

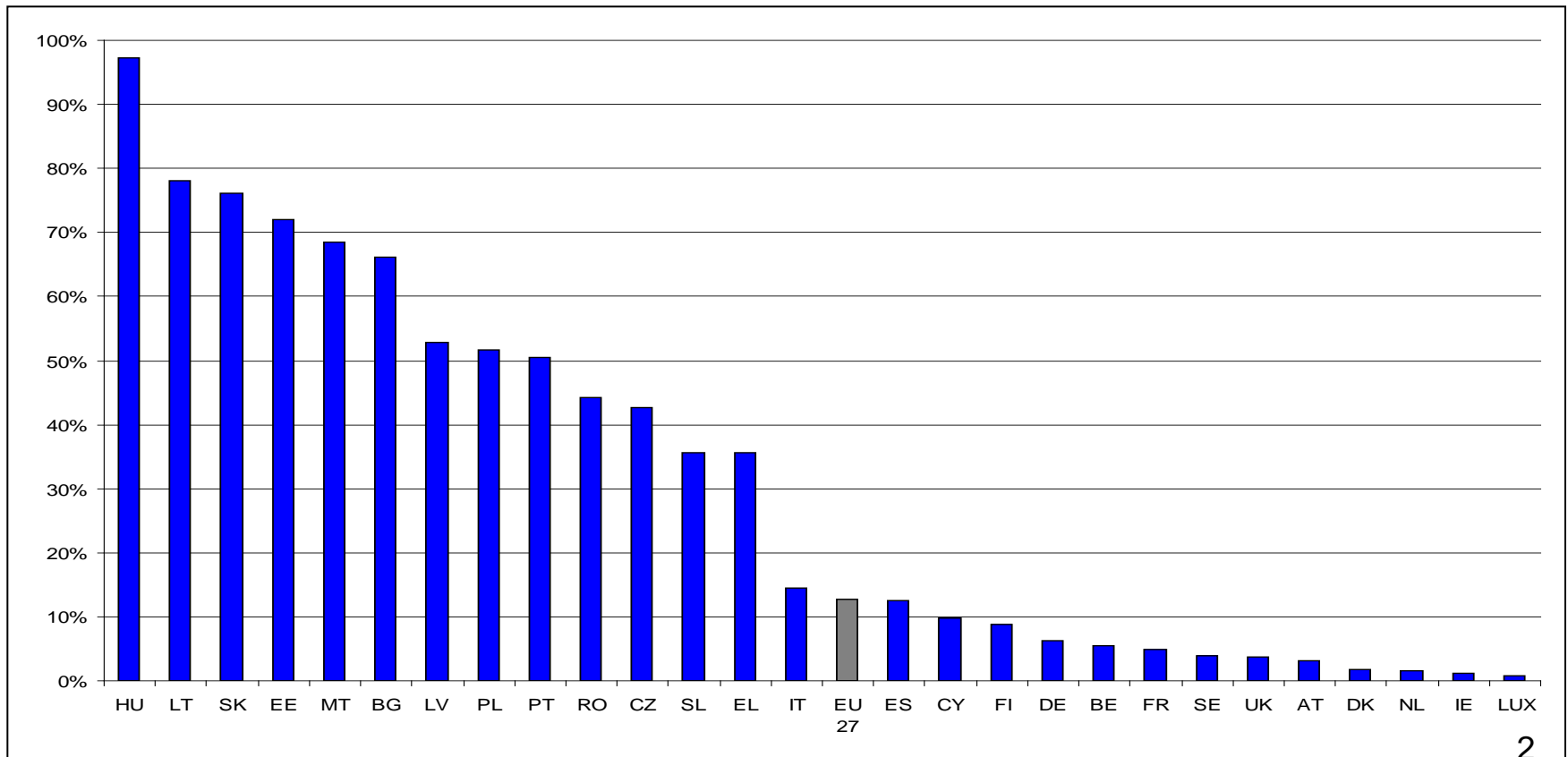


# Energy efficiency financing: Support from the European Structural and Investment Funds (ESIF)

*Financing energy efficiency in Romania, Hungary and  
Bulgaria*

*Bucharest, 1 February 2018*

## Cohesion policy 2007-2013 and national counterpart is a significant proportion of public investment in Europe (2011-2013)



