

Solar Heat Europe

'Financing the transition to Renewable Heating and Cooling'

Brussels, 29.11.2018



What potential of ERDF and Cohesion Fund to promote the transition to renewable heating and cooling?

Sneak preview on post-2020 Cohesion Policy delivery on climate objectives

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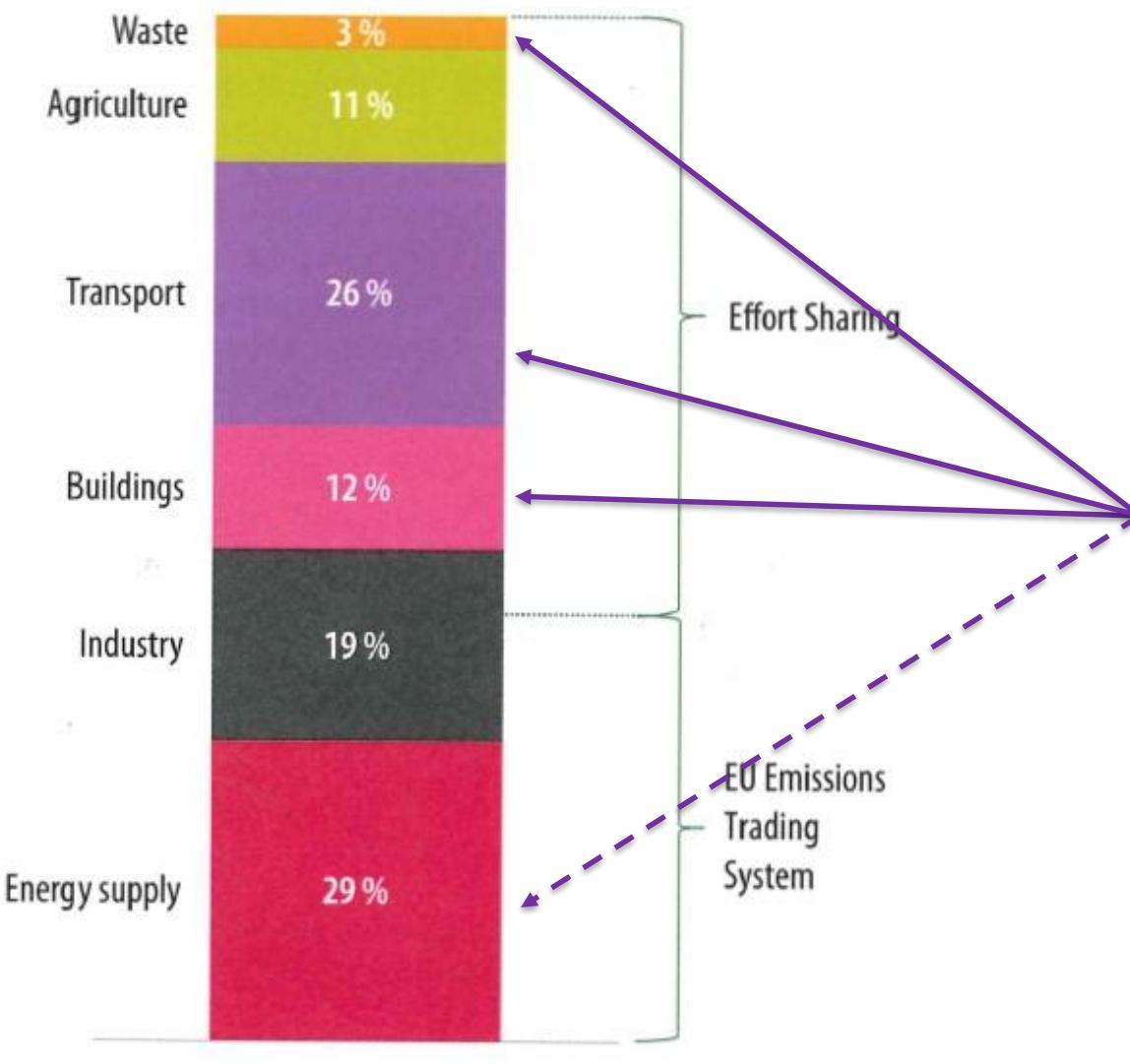
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“Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development” Paris Agreement, Article 2



