

Competitiveness Compass opens door to scale up grid technology innovation, if implemented correctly

29 January 2025 – The much-anticipated Competitiveness Compass published today by the European Commission recognizes electricity grids as an indispensable element of European competitiveness and promises to reduce barriers for the uptake of innovation in Europe.

“The number one challenge for innovative grid technology companies is to go from innovative pilots to a meaningful, wide-spread deployment,” says Layla Sawyer, Secretary General of CurrENT. “Not only are these pilots a painstakingly time-consuming process, but it must also be repeated in every European country. Many of our members are currently choosing to prioritize investments outside of the EU, to the detriment of European competitiveness.”

These challenges are also reflected in the Competitiveness Compass, which rightly states that “Europe is failing to translate its ideas into new, marketable technologies, and failing to integrate those technologies into its industrial base” and that “our freedom, security and autonomy will depend more than ever on our ability to innovate, compete and grow.”

Innovative grid technologies support the mass-uptake of renewable energy and can help deliver on the EU goals outlined in the Competitiveness Compass, including the reduction of dependency on imported fossil fuels. CurrENT welcomes the measures outlined in the Competitiveness Compass, if implemented correctly, and in particular the following elements:

- A **Grids Package** to be expected in Q1 of 2026. This must include support for deploying innovation on the electricity grid beyond pilots.
- Simplified access to EU funding instruments – the Compass is proposing a **Competitiveness Fund** under the next MFF. While the Innovation Fund up until now has gone for 74% to Hydrogen and CCS, a new Competitiveness Fund must invest in large-scale innovation for electricity grids.

- The **TechEU Investment programme** to help bridge the financing gap to support disruptive innovation, including clean tech. It is essential that this also includes innovative grid technologies.
- The support for start-ups and scale-ups which will be further outlined in a **dedicated EU Start-up and Scale-up strategy**.
- The **Competitiveness Coordination tool**, in which the Commission will propose to coordinate EU and Member States' policies in a few selected areas, e.g. electricity grids.
- CurrENT also welcomes the recognition of the key role of using innovation to reduce the demand for raw materials, which will be elaborated in the **Advanced Materials Act**. Advanced materials, such as superconductors, will be a gamechanger in electricity grids.