# ESIF 2014-2020

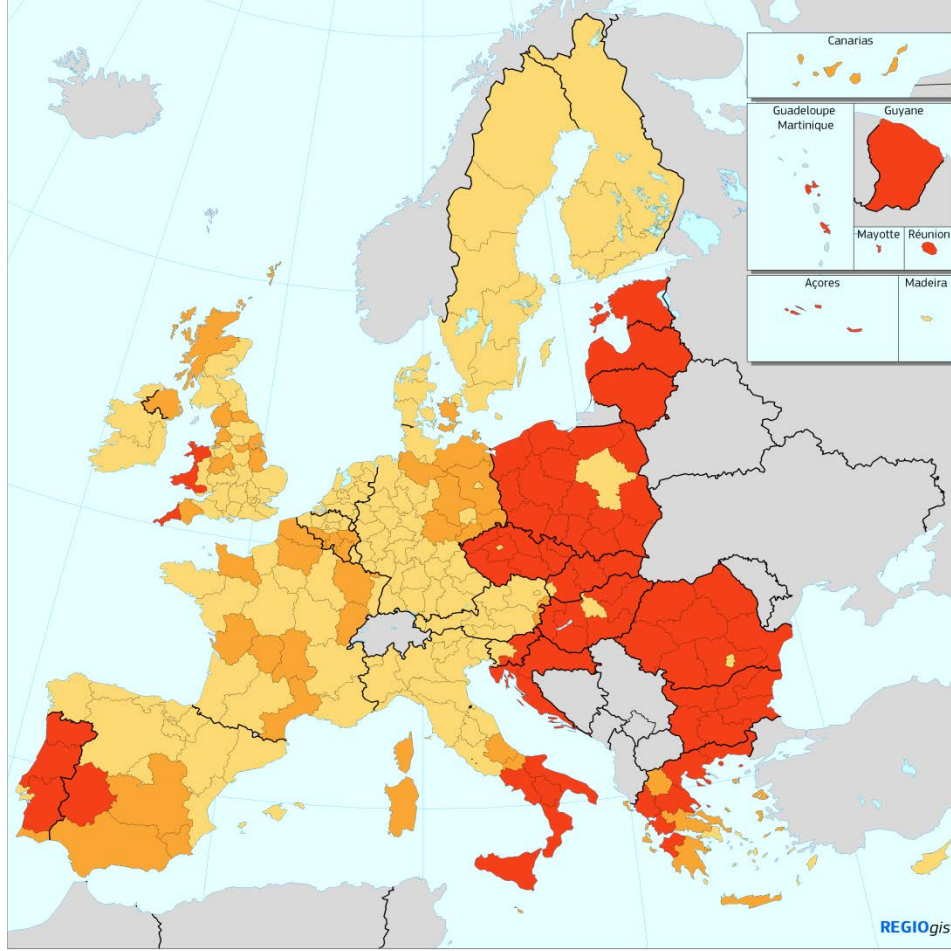


## European Structural and Investment Funds (ESIF): EUR 454bn

- European Regional Development Fund (ERDF)
- Cohesion Fund (CF)
- European Social Fund (ESF)
- European Agricultural Fund for Rural Development (EAFRD)
- European Maritime and Fisheries Fund (EMFF)

## Cohesion policy (ERDF, CF, ESF): EUR 352bn over 2014-2020 concentrated in less developed regions, aiming to:

- Reduce disparities between Europe's regions strengthening economic, social and territorial cohesion
- Contribute to the Europe 2020 Strategy for smart, sustainable and inclusive growth