2015 EU greenhouse gas emissions by sector



'Paris compatibility':
Well above 55% GHG reduction by 2030 +
net-zero by 2040

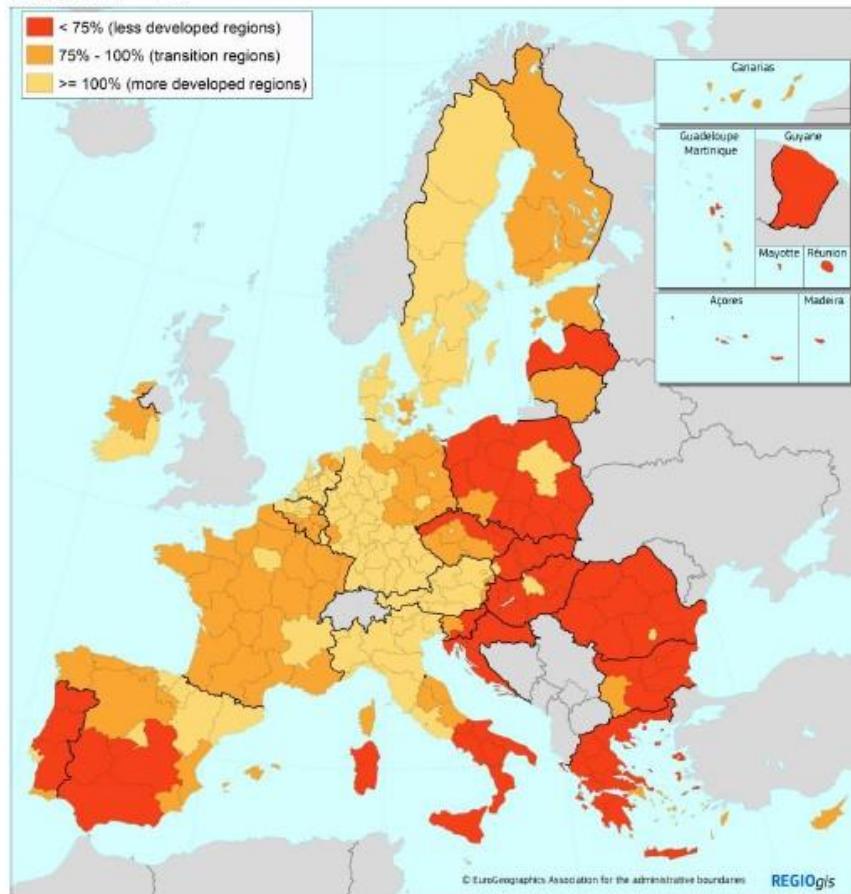
Cohesion Policy

EU Emissions
Trading
System



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

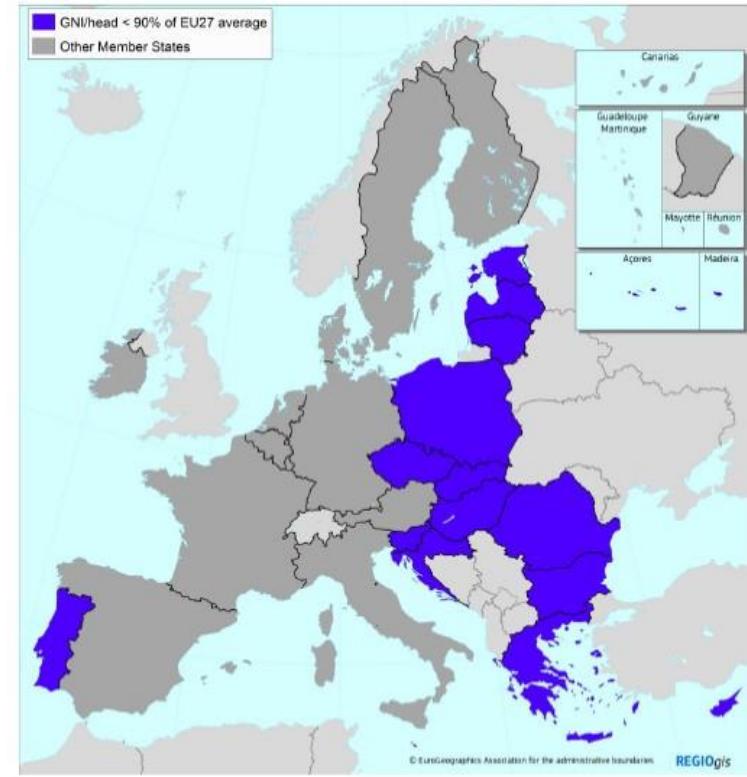
Index, EU-27 = 100



Cohesion Fund eligibility 2021-2027

Category

- GNP/head < 90% of EU27 average
- Other Member States



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

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

National envelopes

Cohesion Policy

<u>Country</u>	<u>2021-2027</u>	<u>2014-2020</u>	<u>Absolute change (euro billions)</u>	<u>Relative change (%)</u>
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

Policy objectives Cohesion Policy

- (a) a **smarter Europe** by promoting innovative and smart economic transformation;
