



Sustainable energy to support a green recovery

National Roundtable on Financing Energy Efficiency in Croatia

28 October 2020

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Policy context

New climate target: -55%



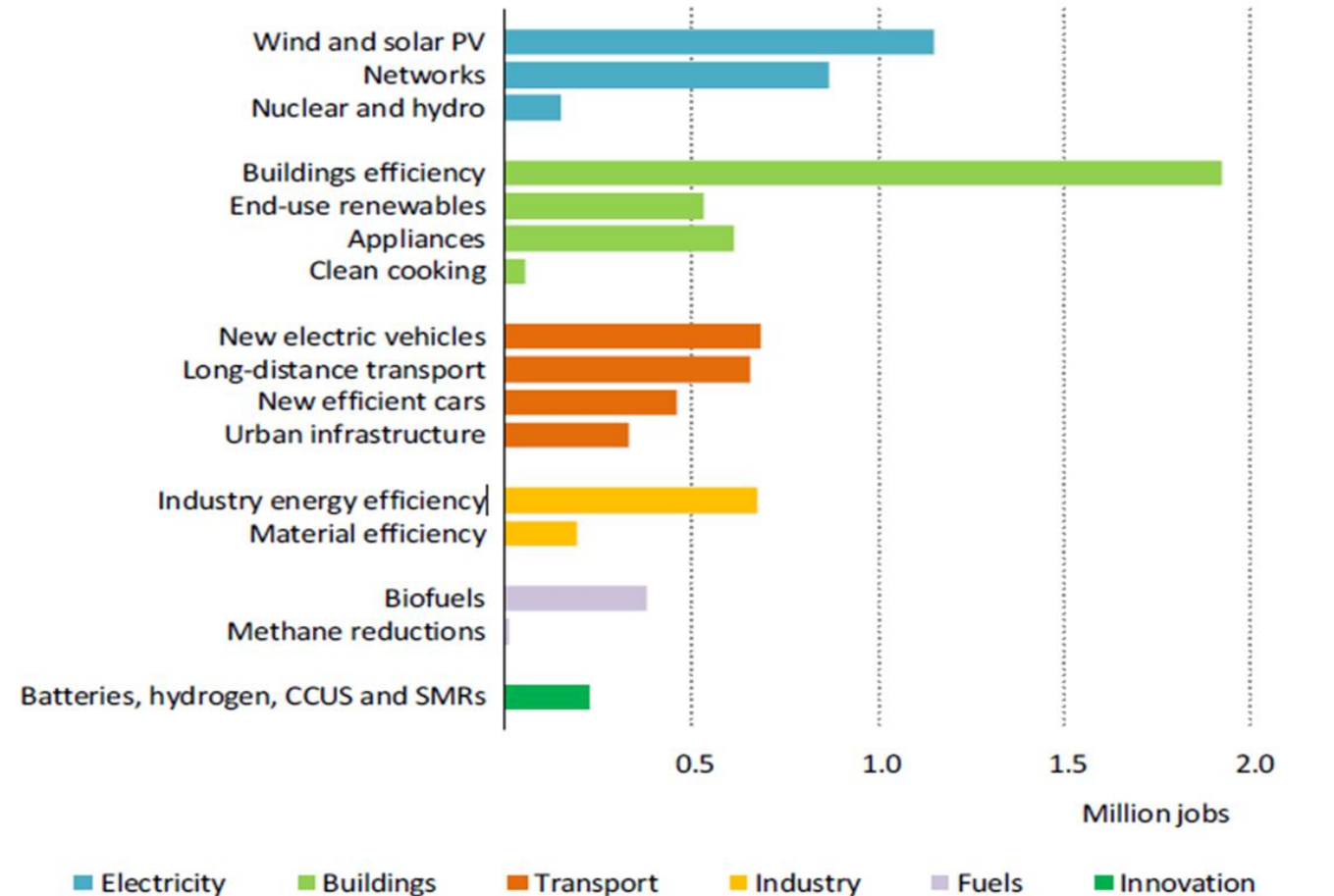
Recovery after COVID-19 crisis

Clean energy transition & green recovery

- **European Green Deal:** the EU growth strategy; the **engine and the compass** of the European recovery efforts

“...we should invest in the new economy to come out of the crisis in better shape than we went into it, fit for the future: sustainable, inclusive, competitive and prepared.”
/EVP Timmermans/

Green reforms and investment: annual average jobs created in constructing and manufacturing projects per policy area (IEA - World Energy Outlook, 2020)



Nearly 9 million new jobs would be created on average each year by the sustainable recovery plan; around 35% of these jobs would be in the buildings sector.