ERDF and ESF eligibility for 2014-2020 period:  
Category  
■ Less developed regions (GDP/head < 75% of EU-27 average)  
■ Transition regions (GDP/head between >= 75% and < 90% of EU-27 average)  
■ More developed regions (GDP/head >= 90% of EU-27 average)

## Shared management



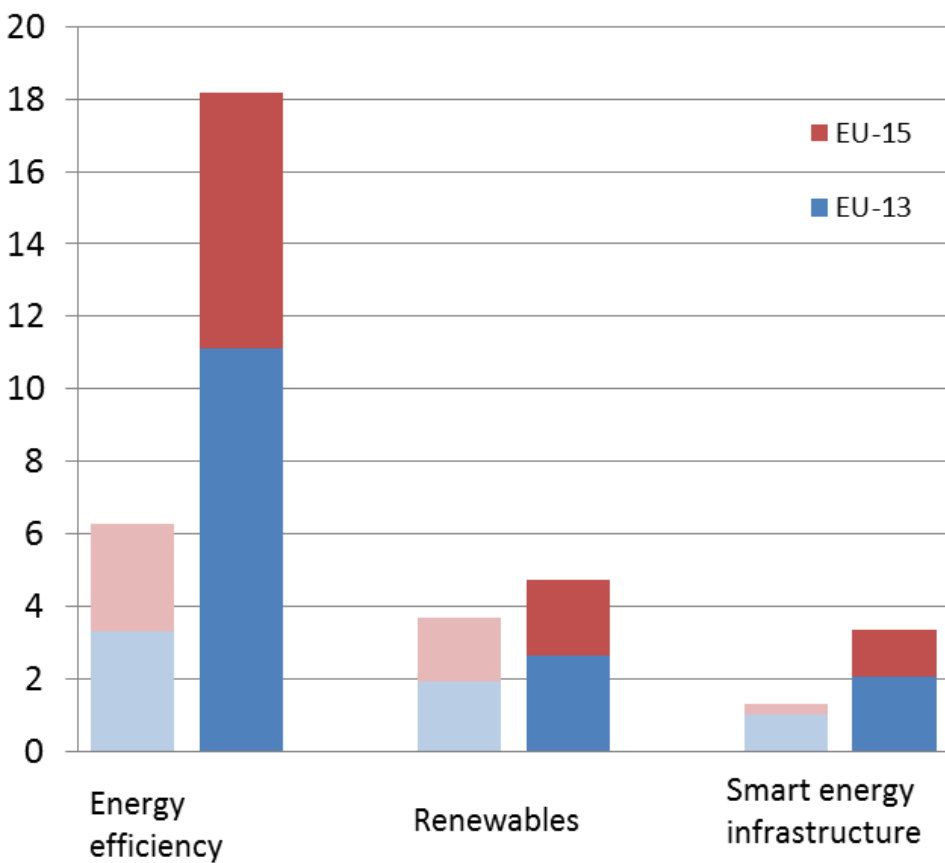
## ESI Funds key features

- **Delivery** through multi-annual programmes at national or at regional level
- Obligation of **national co-financing** (subject to same rules and conditions)
- **Form of support:** mainly grants but increasing emphasis on the use of financial instruments
- Implemented by Member States and their regions under **shared management** (Commission has no direct role in selection or implementation of projects)
- ESI Funds have geographical and sectoral **eligibility** criteria as stipulated in the Regulations, programmes and national eligibility rules

# Funding leading to benefits for people, regions and businesses



ERDF+CF allocations in EUR billion, all EU MSs  
Comparison 2007-2013 vs 2014-2020



**875 000 households** will live in buildings that have been renovated to reduce energy use.



Around **7 670 MW** of additional capacity of renewable energy production.