- (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;
- (c) a more **connected Europe** by enhancing mobility and regional ICT connectivity;
- (d) a more **social Europe** implementing the European Pillar of Social Rights;
- (e) a **Europe closer to citizens** by fostering the sustainable and integrated development of urban, 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;

Thematic concentration of ERDF support:

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

Fossil fuels: in or out?

Article 6

Exclusion from the scope of the ERDF and the Cohesion Fund

(h) investment related to production, processing, distribution, storage or combustion of fossil fuels, with the exception of investment:

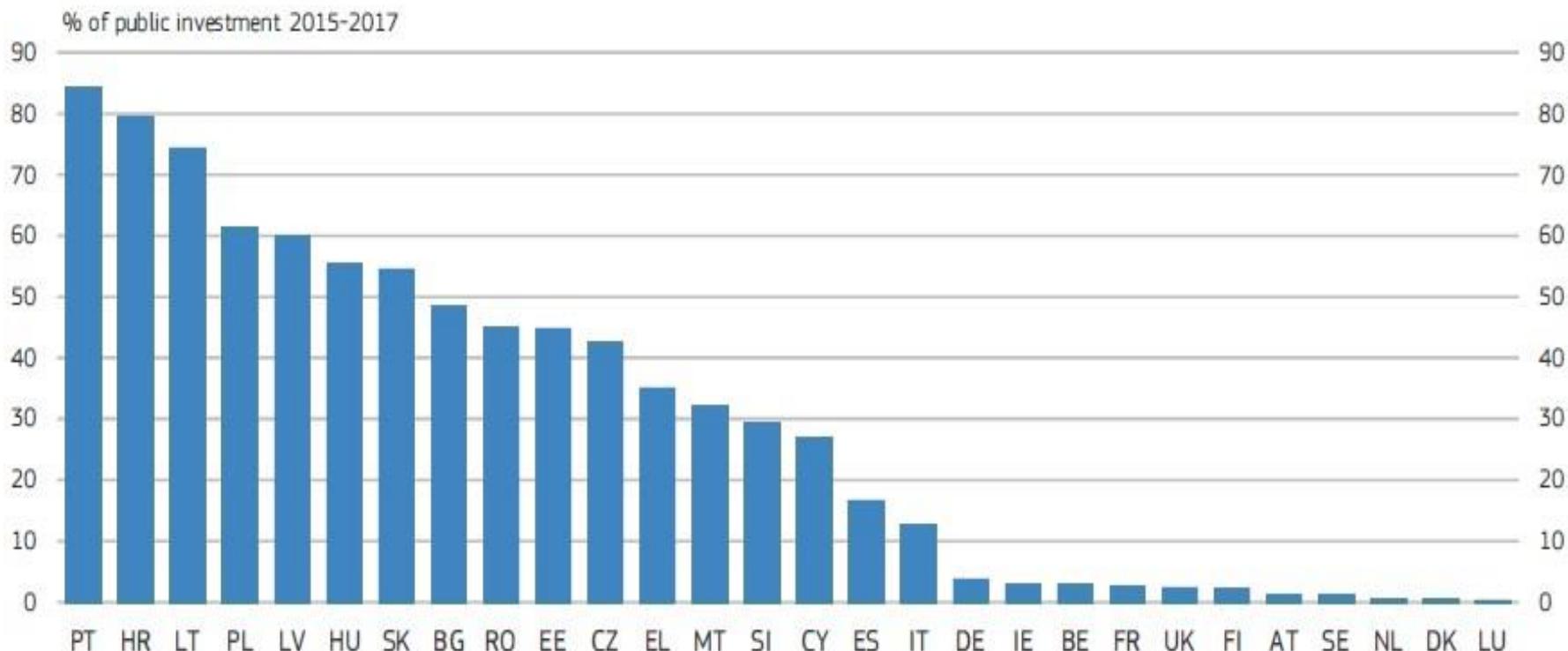
(a) related to clean vehicles as defined in Article 4 of Directive 2009/33/EC of the European Parliament and of the Council²⁶;

