

EU funds Programming networking and capacity building workshop: “EU funds for ambitious National Energy and Climate Plans”

11 October 2019



EU funds for climate neutrality Programming the Ecological Transition

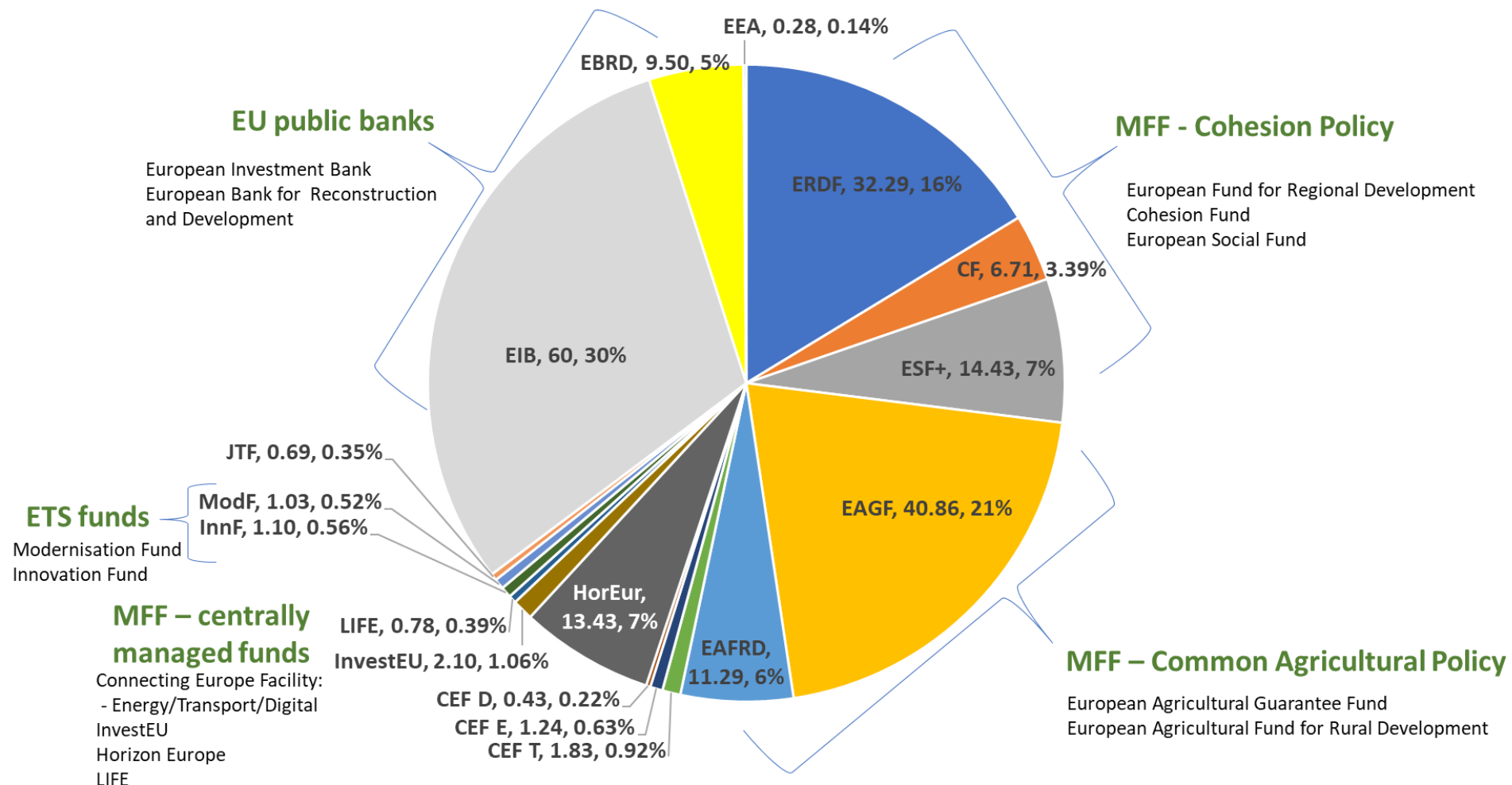