**3.3 million additional energy users** connected to smart grids.



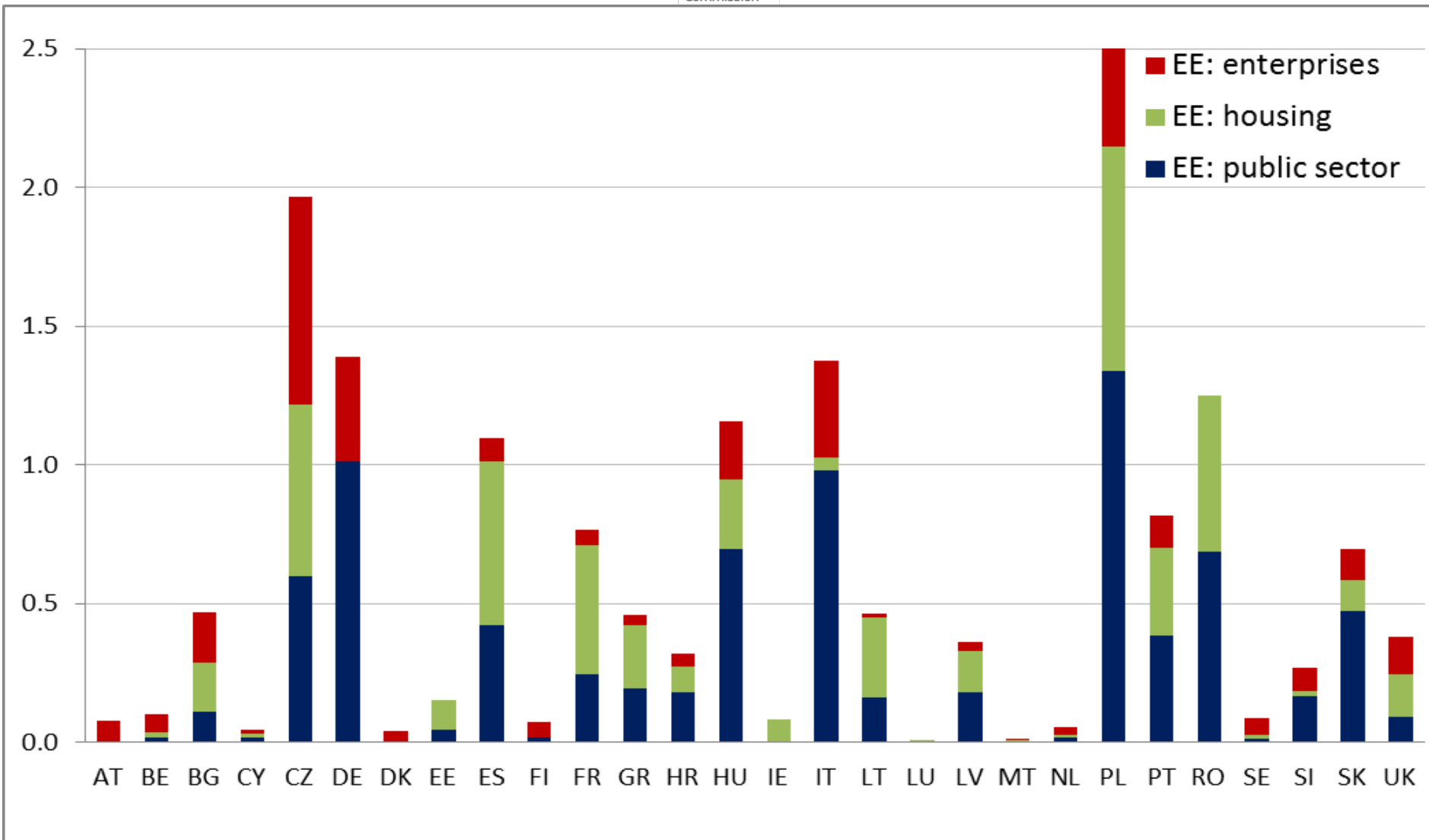
Public buildings will use **5.2 TWh/year less energy** than they do now.



Energy efficiency will be supported in over **57 000 companies**, mainly SMEs.