(b) *linked to improving energy efficiency in district heating systems;*

(c) *in the transport and distribution of gas to ensure energy security; and*

(d) *in cases where fossil fuels are only an auxiliary component;*

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



Source: Eurostat, DG REGIO

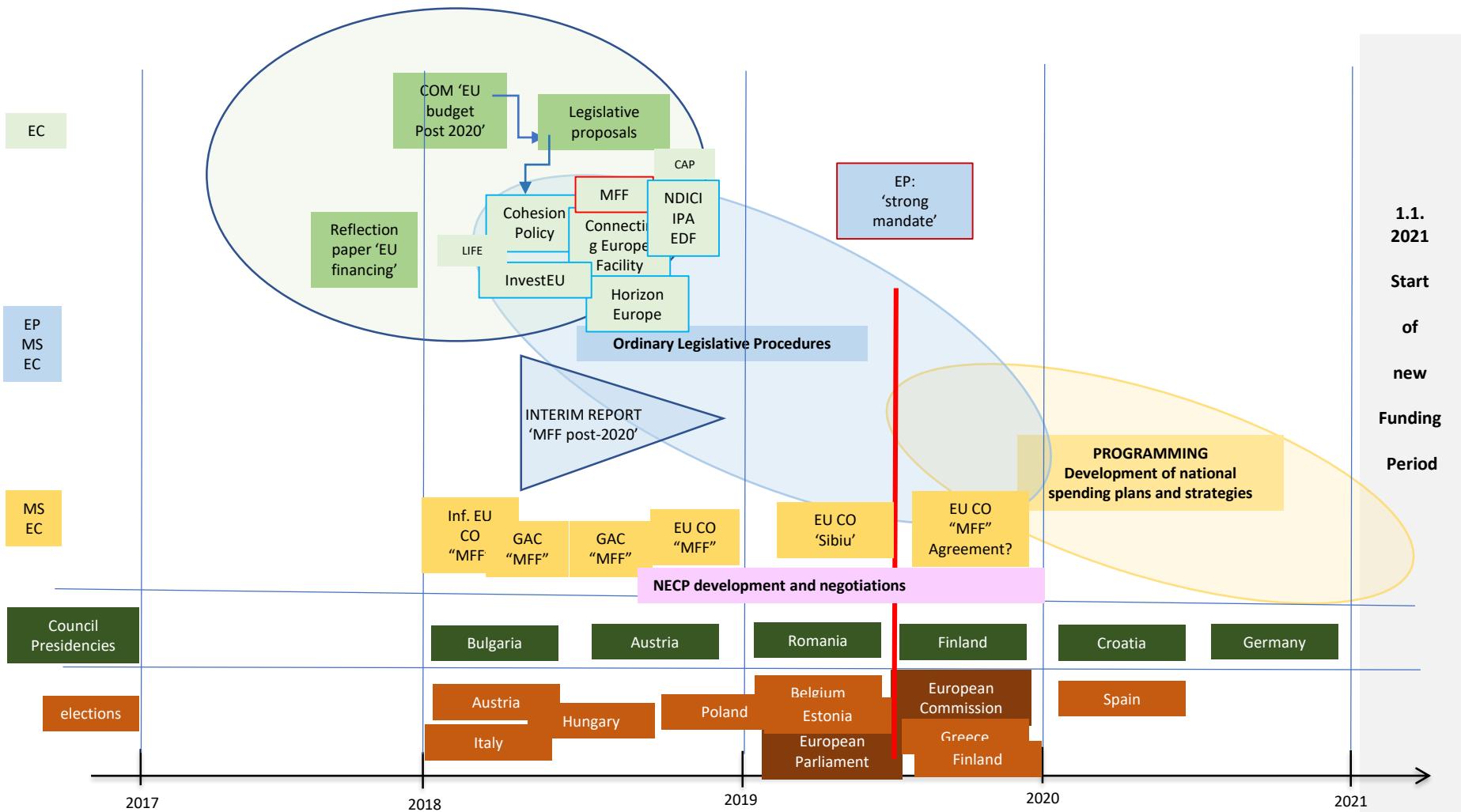
Financial measures for reporting and planning within National Energy and Climate Plans (NECPs) under the Energy Union Governance regulation¹: EU funds - financial allocations in relation to achieving 20/20/20 EU Climate and Energy targets

