Summary of the workshop

The online workshop “The use of National Recovery Funds for the EVs charging network” was held on 10.03.2021, organised jointly by Forum Energii, Agora Verkehrswende, and the Electric Vehicles Promotion Foundation within the Int-E-Grid project.

Joanna Maćkowiak-Pandera, CEO of Forum Energii, opened the meeting and welcomed the guests, recalling the importance of National Recovery Plans (NRP) in the context of achieving new climate goals at the EU level. She also stressed that Polish-German cooperation is extremely important—both countries are strongly linked economically and can learn a lot from each other, and by cooperating can achieve even more.

The special guest was a representative of the European Commission, Yvon Slingenberg, director of DG Climate Action, who in her speech touched on the many aspects concerning European policy and the transport sector. She noted that while Europe is facing economic and health crises, there is still the climate crisis. However, the recovery from the current crises can be perceived as an opportunity with regard to the latter. In December 2020, the EU set a new target to reduce emissions by 55% compared to 1990. All sectors must contribute for the EU as a whole to fulfil this goal, including transportation where emissions have not declined. Transport emissions must decline by 90% by 2050. To achieve this, a smart and sustainable mobility strategy was adopted at the EU level at the end of 2020. In order to achieve the climate goals, electrification of transport is essential, and extensive charging infrastructure is key to making this happen. By 2025, one million charging points are to be installed in the EU and three million by 2030, with the target of 30 million electric vehicles on the roads by 2030.

Director Slingenberg also mentioned the instruments that are key to reducing emissions in the transport sector. She spoke about emission standards for vehicles, construction of charging infrastructure along TEN-T roadways and in new residential buildings, as well as the contemplated inclusion of the transport sector in the ETS or creation of a dedicated system. She also stressed that included in the EU’s recovery plans is more than EUR 700 billion for making the European economy greener, more digital, and resilient. These funds, if allocated to sensible and concrete flagship projects should ‘power-up, renovate, recharge and refuel, reskill and upskill the economy, creating many new, green jobs and giving a new impetus to many sectors, including the transport sector, which can approach decarbonisation. However, this can only be achieved through joint efforts and taking into account the ‘do no significant harm’ principle.

Marcin Korolec, CEO of the Electric Vehicles Promotion Foundation, and Christian Hochfeld, CEO of Agora Verkehrswende, made some comments about the draft National Recovery Plans of Poland and Germany. Referring to the Polish plan, Korolec stated that it is a bit unclear, with the priorities quite

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well defined but lacking in specifics and detail, which would allow more to be said more about how they will be implemented. The Polish Recovery Plan should include four main areas: electrification of urban public transport, support for the creation of bus networks in non-urban areas, support for charging infrastructure in cities and non-metropolitan areas, and support for the purchase of electric vehicles by individual and corporate users. Support for internal combustion engines and petrol-fuelled vehicles should not take place. Hochfeld said that in the global market, the trend of fleet electrification is becoming more and more visible and will be the basis for reducing CO_2 emissions in the transport sector, along with joint efforts that will set the pace. Germany's first economic stimulus package increased the pace of EV growth in Germany dramatically in 2020. The German recovery plan will need to include reform of fiscal and tax systems to maintain and increase this trend, and most importantly, support the building of charging infrastructure across the country.

The speakers were followed by a panel discussion with representatives from ministries and government institutes from both countries, as well as representatives from the transport sector—manufacturers of infrastructure, electric vehicles, buses and trucks:

- Marek **Gawroński**, Volvo Poland, Vice-President Public and Governmental Affairs
- Prof. Grzegorz **Benysek**, Member of the Supervisory Board, Ekoenergetyka-Polska S.A.
- Fabian **Joas**, Federal Ministry of Finance
- Andreas **Klugescheid**, BMW Group, Head Governmental Affairs and External Relations Europe, Middle East and Africa
- Adrian **Mazur**, Director of the Transport Strategy Department, Ministry of Infrastructure
- Johannes **Pallasch**, Head of National Centre for Charging Infrastructure

The key conclusions that emerged from the discussion, which show what the industry thinks about the development of charging infrastructure and how effectively it should be conducted, especially in the context of National Recovery Plans are listed below.

1) All national strategies should treat CO_2 reductions and safety in transport as a priority: the NRPs should include elements related to the development of electromobility (including charging infrastructure in cities and along the TEN-T network), as well as issues related to intelligent transport systems (ITS) and traffic management.

2) In the draft Polish recovery plan, a special emphasis was put on the development of railroads, the urban public transport fleet with charging infrastructure, and a reduction of the transport exclusion.