# Energy efficiency: ERDF+CF for 2014-2020, in billion EUR

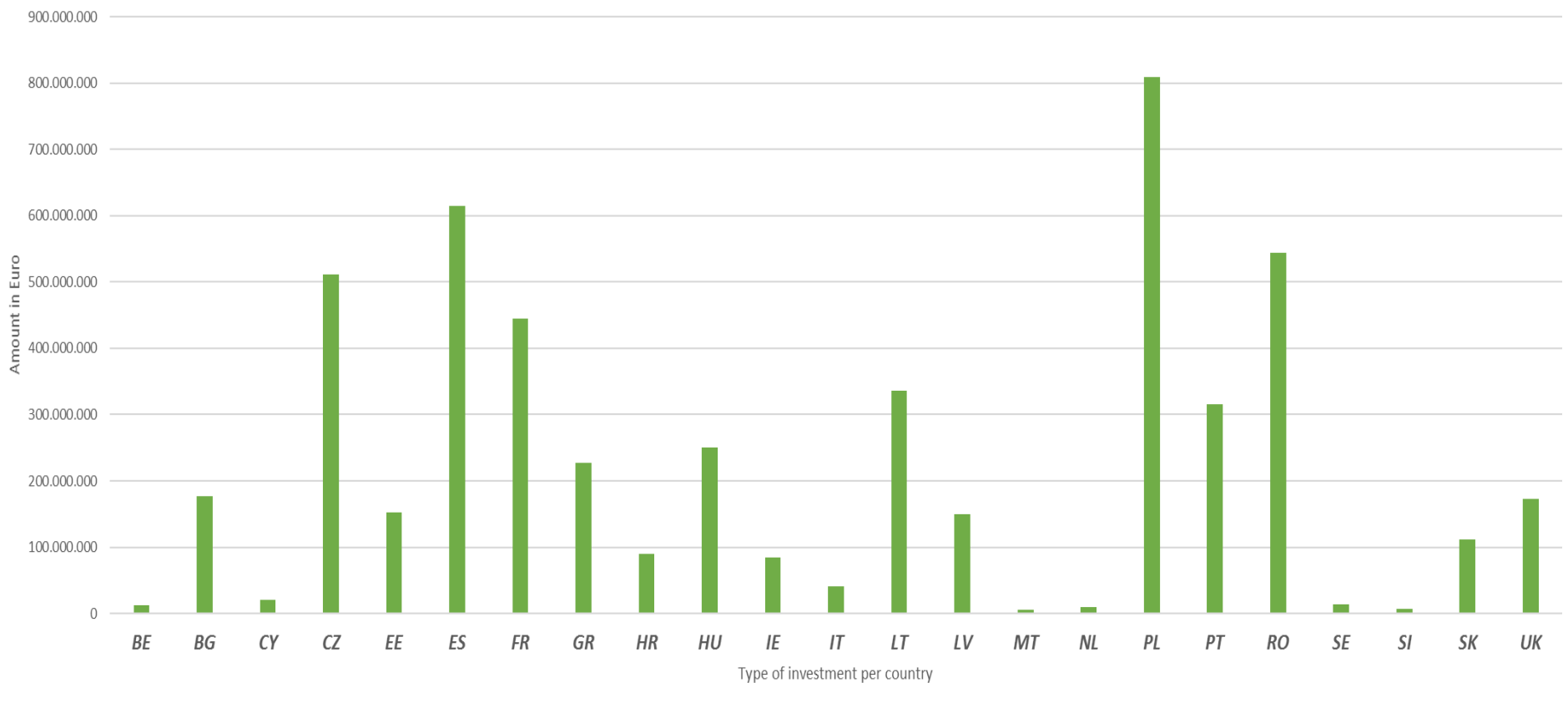


Total planned allocations per Member State from the ERDF and the CF as of January 2017