Policies and measures: Financial measures, use of EU funds 2014- 2020	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 (here: financing of gas infrastructure; overlapping with 3.4.2.)	3.4.1 Electricity infrastructure	3.4.2 Energy transmission infrastructure	3.5. Dimension Research, innovation and competitiveness	Share of GHG reduction, renewable energy, energy efficiency, electricity transmission and storage, research and innovation, on total Cohesion Policy spending 2014 -2020
AT	€25,226,771	€0	€80,823,336	€0	€0	€0	€16,550,000	12.5%
BE	€0	€22,131,102	€101,013,583	€0	€0	€0	€13,742,663	6.8%
BG	€62,336,199	€0	€471,486,714	€38,250,000	€0	€0	€14,195,000	7.4%
CY	€0	€0	€44,000,000	€0	€0	€0	€0	6.3%
CZ	€0	€53,439,383	€1,966,794,585	€0	€236,951,838	€0	€102,655,805	10.9%
DE	€123,567,298	€121,513,627	€1,388,224,372	€0	€59,563,084	€0	€232,580,242	10.5%
DK	€0	€0	€41,451,729	€0	€0	€0	€11,469,870	12.8%
EE	€15,319,149	€9,574,468	€154,563,830	€0	€0	€0	€145,175,532	9.2%
ES	€0	€649,661,113	€1,096,458,444	€0	€234,704,874	€0	€0	7.1%
FI	€0	€0	€74,360,164	€0	€2,803,557	€0	€78,778,152	12.0%
FR	€12,898,125	€423,191,079	€765,099,369	€0	€29,780,497	€0	€118,447,152	9.1%
GR	€64,629,826	€93,563,498	€461,762,523	€120,135,697	€211,310,455	€0	€68,788,213	5.9%
HR	€0	€95,000,000	€321,810,805	€0	€20,000,000	€0	€40,000,000	5.6%
HU	€0	€875,953,631	€1,159,078,520	€0	€0	€0	€0	9.4%
IE	€0	€0	€84,500,000	€0	€0	€0	€0	8.3%
IT	€17,245,144	€199,953,031	€1,404,094,926	€0	€443,609,865	€0	€0	6.5%
LT	€0	€329,868,111	€465,941,999	€84,195,304	€90,275,436	€0	€0	13.2%
LU	€0	€1,805,376	€3,610,915	€0	€0	€0	€360,192	14.6%
LV	€0	€26,597,247	€311,806,660	€17,727,893	€23,629,567	€0	€0	8.2%
MT	€11,900,000	€31,127,364	€14,995,116	€0	€0	€0	€0	8.2%
NL	€0	€12,532,607	€56,658,971	€0	€1,881,392	€0	€50,264,470	12.0%
PL	€13,849,190	€938,928,986	€2,501,919,373	€620,000,000	€781,261,716	€0	€444,539,462	6.1%
PT	€17,000,000	€159,000,000	€816,576,967	€3,000,000	€123,000,000	€0	€223,836,645	6.3%
RO	€0	€94,787,234	€1,251,170,213	€46,750,000	€66,372,340	€0	€15,000,000	6.3%
SE	€1,450,102	€5,120,358	€86,462,372	€0	€0	€0	€78,524,726	9.7%
SI	€0	€12,000,000	€267,953,527	€0	€19,897,800	€0	€68,157,411	12.2%
SK	€0	€169,000,000	€698,775,034	€0	€0	€0	€8,358,341	6.4%
TC	€88,332,367	€139,120,611	€191,953,736	€150,000	€33,873,887	€0	€159,123,785	6.6%
UK	€0	€421,143,499	€401,574,270	€0	€86,936,977	€0	€221,251,265	10.3%
TOTAL	€453,754,171	€4,885,012,325	€16,684,922,052	€930,208,894	€2,465,853,285	€0	€2,111,798,926	7.6%

