

## **Draft Summary Minutes**

### **European Network of Energy Authorities and Managing Authorities of the Cohesion Policy 2014-2020 EMA NETWORK FIFTH MEETING Brussels 15-16 May 2017**

#### **Participants**

About 80 participants in total, with 20 Member States<sup>1</sup> represented, including representatives of managing authorities and energy authorities, stakeholders and representatives from the European institutions.

#### **Opening remarks:**

- ***Dominique Ristori, Director General for Energy***

D. Ristori welcomed the participants and stressed the importance of the close cooperation between DG ENER and DG REGIO. He also recalled that in order to achieve our goals, high quality energy projects must be developed and implemented. The continued involvement of local, regional and national energy authorities and stakeholders is crucial in this process. In this context, the energy transition needs to be seen as an economic opportunity and EU regions and cities have a key role to play.

Mr Ristori also stressed that the proposals enshrined in the Clean Energy for All Europeans package have been designed in a cost-efficient way to ensure that we achieve our energy and climate objectives, while attracting investment and creating growth and jobs at the same time.

These are ambitious proposals that will contribute to make the EU's energy system fit for the transition to a clean and sustainable energy system.

---

<sup>1</sup> No representatives from BG, CY, DE, HR, FI, IE, LU, SI.

<p style="text-align: center;"><b>Session 1: Latest Developments in EU Policies</b> <b>Moderated by Tudor Constantinescu, DG ENER</b></p>
---

- *Tudor Constantinescu, Principal Adviser to the Director General, DG ENER*

T. Constantinescu also welcomed all the participants to the meeting and introduced the programme over the two days.

**1) "Clean Energy for All Europeans" Commission proposals - Mechthild Wörsdörfer, DG ENER**

M. Wörsdörfer presented the Clean Energy for All Europeans legislative proposals put forward by the Commission in November 2016, which cover energy efficiency, renewable energy, the design of the electricity market, security of electricity supply and governance rules for the Energy Union. In addition, the Commission proposes a new way forward for Ecodesign as well as a strategy for connected and automated mobility.

The package also includes actions to accelerate clean energy innovation and to renovate Europe's buildings. It provides measures to encourage public and private investment, promote EU industrial competitiveness and mitigate the societal impact of the clean energy transition.

All documents related to the package available here:

<https://ec.europa.eu/energy/en/news/commission-proposes-new-rules-consumer-centred-clean-energy-transition>

**2) Cohesion policy support for implementation of the "Clean Energy for All Europeans" measures - Rudolf Niessler, DG REGIO**

R. Niessler recalled the key role that EU Cohesion Policy has to play in turning the Clean Energy for All Europeans proposals into reality on the ground. Cohesion policy provides indeed important support and financing to the Member States and ensures the engagement of cities and regional actors. He also stressed that Cohesion Policy offers a new bottom-up approach to innovation and cooperation of industry and researchers based on smart specialisation, facilitating demand-led innovation and collective solutions to the challenges of technological change, the transition to a low-carbon economy, digitisation and industrial modernisation, and mentioned that there is a Communication under preparation on the results so far from this process and the next steps.

Furthermore, he recalled the crucial need to communicate more on the contribution of Cohesion Policy to the Energy Union including on successful project examples and in that context the EMA network has a key role to play.

### **3) EU Investment Plan: EFSI state of play – Laure Blanchard-Brunac, DG ECFIN**

L. Blanchard-Brunac presented the State of Play of the EU Investment Plan for Europe.

A total of EUR 33.9 billion of European Fund for Strategic Investments (EFSI) financing has been approved – of which EIB approved EUR 25.1 billion and EIF approved EUR 8.8 billion. This had triggered a total investment of EUR 183.5 billion. She recalled the key features of EFSI, these being that there is no geographical allocation and no sectorial allocation. Energy ranks first among the areas of EFSI financing so far, accounting for 24% of the approved financing, with a focus on energy efficiency and renewables.

More information can be found here:

[Investment Plan for Europe](#)

[European Fund for Strategic Investments](#)

[European Investment Advisory Hub](#)

[European Investment Project Portal](#)

### **4) State of Play in the Member States: Tour de table**

Member States representatives provided an overview of the state of play in each MS in terms of the Cohesion Policy implementation and use of financial instruments.

The Member States are in different stages of implementation and with various priorities according to the Member States' operational programmes.

In general terms, it was noted that State Aid issues and the use of Financial Instruments sometimes remain challenging, with certain Member States finding the process complex, including for energy related issues. The Commission services representatives pointed to the ["Guidance on State aid in European Structural and Investment \(ESI\) Funds Financial instruments in the 2014-2020 programming period"](#) published just before the EMA meeting (SWD(2017) 156 final of 2.5.2017). The opportunities for combination of ESIF-EFSI were also raised. Some Member States mentioned that the new requirements in relation to the designation of the authorities responsible for running cohesion policy programmes had led to longer start-up times, including for energy investments. The Commission representatives took note of the experiences and stressed that the new regulations have brought a series of

improvements aimed at increasing the quality of programmes and projects over the entire programming period, bringing significant benefits but also resulting in higher complexity and requiring additional start-up time to put in place. The designation process involves carrying out an assessment of the authorities and validating that they are capable of managing EU funds properly. Such up-front checks will bring improved control of funding and reduce the number of errors.