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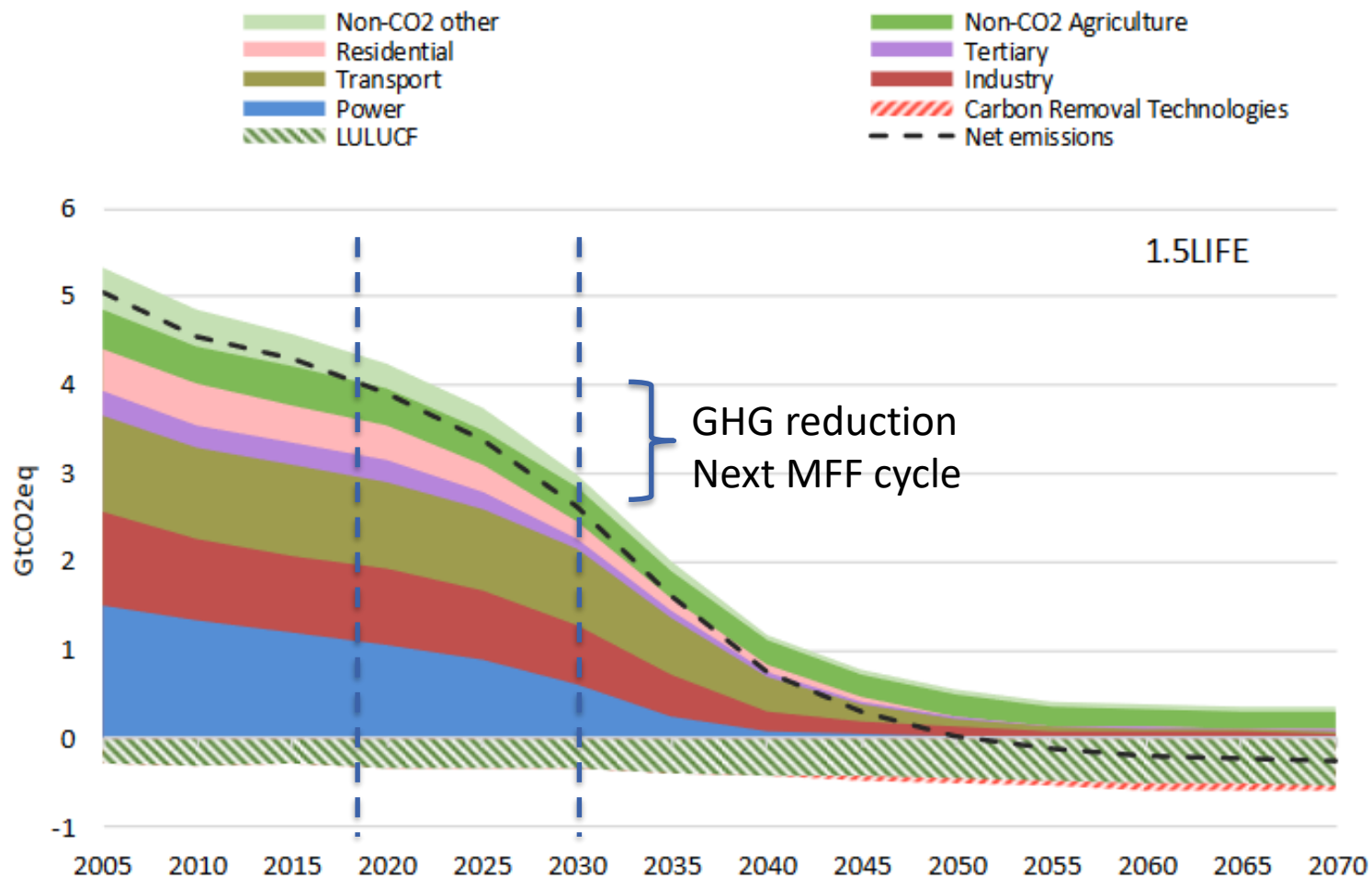
*“Making finance flows consistent with a pathway
towards low greenhouse gas emissions and
climate-resilient development”*