The Way Forward

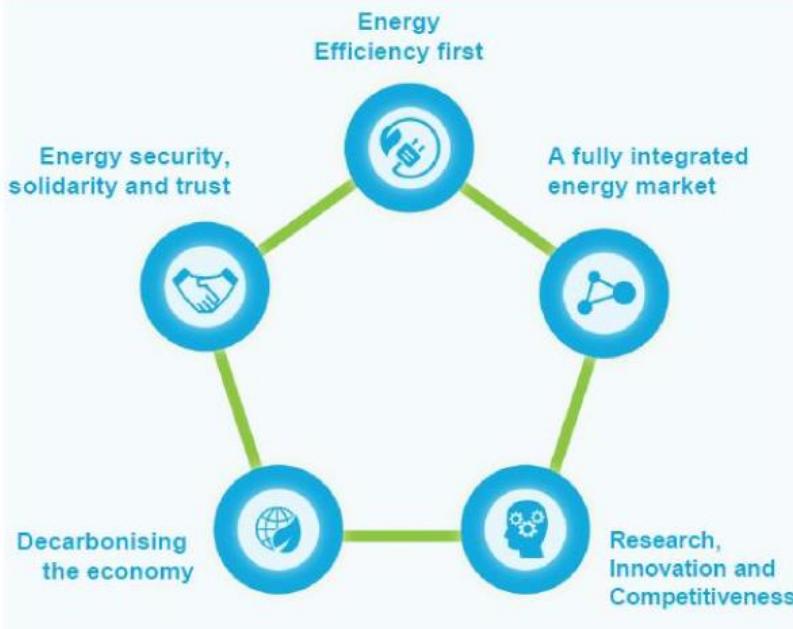


EU budget cycle



SMART AND CLEAN ENERGY FOR ALL IMPLEMENTING THE ENERGY UNION STRATEGY

ENERGY UNION: 5 MUTUALLY SUPPORTIVE AND INTERLINKED DIMENSIONS



3



Energy Union Governance via
National Energy and Climate Plans (NECPs)

Where will EU funds go ...?