**875 000 households**  
will live in buildings that have been  
renovated to reduce energy use.

# ERDF & CF allocations for energy efficiency of the existing housing stock in EUR



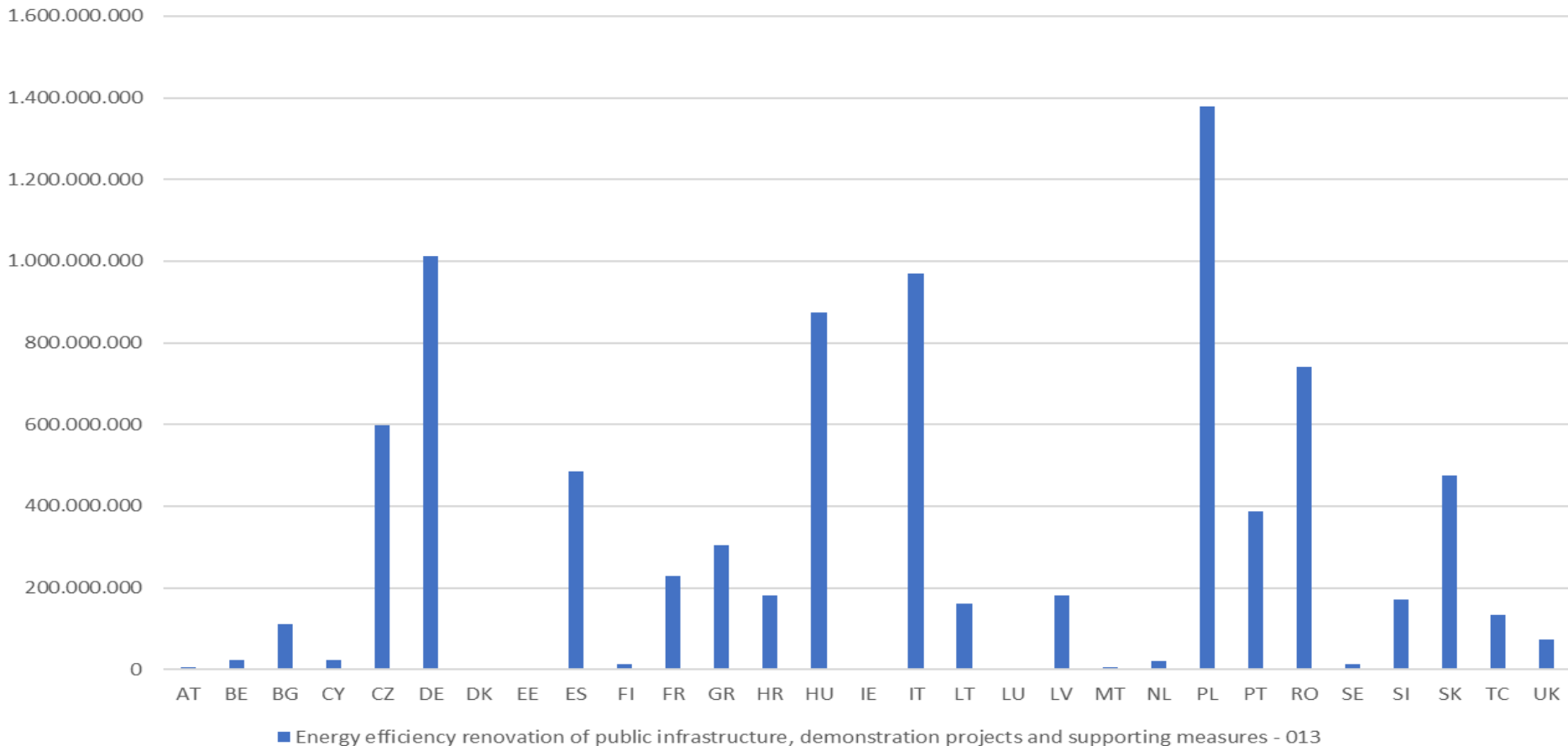
**Planned ERDF and CF allocations for the 2014-2020 period, updated 12/2017.**



# ERDF & CF allocations for energy efficiency in public buildings in EUR



Public buildings will use **5.2 TWh/year less energy** than they do now.