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3) The financial planning process is not an easy task: projects proposed by the government should not be repeats of the various EU funds/programmes, and importantly, each one should relate to the objectives of the strategic documents so they are coherent with each other.

4) The Polish government especially wants the NRP to include the development of bus fleets due to the additional benefits of reductions of smog and air pollution in cities, as well as the high added value to the economy of the many domestic manufacturers of such vehicles and the resulting effect of reducing traffic congestion in cities;

5) The representative of the German Ministry of Finance said that in Germany there is social and government consensus to support the development of charging infrastructure for electric vehicles, with the government largely taking responsibility for its development, although they must act quickly; the future of the automotive sector is already decided, but Germany needs qualified staff and structures to properly implement this solution. The development of charging infrastructure does not have a viable business model at the moment, so government support is necessary.

6) Without the development of charging infrastructure, automotive companies will not be able to generate adequate revenues because they simply will not have enough customers, and thus cannot meet their own sales targets and, as consequence, the higher climate goals. OEM business strategy should be consistent with market trends, and electromobility is a megatrend. The development of charging infrastructure should be properly monitored, although it is important to note that public charging infrastructure and private charging infrastructure are separate things, but in effect complementary. Companies of all kinds should invest in an EV fleet and charging infrastructure (CSR and lower costs), and auto companies can think about engagement in their own network projects with other market players (example: IONITY);

7) In the context of both countries' development of electric bus fleets, the situation is dynamic but looks better than it did a few years ago, although there still is a lack of rapid DC chargers (hubs) on main routes to facilitate efficient electric trucking. To initiate a rapid growth in infrastructure, policy development, incentive programmes, and well-established standards are necessary.

8) In many places (mainly in Poland) a big barrier to building new charging points is the condition of distribution networks. There is an urgent need to modernise them in order to develop charging infrastructure on a large scale. In order to increase the business and financial benefits, electric bus manufacturers are considering new business models, for example, joint ventures with energy companies, which consist of providing a bus equipped with a charger and connecting it to the network.

9) It is a good idea for other European countries to create a kind of National Centre for Charging Infrastructure, similar to the German agency NOW. Its role is to coordinate, exchange information and create national infrastructure plans, along with their proper implementation. It acts as an intermediary between the industry, energy sector and local and central government administrations with specific

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development plans, it is able to optimise and influence the direction and pace of development of charging systems. This institution is also involved in the implementation of specific legal and financial solutions.

10) Planning the development of charging infrastructure should be long-term. Attention should be paid to how to ensure the safety and stability of the power system with a large number of simultaneously charging electric vehicles. In Poland, it is necessary to introduce proper legal regulations to accelerate the development of charging infrastructure and allow for new business models that will make such undertakings profitable for private investors. In long-term planning it is worth considering the implementation of a hybrid model that consists of building large hubs with DC chargers along highways and low-power AC units in single- and multi-family housing.

11) It is a good idea to think more about both current and future German-Polish cooperation in creating electric transport networks along national highways between capitals and main cities, as well as with other countries, for example V4 states.

12) Local authorities from large Polish cities have already presented their comments on the National Recovery Plan, which indicate that they do not see in the plan the possibility of financing local rail transport—urban railroads, streetcars, or subways, as well as trolleybuses. Funds for rail transport development seem to be earmarked mainly for spending at the national level by Polish State Railways, which should be corrected. Cities play a much greater role in reaching CO_2 targets and this must be addressed in the governance structure of recovery funds.

13) Electrification of public transport and railways alone is insufficient to reach the CO_2 targets, so individual mobility must undergo a rapid transformation, which is why Poland should secure private transports' needs in terms of infrastructure. It needs more ambitious targets in terms of the number of charging stations for Poland and clear information about the planned investments and reforms.

14) Money within the NRPs should also be spent on promoting alternative (carbon neutral) transport means and mobility patterns (such as bicycles, scooters, the metro, walking, etc) and decreasing the number of cars in general.

15) Solutions that target multi-unit dwellings is crucial. The infrastructure should be mandatory for new buildings, and the costs of doing it now will be much lower than implementing it in the future. Furthermore, solutions for multi-dwelling units do not require rapid charging. Plus they can assure system flexibility and with proper management on the demand side, will impact positively on the power system. Having energy-positive building charging could be free for residents, assuming they accept the Vehicle-to-Grid option. Flexible power management and well-designed infrastructure could be a cost-effective solution from an investment and operational point of view.

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16) All projects/solutions and planned activities should be socially just, therefore chargers should also be available in older housing estates and next to blocks of flats and buildings built years ago, so there need to be requirements to build chargers as part of building modernisation and revitalisation programmes.

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