The exercise of each Member State presenting its progress and state of play was welcomed by the participants and appears as a useful exercise for the exchange of information purpose.

<b>Leveraging energy investments - Moderated by Stefan Appel, DG REGIO</b>
--

**1) Cohesion policy Financial Instruments 2014-2020: Update – Stefan Appel, DG REGIO**

S. Appel delivered an update on the use of financial instruments as a delivery mode for European Structural and Investment Funds (ESIF), with a focus on energy investments. This was complemented by recalling how the Commission is supporting the use of financial instruments and the combination of ESIF and EFSI.

More information can be found here:

- [Financial instruments in cohesion policy](#)
- [Guidance notes](#)
- [Off-the-shelf instruments](#)
- [fi-compass](#)
- [TAIEX REGIO PEER 2 PEER](#)

**2) Financial Instruments: Success Stories**

- **Madis Laaniste, Ministry of Economic Affairs and Communications of Estonia**

M. Laaniste shared the Estonian experience in establishing the renovation loan programme in the 2007-2013 period, addressing low energy efficiency in Estonian apartment buildings. By 2014, 22 676 apartments had been renovated to modern energy standards with substantial energy savings, co-financed through the European Regional Development Fund (ERDF).

More information can be found here:

- [fi-compass case study on Renovation loan programme in Estonia](#)

- **Vladimir Sochor, Ministry of Industry and Trade of the Czech Republic**

V. Sochor presented the the ambitions of CZ in using financial instruemnts for energy and other investments in the current programming period, with related ex ante assessments having been carried out under five operational programmes (OPs).

In CZ, financial instruments for energy efficiency investments are currently being prepared in three OPs:

- **OP Enterprise and Innovation for Competitiveness** – Programme Energy savings (EUR 20 million) / Energy savings in systems for heat supply (EUR 11 million) – interest-free loans combined with technical support (energy audits) and/or interest rate subsidies
- **Integrated Regional OP** – preparation of loan FI (energy efficiency – housing, EUR 80 million) *similar to Jessica financial instrument implemented in the 2007–2013 programming period*
- **OP Environment** – preparation of pilot financial instrument (reduction of environmental risks and development of systems for their management) to be followed by financial instruments related to waste management and increased share of material and energy recovery of waste

V. Sochor also presented the experiences with the use of Energy Performance Contracting in CZ.

### **3) Smart Finance for Smart Buildings – Jacek Truszczyński, DG ENER**

J. Truszczyński presented the Smart Finance for Smart Building initiative which was launched in November 2016, together with the "Clean Energy for all Europeans" package. Built upon existing EU financing strands, it aims at accelerating the mobilisation of private financing for energy efficiency and renewable energy sources through attractive and appropriate financing solutions.

More details are available here: <https://ec.europa.eu/energy/en/news/commission-proposes-new-rules-consumer-centred-clean-energy-transition>

#### **4) Investment Platforms for Clean Energy – Berna Topaloğlu, EIB**

- B. Topaloğlu presented EIB's strategy to promote low carbon and climate resilient growth through provision of important financing for climate friendly projects, promotion of market based financing instruments and support to public and private sector promoters to prepare and finance low carbon projects. EIB offers several products that can be relevant for energy related projects, including lending, blending and advising (via joint EIB/European Commission initiatives such as ELENA (energy project feasibility assistance), and JASPERS).

<p><b>Session 3: Clean Energy transition: The role of Smart Specialisation and Heating and Cooling – Moderated by Peter Berkowitz, DG REGIO</b></p>
---

##### **1) EU strategy for heating and cooling – Ewout Deurwaarder, DG ENER**

E. Deurwaarder presented the EU strategy for Heating and Cooling. In February 2016, the Commission proposed an EU heating and cooling strategy, under the Energy Union strategy. This is a first step in exploring the issues and challenges in this sector, and contributing to solving them with EU policies. The strategy builds on solid base in EU legislation and requires action at local, regional and national level, within a supportive European framework.

More information here: <https://ec.europa.eu/energy/en/topics/energy-efficiency/heating-and-cooling>

A platform for industry involvement has also been launched: <https://coolingeu.eu/>

##### **2) Innovation in Energy, at the core of decarbonisation – Szilvia Bozsoki, DG ENER**

S. Bozsoki delivered a presentation on the role of innovation in the decarbonisation. Energy innovation plays indeed a very important role in decarbonising the energy system. Low-carbon technologies such as photovoltaics, wind power, nuclear fusion and carbon capture and storage are essential for reducing greenhouse gas emissions and improving the sustainability of the energy system. Public policy and investment, in partnership with the private sector, are therefore necessary to boost the development and deployment of low-carbon technologies for the future.