Planned ERDF and CF allocations for the 2014-2020 period, updated 12/2017.

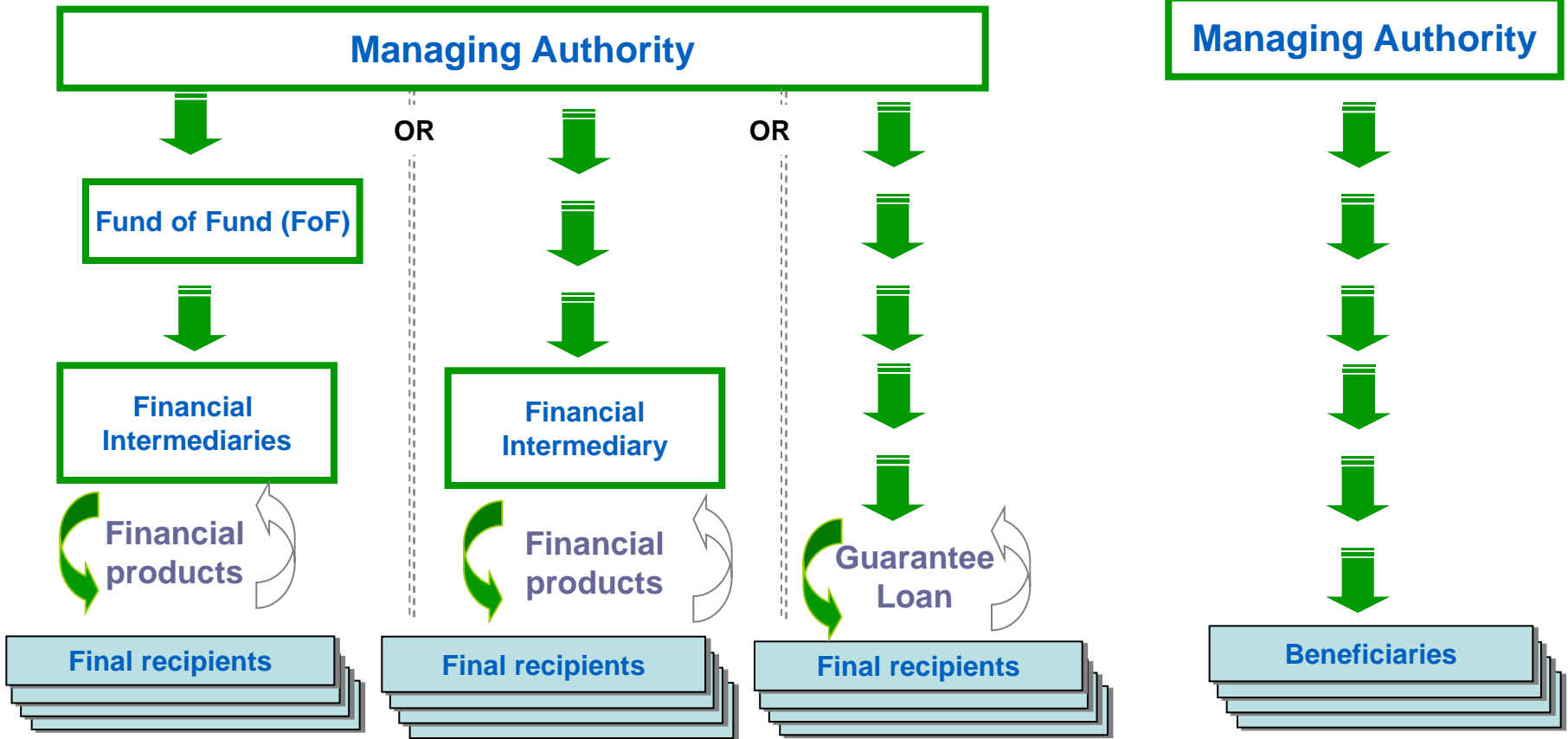


## 2014-2020 framework

- Performance oriented legal framework to **promote the use** of financial instruments (FI)
- Financial instruments are a **delivery mode – not an objective**
- **Increased use of financial instruments** – attracting private financing and developing markets
- **Not all projects (investments) can be supported with FI.** The activity must be generating income/revenue/cost savings in order to ensure repayment of investment
- **Decision** to deliver OP/RDP support through FI is with the **managing authority (MA)**



# FIs vs Grants



**Repayable FI INVESTMENT (loan, guarantee, equity)**  
 prior to project expenditure

**Non-repayable GRANT SUPPORT**  
 after project expenditure



# ESI Funds and EFSI



- Both ESI Funds and EFSI bring significant investment volume into Europe (together around EUR 800 billion)
- ESI Funds and EFSI pursue globally similar objectives in the same sectors (e.g. energy, environment, transport, R&D, innovation, SMEs, human capital)
- They form part of distinct frameworks but can be used in a complementary manner and can be combined.
- Revision of rules (CPR) to facilitate the combination of ESIF and EFSI

# Conclusions



- The reformed Cohesion policy – important driver for energy efficiency investments for the 2014-2020 period
- Continuous support to the development of EE and RES in Bulgaria, Hungary and Romania
- Make the most of the existing instruments (grants and financial instruments)
- Clear political commitment – now time for delivery!!!
- Next steps: prepare and organise for post-2020 cohesion policy