- Paris Agreement, Article 2.1c



Annual financing from EU sources in climate action relevant sectors;
annual averages, billion Euro, % of total; 2018 prices





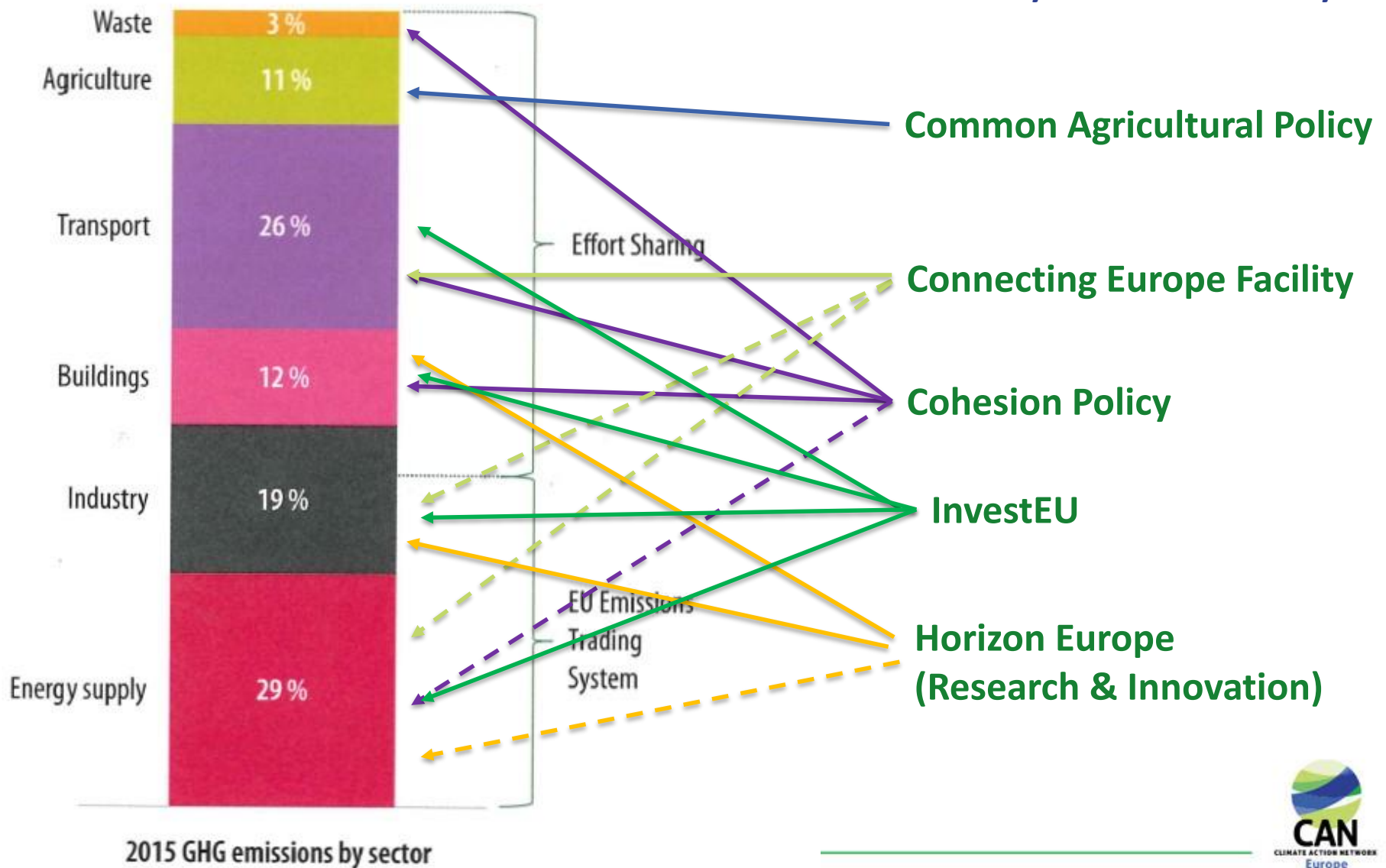
Source: PRIMES, GAINS, GLOBIOM.

MFF 2021-2027 (2030)

2015 EU greenhouse gas emissions by sector

'Paris compatibility':