Link to NECPs



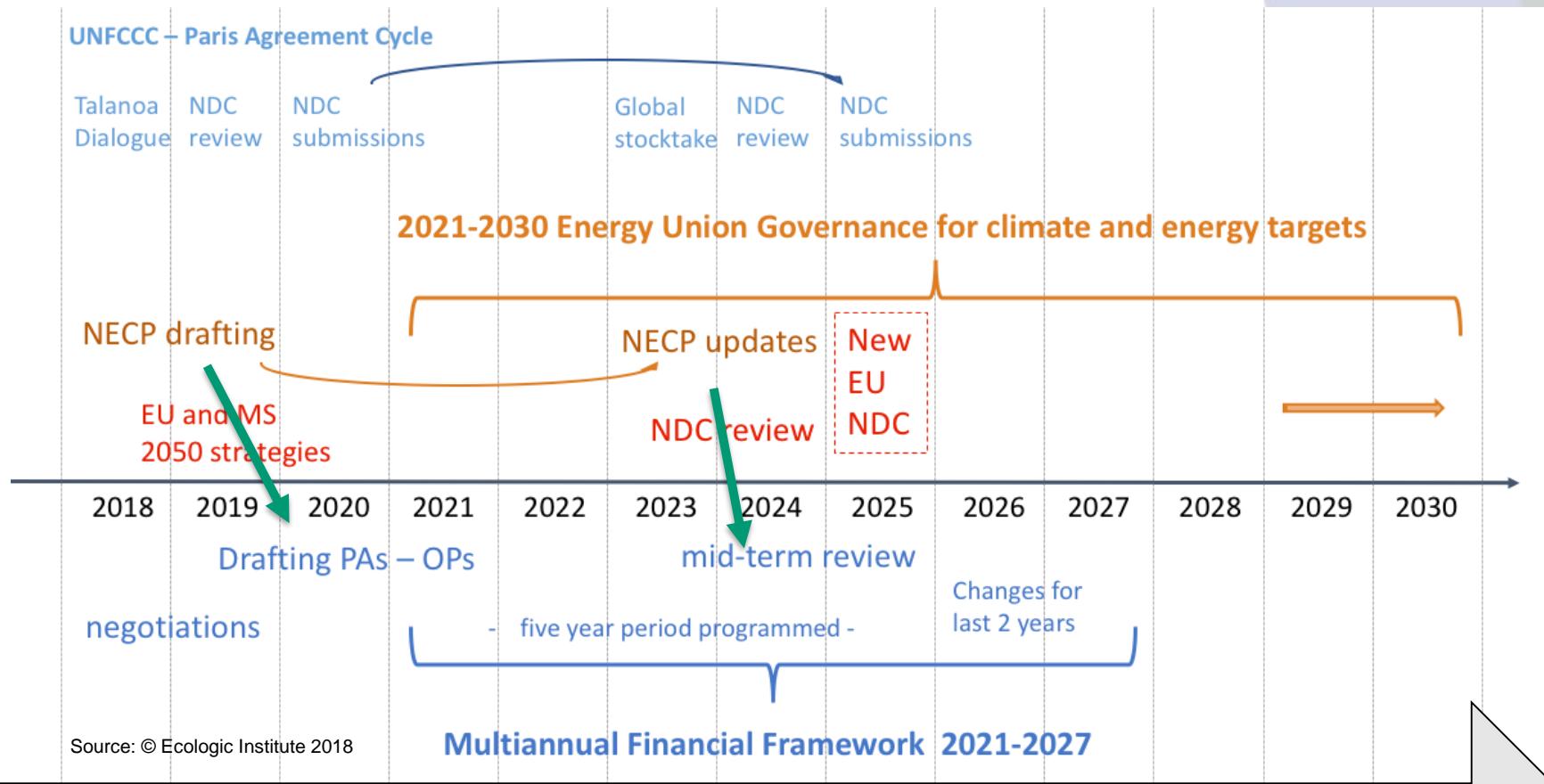
Cohesion Policy enabling condition -

'National Energy and Climate Plan are adopted and include:

1. All elements required by the template in Annex I of the Regulation on Governance of the Energy Union
2. An indicative outline of envisaged financing resources and mechanisms for measures promoting low-carbon energy'

- NECPs inform programming, 5+2 years
- EC's 2030 climate and energy recommendations part of Cohesion Policy's strategic framework (programming and mid-term review, Partnership Agreements and Operational Programmes)

NECP and Cohesion Policy timeline - interaction points in drafting and review phases



“National Energy and Climate Plans inform Programming”

Involve stakeholders (regions, municipalities, businesses, social partner and CSO) in both processes



Thank you for your
attention.

Your questions and
comments please!



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 1.700 NGOs and more than 40 million citizens, CAN Europe promotes sustainable climate, energy and development policies throughout Europe.