



CONNECTING EUROPE FACILITY

#EUBudget

WHAT?



TEN-E in the Treaty – EU added value

- Internal market, competitiveness
- Security of Supply & resilience
- Sustainability
- *Innovation*

Backbone of the Energy Union



PCIs – Projects of Common Interest:

- cross-border relevance
- proven externalities
- often exceeding capacity of a single country



Investment needs – ca €179bn

- 85-90% in EL transmission, storage and smart grids



WHY?

Electricity transmission

- 15% interconnection target to be missed by seven countries
- Investments essential for energy system stability, averting curtailment of RES, optimising the market and keeping prices in check



No-regrets investment

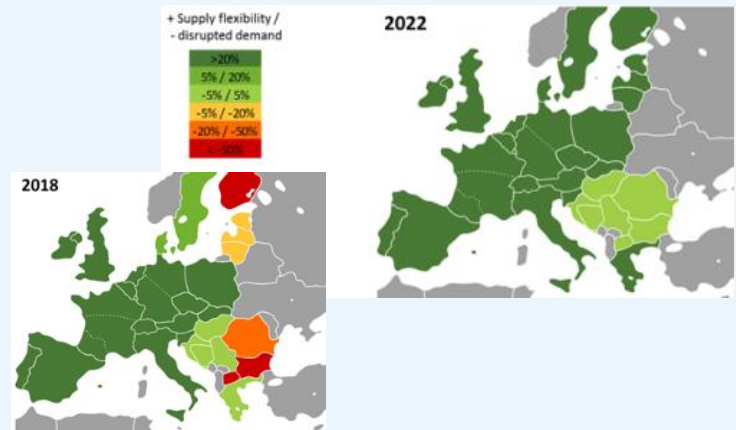
€150bn investment to:

- Generate SEW of ca **€600bn** over 25y
- Cut emissions by **50-80%**
- Reduce prices by **1.5 to 5 €/MWh**



Gas transmission

- Important progress achieved in merging grids of east and west of Europe
- Security of supply threats mitigated
- Grid resilient - remaining gas bottlenecks can be largely addressed shortly after 2020 with the already on-going PCIs



CEF Energy

2021

2027

2030

WHAT CHANGES?



Stepping up the energy transition

- Decarbonisation, electrification, 50% share of RES in electricity generation in 2030
- Infrastructure *hand in hand* with redesigning the market - *Clean Energy for All Europeans*
- Dual opportunity to speed up decarbonisation and to speed up growth and job creation



HOW?



Regional Cooperation

Synchronisation of the Baltic electricity grid



Madrid Declaration



GIPL



TEN-E guidelines:

- setting priorities
- streamlined permitting
- regulatory incentives, cross-border cost allocation



2014-2020

Connecting Europe Facility

- €4.7bn in total (€5.85bn before EFSI)
- **€2.46bn** invested (50%EL/50%gas) – underpins min. **€48bn** investments
- Examples: GIPL, Biscay Gulf France-Spain Interconnector, SuedLink, BRUA, KrkLNG, LitPol Link, Balticconnector, SINCRO.GRID (smart grid)



2021-2027

- **€7.785bn** – expected to trigger **€150bn** worth of investment
- *Focus on the reinforcement of the electricity transmission, digitalisation and smartening of the grids and deployment of new infrastructure solutions*
- **€865bn** – RES cross-border cooperation
- *Help overcome regulatory, political, technical barriers*



Future CEF – the main features

TRANSPORT

€ 30,615 million

- **Efficient and interconnected**
- **Smart, sustainable, inclusive, safe and secure**
- adapted to **military mobility requirements**

ENERGY

€ 8,650 million

- **integration** of the internal energy market
- **interoperability** of networks across borders & sectors
- **decarbonisation**
- **security of supply**
- **renewables cross-border cooperation**

DIGITAL

€ 3,000 million

- deployment of **very high capacity digital networks and 5G systems**
- **increased resilience and capacity** of backbone networks on EU territories
- **digitalisation** of transport & energy networks

Future CEF – the main features

CLIMATE TARGET

- Mainstreaming climate action leading to the achievement of a budget-wide target of 25% of expenditure contributing to climate objectives – CEF: 60% target

SYNERGIES BETWEEN SECTORS

- Joint work programmes between sectors on specific topics
- Flexibility on eligible costs within each sector for ancillary elements

COMPLEMENTARITY WITH OTHER PROGRAMMES

- Possibility to combine funding (Horizon Europe, Regional funds)
- MS voluntary transfers of shared management resources
- Blending operations with InvestEU



Thank you for your attention