At least 65% less GHG by 2030 + net-zero by 2040

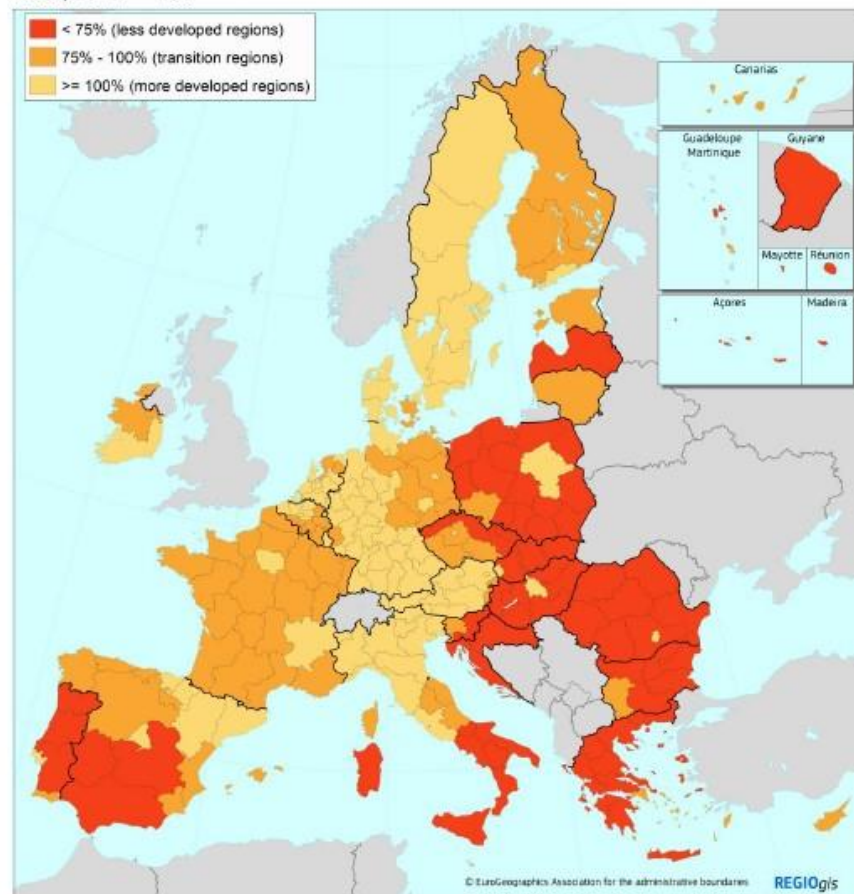


Cohesion Policy - Programming the Ecological Transition

- Cohesion Policy funding: How much money is it?
Who gets it?
- What can be finance with EU funds?
- How is it linked to 2030 targets and NECPs?
- What wants the EC to have EU funds spent on?

GDP/head (PPS) by NUTS2 region, average 2014-15-16

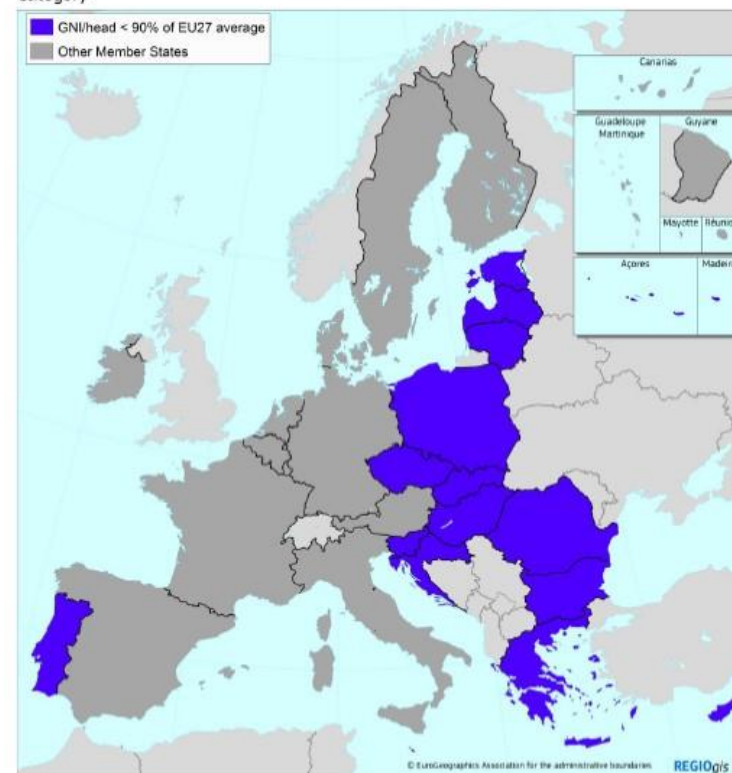
Index, EU-27 = 100



	LD	TR	MD
Allocation (EUR bns 2018 prices)	198.6	45.9	34.8
Population (MM inhab)	123.6	112.5	208.4