### **3) Regional Success Stories:**

- **Serena Angioli, Region Campania (Italy)**

S. Angioli shared good practices around the implementation of the smart specialisation strategy and energy investments in the Campania Region, including experiences from the 2007-2013 period.

- **Rafael Ayuste Cupido – Region Castilla y León (Spain)**

R. Ayuste Cupido shared the experience in heating and cooling regional market analysis in the Castilla y León region, including policies to develop thermal renewables and the links with smart specialization, stressing also the usefulness of involving stakeholders.

- **Nora Salya, LENERG Energy Agency (Hungary)**

N. Salya gave an overview of the available financial tools in Hungary to support energy and climate projects and the related challenges, and stressed the important role that non-profit Energy Service or Saving Companies (ESCOs) can play to advance the investments further in this area, including a number of benefits from this approach. She also mentioned the links to Hungary's smart specialisation strategy.

### **4) Overview of EU support activities and projects on energy efficiency and renewables in the heating and cooling sector – Agata Kotkowska, EASME**

A. Kotkowska provided an overview of EU support activities and projects on energy efficiency and renewables in the heating and cooling sector. Heating and cooling consume half of the EU's energy and much of it is wasted. Horizon 2020 (and, before 2014, Intelligent Energy Europe) projects are supporting the new EU Heating and Cooling Strategy by providing support to research, innovation and demonstration as well as market uptake of energy efficient and renewable heating and cooling solutions. The programme is also providing support to public and private bodies in developing bankable sustainable energy investments through a number of dedicated technical assistance facilities. A total of circa EUR 166 million<sup>2</sup> of EU funding is allocated to research, demonstration and market uptake of energy efficient, low carbon and renewables heating and cooling solutions.

---

<sup>2</sup> FP7, IEE, H2020

More information here:

[http://ec.europa.eu/energy/sites/ener/files/documents/overview\\_of\\_eu\\_support\\_activities\\_to\\_h-c\\_-\\_final.pdf](http://ec.europa.eu/energy/sites/ener/files/documents/overview_of_eu_support_activities_to_h-c_-_final.pdf)

### **5) Smart Specialisation in Energy – How regions are implementing their priorities and progress with the partnerships – Inmaculada Perriñez Forte, DG JRC**

I. Perriñez Forte provided an overview of how regions are implementing their smart specialisation (S3) priorities and the progress with work on S3 partnerships.

Based on a bottom-up approach, the Smart Specialisation Platform on Energy (S3PEnergy) is currently facilitating the creation of "S3 Energy Partnerships", offering interactive and participatory arenas for interregional cooperation along shared priorities related to energy. These S3 Energy Partnerships aim at helping regions to use European Structural Investment Funds (ESIF) and other public/private investments for harnessing their place-based competitive advantages.

If interested in joining a S3 Energy Partnership or setting-up new Partnerships in specific energy thematic areas, interest could be expressed [here](#).

### **6) INTERREG Europe Policy Learning Platform on Low-Carbon Economy – Charo Camacho, INTERREG Europe**

Policy Learning Platforms are a new feature to Interreg Europe to facilitate continuous policy learning across the EU by creating a community of policy makers and practitioners to improve regional policies, with internal capitalisation by better exploiting projects' results, and external capitalisation by opening up the programme knowledge and results for the benefit of anyone interested. There are four such policy learning platforms under Interreg Europe: Research and innovation; SME competitiveness; Low-carbon economy; Environment and resource efficiency.

To this day, following two calls there are 31 projects (out of 130 applications) approved under Low Carbon, of which 17 projects directly related to energy, including 137 partners, and representing funding from the European Regional Development Fund, ERDF, of EUR 23 million).

More information: <https://www.interregeurope.eu/policylearning/>



### **General conclusions and next steps:**

Over the two days, this meeting was an opportunity to look into the latest developments in EU policies and cohesion policy energy investments, including the 'Clean Energy for All Europeans' proposals of November 2016;

There was a strong emphasis on leveraging energy investments through the use of financial instruments and the new Smart Finance for Smart Buildings Initiative;

Furthermore, the meeting focused also on the important topics of innovation and smart specialisation and the implementation of the EU Heating and Cooling strategy;

Member States provided an overview of the state of play as regards Cohesion Policy programme implementation, including the related use of financial instruments. This exchange of information remains crucial for the work and success of the EMA Network;

The meeting provided several examples illustrating experiences so far in different Member States, including use of financial instruments for energy and smart specialisation strategies with a strong focus on energy;

T. Constantinescu recalled the importance of EU Cohesion Policy for the energy transition, but also the need for leveraging investments in order to achieve secure, sustainable, competitive and affordable energy;

In terms of future work, T. Constantinescu and P. Berkowitz both emphasised the importance of participating and interacting at the EMA meetings for both, the energy and managing authorities representatives from all member states.