The screenshot shows the homepage of the 'EUROPEAN STRUCTURAL AND INVESTMENT FUNDS DATA' platform. The main heading is 'European Structural Investment Funds - explore our data'. Below this are navigation tabs for 'EU LEVEL', 'THEME', 'COUNTRY', and 'FUND'. The page is divided into three columns: 'ABOUT THIS TOOL' (explaining the platform's purpose for 2014-2020 data), 'HOW TO USE THIS TOOL' (describing filtering options by Member State, theme, or fund), and 'HELPFUL LINKS' (listing ESIF funds like Cohesion, Rural Development, Maritime & Fisheries, Regional Development, and Social Fund). A large banner features a coastal town and the text 'The European Structural Investment Fund budget 2014-2020 is ... EUR 454 Billion' with an 'EU finances Overview' button. The footer includes a 'Catalogue' search bar, 'Contact Us' (regio-webmaster@ec.europa.eu), and social media links for #ESIF and various policy areas.

# Thank you for your attention!

**DG REGIO: Regional policy in your country**  
[http://ec.europa.eu/regional\\_policy/en/atlas/](http://ec.europa.eu/regional_policy/en/atlas/)

**List of Programmes and Managing authorities:**  
[http://ec.europa.eu/regional\\_policy/en/atlas/programmes/](http://ec.europa.eu/regional_policy/en/atlas/programmes/)  
[http://ec.europa.eu/regional\\_policy/en/atlas/managing-authorities/](http://ec.europa.eu/regional_policy/en/atlas/managing-authorities/)

**Open data platform:**  
<https://cohesiondata.ec.europa.eu>  
[http://ec.europa.eu/regional\\_policy/en/policy/evaluations/data-for-research/](http://ec.europa.eu/regional_policy/en/policy/evaluations/data-for-research/)

**Project examples:**  
<https://ec.europa.eu/budget/euprojects/>  
[http://ec.europa.eu/regional\\_policy/EN/projects/](http://ec.europa.eu/regional_policy/EN/projects/)  
<http://ec.europa.eu/esf/main.jsp?catId=46>

**Financial instruments**  
[http://ec.europa.eu/regional\\_policy/en/funding/financial-instruments/](http://ec.europa.eu/regional_policy/en/funding/financial-instruments/)