Cohesion Fund eligibility 2021-2027

Category



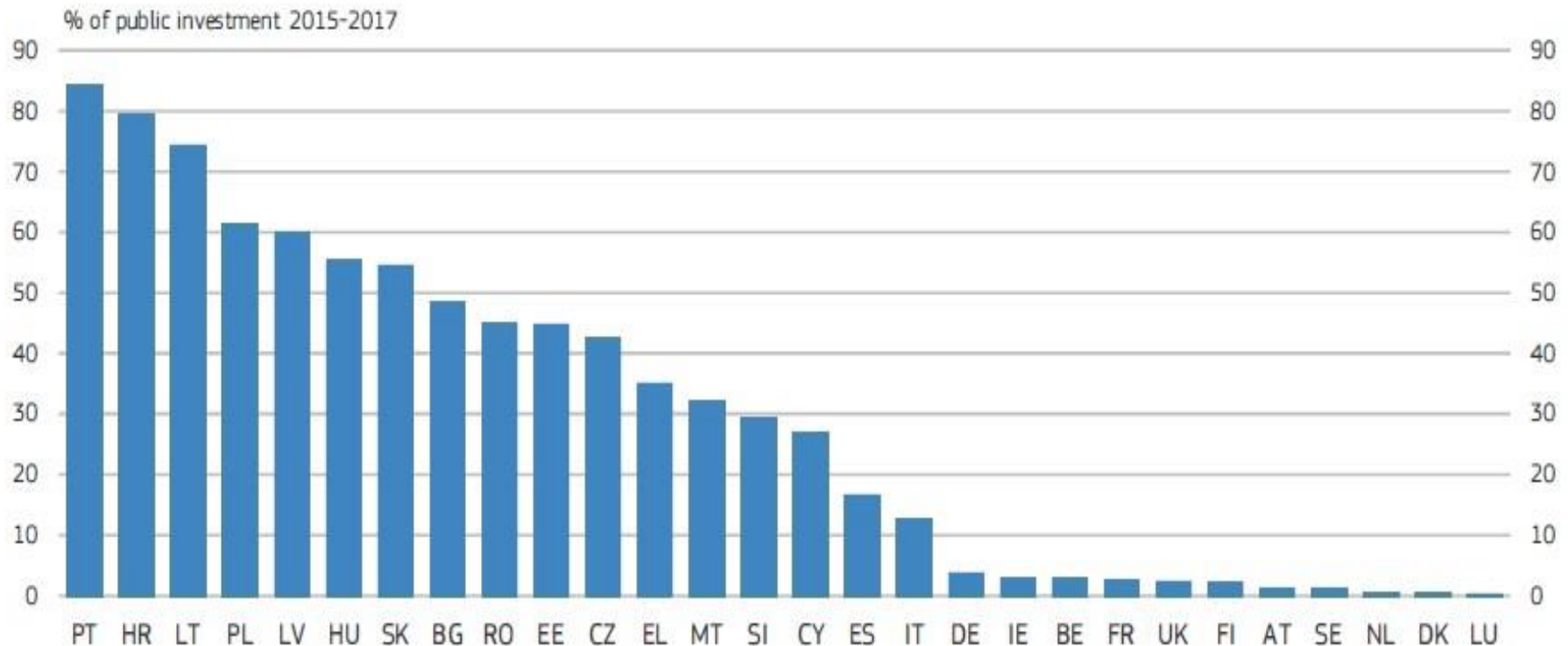
	LD
Allocation (EUR bns 2018 prices)	41.3
Population (MM inhab)	126.2

National envelopes Cohesion Policy

	2018 prices	Current prices
BE	2 443 732 247	2 754 198 305
BG	8 929 511 492	10 081 635 710
CZ	17 848 116 938	20 115 646 252
DK	573 517 899	646 380 972
DE	15 688 212 843	17 681 335 291
EE	2 914 906 456	3 285 233 245
IE	1 087 980 532	1 226 203 951
EL	19 239 335 692	21 696 841 512
ES	34 004 950 482	38 325 138 562
FR	16 022 440 880	18 058 025 615
HR	8 767 737 011	9 888 093 817
IT	38 564 071 866	43 463 477 430
CY	877 368 784	988 834 854
LV	4 262 268 627	4 812 229 539
LT	5 642 442 504	6 359 291 448
LU	64 879 682	73 122 377
HU	17 933 628 471	20 247 570 927
MT	596 961 418	672 802 893
NL	1 441 843 260	1 625 023 473
AT	1 279 708 248	1 442 289 880
PL	64 396 905 118	72 724 130 923
PT	21 171 877 482	23 861 676 803
RO	27 203 590 880	30 765 592 532
SI	3 073 103 392	3 463 528 447
SK	11 779 580 537	13 304 565 383
FI	1 604 638 379	1 808 501 037
SE	2 141 077 508	2 413 092 535

Country	2021-2027	2014-2020	Absolute change (euro billions)	Relative change (%)
POLAND	64.4	83.9	-19.5	-23.3
HUNGARY	17.9	23.6	-5.7	-24
CZECH	17.8	23.5	-5.6	-24
GERMANY	15.7	19.8	-4.1	-20.6
SLOVAKIA	11.8	15.1	-3.3	-21.7
LITHUANIA	5.6	7.4	-1.8	-24
PORTUGAL	21.2	22.8	-1.6	-7
ESTONIA	2.9	3.8	-0.9	-24
FRANCE	16	16.9	-0.9	-5.4
LATVIA	4.3	4.9	-0.6	-13
CROATIA	8.8	9.3	-0.5	-5.5
SLOVENIA	3.1	3.4	-0.3	-9.2
MALTA	0.6	0.8	-0.2	-24
IRELAND	1.1	1.2	-0.2	-12.6
SWEDEN	2.1	2.1	0	0
NETHERLANDS	1.4	1.4	0	0
AUSTRIA	1.3	1.3	0	0
DENMARK	0.6	0.6	0	0
LUXEMBOURG	0.1	0.1	0	0
CYPRUS	0.9	0.9	0	1.8
BELGIUM	2.4	2.4	0.1	0
FINLAND	1.6	1.5	0.1	5.1
BULGARIA	8.9	8.3	0.7	8
GREECE	19.2	17.8	1.4	8
SPAIN	34	32.4	1.6	5
ROMANIA	27.2	25.2	2	8
ITALY	38.6	36.2	2.3	6.4

