competitiveness and reinforce the synergies between several policies such energy, transport, the circular economy and industrial and digital innovation. The governance mechanism will establish a robust legal framework for achieving the EU 2030 targets in a cost-effective, coherent and mutually supportive way.

The October 2014 European Council agreed that a reliable and transparent governance system without any unnecessary administrative burden will be developed to help ensure that the EU meets its energy policy goals. It further specified that this governance system will build on existing building blocks and that separate planning and reporting strands will be streamlined and brought together.
The proposal to be adopted by the Commission will streamline existing obligations in order to reduce administrative burden and ensure coherence, simplification and consistency. It will propose standardized templates for integrated national plans and a mechanism for tracking progress.

The purpose of the Sherpa meeting of HLG on energy-intensive sectors is to look at the principal challenges and opportunities for their industries on the way to a low-carbon economy and will identify some of the major innovations that are needed. The Commission will try to ensure coherence and synergies of EU policies so as to steer cost-efficiently innovation and results from research and innovation and to support competitiveness. This aims at delivering competitive solutions to climate change and energy transition challenges that benefit energy-intensive sectors and their consumers and the EU economy as a whole.

Possible questions for members:

a) **Energy Efficiency, Energy Performance of Buildings**

1. What are the main lessons learned related to existing legislation? What is the best policy framework to enable the improvement of energy efficiency in energy intensive industries? Are there any positive/negative synergies/overlaps with ETS legislation? How can Energy intensive industries contribute to a better energy performance of buildings?

b) **Electricity Market Design**

2. Which challenges and opportunities could arise from fully integrative energy-intensive sectors into the energy market? How can these challenges be addressed?

c) **Renewables including Sustainable Bioenergy Policy**

3. In your view, what is needed to facilitate faster development and deployment of innovative technologies in the area of renewable energy, including bioenergy? What are the lessons to be learned from the existing support mechanisms for innovative low-carbon technologies relating to renewable energy, including bioenergy?

d) **Funding for development and deployment of low carbon technologies**

4. Who should be the main financial contributor for investments into research, innovation and deployment of low-carbon energy solutions and services? Everybody via energy bills, government via taxation or industry?

5. How to find synergies between available funding sources for affordable breakthrough technologies for energy intensive industries in order to face new regulatory constraints after 2020 and beyond 2030?

6. What should be the main features of the Innovation Fund foreseen under the EU ETS for the period 2020-2030? What kind of projects should be best supported and under what conditions?