Share of European Structural and Investment Funds in public investment 2015-2017 in %



Source: Eurostat, DG REGIO

Policy objectives Cohesion Policy (PO)

- (1) a **smarter Europe** by promoting innovative and smart economic transformation;
- (2) a **greener, low-carbon Europe** by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management;
- (3) a more **connected Europe** by enhancing mobility and regional ICT connectivity;
- (4) a more **social Europe** implementing the European Pillar of Social Rights;
- (5) a **Europe closer to citizens** by fostering the sustainable and integrated development of urban ('**SECAPs**!'), rural and coastal areas and local initiatives.

Specific objectives for the ERDF and the Cohesion Fund

(b) 'a **greener, low-carbon** Europe by promoting **clean and fair energy transition**, green and blue investment, the **circular economy, climate adaptation** and risk prevention and management ('PO 2') by:

- (i) promoting energy efficiency measures;
- (ii) promoting renewable energy;
- (iii) developing smart energy systems, grids and storage at local level;
- (iv) promoting climate change adaptation, risk prevention and disaster resilience;
- (v) promoting sustainable water management;
- (vi) promoting the transition to a circular economy;
- (vii) enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution;
- (viii) Sustainable Urban Mobility

Thematic concentration of ERDF support:

- 30% for 'PO 2' in 'less developed' and 'transition' regions
- 0% - 25%/30% for 'PO 2' in 'more developed'

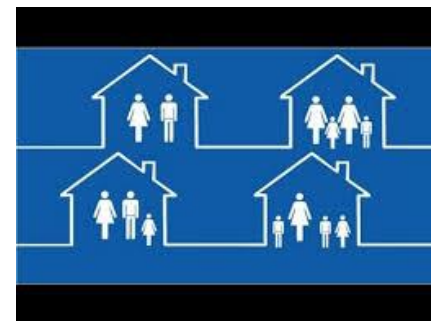
... **for the Just Transition** ...

- + Support for business, SMEs, innovation (PO1)
- + workforce development (PO4)
- + community lead bottom-up approaches (PO5)

The beneficiaries



AUTHORITY



FORMS OF FINANCE

- Grants
- Support through financial instruments: equity or quasi-equity, loan, guarantee
- Prize

POLICY OBJECTIVE 1: A SMARTER EUROPE BY PROMOTING INNOVATIVE AND SMART ECONOMIC TRANSFORMATION

- Research and innovation processes, technology transfer and cooperation between enterprises focusing on the low carbon economy, resilience and adaptation to climate change
- Research and innovation processes, technology transfer and cooperation between enterprises focusing on circular economy

POLICY OBJECTIVE 2: A GREENER, LOW CARBON EUROPE BY PROMOTING CLEAN AND FAIR ENERGY TRANSITION, GREEN AND BLUE INVESTMENT, THE CIRCULAR ECONOMY, CLIMATE ADAPTATION AND RISK PREVENTION AND MANAGEMENT

- Energy efficiency and demonstration projects in SMEs and supporting measures
- Energy efficiency renovation of existing housing stock, demonstration projects and supporting measures
- Energy efficiency renovation of public infrastructure, demonstration projects and supporting measures
- Support to enterprises that provide services contributing to the low carbon economy and to resilience to climate change
- Renewable energy: wind; solar; biomass; marine; other (including geothermal energy)
- Smart Energy Distribution Systems at medium and low voltage levels (including smart grids and ICT systems) and related storage
- High efficiency co-generation, district heating and cooling
- Etc.

POLICY OBJECTIVE 3: A MORE CONNECTED EUROPE BY ENHANCING MOBILITY AND REGIONAL ICT CONNECTIVITY

- Other reconstructed or improved roads (motorway, national, regional or local)
- Digitalisation of transport: road
- Newly built railways - TEN-T core network - TEN-T comprehensive network , other newly built railways, reconstructed or improved railways
- Mobile rail assets
- Clean urban transport infrastructure
- Clean urban transport rolling stock
- Cycling infrastructure
- Alternative fuels infrastructure

POLICY OBJECTIVE 4: A MORE SOCIAL EUROPE BY IMPLEMENTING THE EUROPEAN PILLAR OF SOCIAL RIGHTS

- Housing infrastructure (other than for migrants, refugees and persons under or applying for international protection)
- Specific support for youth employment and socio-economic integration of young people
- Support for self-employment and business start-up
- Contributing to green skills and jobs and the green economy

POLICY OBJECTIVE 5: A EUROPE CLOSER TO CITIZENS BY FOSTERING THE SUSTAINABLE AND INTEGRATED DEVELOPMENT OF URBAN, RURAL AND COASTAL AREAS AND LOCAL INITIATIVES

- For policy objective 5 all interventions under policy objectives 1 to 4 may be chosen
- CLLD
- Territorial Cooperation

COMMUNITY LED LOCAL DEVELOPMENT (CLLD)

- CLLD focused on sustainable urban development, including:
 - Urban neighbourhoods
 - Cities, towns and suburbs
 - Functional urban areas
- ✓ **SECAPs - Sustainable Energy and Climate Plans – Covenant of Mayors**
- ✓ **Just Transition plans and strategies**

TECHNICAL ASSISTANCE

- Information and communication
- Preparation, implementation, monitoring and control
- Evaluation and studies, data collection
- Reinforcement of the capacity of Member State authorities, beneficiaries and relevant partners

The EU's 2030 climate and energy framework: Opportunity or threat?



2030 goals for
climate and energy

“NECPs inform
EU funds
spending plans!”

“[...] we will finance measures
on Energy Efficiency and use
Union funds ”

NECP: 3. POLICIES AND MEASURES

3.1.2. Renewable energy

iii. Specific measures on financial support, where applicable, including Union support and **the use of Union funds**, for the promotion of the production and use of energy from renewable sources in electricity, heating and cooling, and transport

3.1.1 GHG emissions and removals (environmental measures)	3.1.2 Promotion of the production and use of energy from renewable sources in electricity, heating and cooling, and transport	3.2 Energy Efficiency	3.3 Energy security	3.4.1 Electricity infrastructure	3.4.2 Energy transmission infrastructure	3.5. Dimension Research, innovation and competitiveness
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EU funds - financial allocations in relation to climate and energy'

Planned EU funds 2014-2020	GHG emissions removals (environmental measures)	Renewable Energy (wind, solar, biomass, hydro, geo & RES integration)	Energy Efficiency (housing, public buildings, SMEs and large enterprises)	Fossil Gas infrastructure (TEN-E and other)	Electricity infrastructure (transmission, distribution, storage, 'smart grids'; TEN-E and other)	Research & innovation, technology transfer and cooperation in enterprises focusing on the low-carbon economy	Share on total ERDF/CF: GHG reduction, renewable energy, energy efficiency, electricity infrastructure, research and innovation
AT	€25,326,771	€0	€102,550,607	€0	€0	€12,350,000	26.2%
BE	€0	€20,131,102	€85,225,862	€0	€0	€10,429,989	12.2%
BG	€62,336,199	€0	€442,582,730	€38,250,000	€0	€14,195,000	8.9%
CY	€0	€0	€57,000,000	€0	€0	€0	9.6%
CZ	€0	€148,519,176	€1,642,654,397	€0	€195,651,838	€108,834,504	11.6%
DE	€126,769,078	€119,139,801	€1,383,974,006	€0	€45,152,495	€243,341,303	17.8%
DK	€0	€0	€41,451,729	€0	€0	€11,469,870	25.6%
EE	€0	€10,155,884	€277,183,028	€0	€0	€27,957,644	10.8%
ES	€0	€899,266,455	€1,670,192,040	€0	€11,885,068	€0	12.5%
FI	€0	€6,984,321	€57,320,574	€0	€2,004,863	€58,159,922	15.7%
FR	€13,836,498	€375,908,581	€777,497,855	€0	€20,880,497	€117,118,729	15.6%
GR	€58,377,518	€137,191,364	€648,006,029	€146,229,732	€230,841,413	€28,298,097	9.3%
HR	€0	€95,000,000	€321,810,805	€0	€20,000,000	€40,000,000	7.0%
HU	€0	€642,116,565	€1,359,401,885	€0	€0	€0	11.9%
IE	€0	€0	€84,500,000	€0	€0	€0	20.6%
IT	€17,245,144	€230,778,825	€1,461,995,099	€0	€385,190,560	€0	9.8%
LT	€0	€246,207,798	€507,557,280	€70,583,163	€103,394,346	€0	15.4%
LU	€0	€1,805,376	€3,610,915	€0	€0	€360,192	29.7%
LV	€0	€26,597,247	€365,100,276	€17,727,941	€23,629,687	€0	11.1%
MT	€11,900,000	€31,127,364	€26,895,116	€0	€0	€0	11.6%
NL	€0	€12,532,607	€56,658,971	€0	€1,881,392	€50,264,470	23.8%
PL	€11,849,690	€1,068,213,435	€2,606,859,569	€620,000,000	€733,718,969	€471,082,319	7.7%
PT	€17,000,000	€161,000,000	€662,676,924	€0	€0	€255,854,407	8.0%
RO	€0	€94,787,234	€1,186,170,213	€46,750,000	€66,372,340	€15,000,000	7.8%
SE	€1,450,102	€5,120,358	€87,327,259	€0	€0	€74,108,529	18.0%
SI	€0	€41,340,000	€220,213,527	€0	€19,897,800	€53,289,261	14.4%
SK	€0	€167,981,020	€698,775,034	€0	€0	€8,358,341	7.7%
TC	€88,032,667	€136,301,834	€283,151,472	€150	€32,265,202	€158,209,477	7.5%
UK	€0	€357,944,885	€355,192,053	€0	€79,802,949	€266,416,642	18.1%
TOTAL	€434,123,667	€5,036,151,232	€17,473,535,254	€939,540,986	€1,972,569,419	€2,025,098,696	10.3%

INVESTMENT GUIDANCE ON COHESION POLICY FUNDING 2021-2027 FOR ROMANIA

Policy Objective 2: A low carbon and greener Europe – Clean and fair energy transition, green and blue investment, circular economy, climate adaptation and risk prevention (78)

Energy intensity in Romania remains above the EU average and energy poverty affects one household out of four. Priority investment needs are identified to **promote energy efficiency measures and renewable energy**, and in particular to:

- support energy efficiency renovation of public and residential buildings;
- support **energy efficiency measures in district heating systems, together with the promotion of renewable energy into the district heating and cooling;**
- **promote small-scale renewable energy in combination with energy efficiency renovation of buildings;**
- strengthen **the capacity of managing authorities, project developers** and public authorities.
- support measures for emission reduction, elimination (exchange) of energy sources for district heating, complementary to the energy efficiency investments;



INVESTMENT GUIDANCE ON COHESION POLICY FUNDING 2021-2027 FOR SPAIN

Policy Objective 2: A low carbon and greener Europe – Clean and fair energy transition, green and blue investment, circular economy, climate adaptation and risk prevention

The 2016 and 2017 figures show an increase in energy consumption, in particular in industry and buildings. High priority investment needs are therefore identified **to promote energy efficiency**, and in particular to:

- accelerate the **energy efficient renovation of the building stock** (including public buildings and small and medium-sized enterprises), prioritising the renovation of residential buildings and focusing on the **energy poor**;

- promote **small-scale infrastructure and access to small grids** with cross-border regions.

The electricity interconnection level of Spain was 6% in 2017. Priority investment needs are identified to promote smart energy systems at local level and in particular to:

- deploy **smart electricity distribution grids and storage solutions** – linked to demand and supply planning, also in a cross border-context.

The increase of the renewable energy share in Spain has visibly slowed down between 2014 and 2017.

Priority investments needs are therefore identified to promote renewable energy and in particular :

- foster the **deployment of small-scale renewable electricity capacities owned by energy communities, small and medium sized enterprises or individual energy consumers**;
- promote the transition to **renewables in heating and cooling**;
- support **renewable energy technologies that are close to market** or not yet widely deployed.



INVESTMENT GUIDANCE ON COHESION POLICY FUNDING 2021-2027 FOR GERMANY

Policy Objective 5 – A Europe closer to citizens by fostering the sustainable and integrated development of urban, rural and coastal areas and local initiatives

Germany is facing structural **transition challenges in the coal mining regions as a result of the planned phasing out of coal**. Investment needs have been identified to 'foster integrated social, economic and environmental local development, cultural heritage and security, including for rural and coastal areas **also through community-led local development**', and in particular to:

- **develop coal regions, managing structural change in order to increase attractiveness for enterprises and the workforce, complementing the EU Coal Regions Initiative.**

https://ec.europa.eu/info/publications/2019-european-semester-country-reports_en

Questions for discussion

- Where could EU funds improve NECPs' commitments and measures?
- Could EU funds be used to counter 'coal, gas, biomass co-firing, waste incineration'- plans?
- How can EU funding for bottom-up approaches and support for citizens initiatives be ensured?

An illustration featuring a central white document titled 'COHESION POLICY FUNDS' with horizontal lines for text. The document is flanked by stacks of gold coins and several 50 Euro banknotes. To the left is a white wind turbine, and to the right is a blue solar panel. The background includes a large orange sun with rays and a blue sky. The entire scene is set against a dark purple ground.

COHESION POLICY FUNDS

BEST USED TO GREEN THE ECONOMY
CUT EMISSIONS, NOT THE BUDGET!

#EUBudget4Climate



Thank you!



Climate Action Network (CAN) Europe is Europe's leading NGO coalition fighting dangerous climate change.

With over 160 member organisations from 35 European countries, representing over 1.500 NGOs and more than 40 million citizens, CAN Europe promotes sustainable climate, energy and development policies throughout Europe.