Energy priorities

Key areas:

- Energy renovations in public buildings and social infrastructure
- Energy renovations of residential buildings
- Energy efficiency in SMEs (buildings)

Renovation
Wave

Renewable
Energy

Key areas:

- Renewable Power Generation
- Renewable-based heating and cooling
- E-mobility based on renewables

Key areas:

- Transmission, distribution and storage infrastructure
- Smart grids
- District heating and cooling
- Electrification in end-use sectors
- Industrial energy efficiency
- Infrastructure for CO2 transport

Energy
System
Integration

Hydrogen

Key areas:

- Green hydrogen production
- Infrastructure for transmission and distribution of hydrogen
- Boosting the use of green or low carbon hydrogen

Energy projects for green recovery

Examples – replicating successful projects, like:

- Revolving funds for buildings renovation – e.g. La Marche Region – Italy, or Kredex – Estonia;
- Publicly supported renovation of residential buildings (e.g. PadovaFit – Italy, or LABEEF – Latvia);

Renovation
Wave

Renewable
Energy

Examples:

- New Solar Thermal Power Plants – Spain.
- Concentrated Solar Power Project on the island of Crete, Greece

Examples:

- Baltic synchronisation (electricity) – Poland, Estonia, Latvia and Lithuania.
- The Netherlands, Waterstroemen - A pipeline connection to transport biogas/biomethane.

Energy
System
Integration

Hydrogen

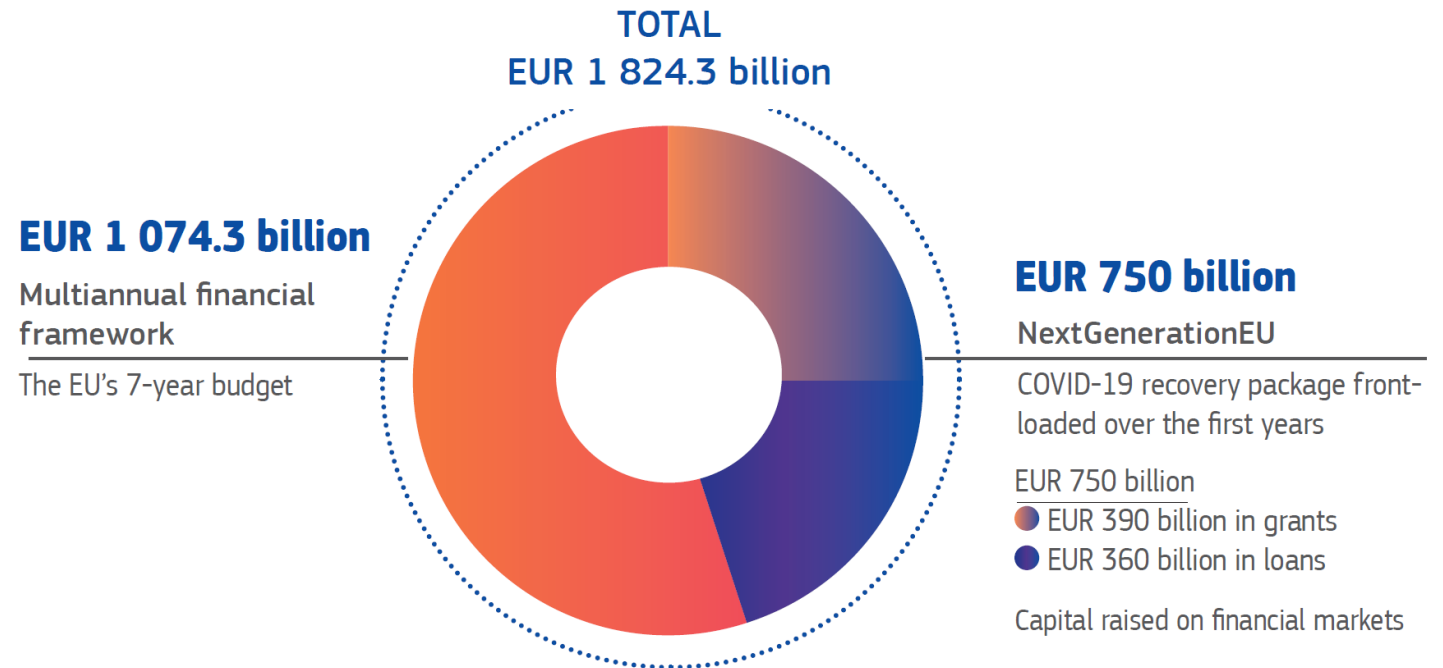
Examples:

- Sines/Green Flamingo – Portugal. Conversion of port infrastructure
- Hydrogen production combined with off-shore energy generation and e-fuelling – Bornholm, Denmark and Germany

Financing sources - key European funds:

- RRF
- Cohesion Funds (plus REACT)
- InvestEU
- JTM
- Horizon Europe (R&I)
- LIFE
- CEF
- *Modernisation Fund,*
- *Innovation Fund*

OVERALL BUDGET 2021-2027



European Recovery and Resilience Facility (RRF)



To be used for:

Public sector (and publicly led) investments and reforms, including in green and digital transitions, including cross-border investments. All Member States eligible.



Mechanism:

- **Grants and loans** for national **Recovery and Resilience Plans** defined in line with the objectives of the European Semester, link to National Energy and Climate Plans.
- **Green energy – flagship areas for reforms and investment** under Recovery and Resilience Plans (building renovation, renewable energy and hydrogen, modernization of networks)



Budget:

€672.5 billion of which **€312.5 billion** for grants and **€360 billion** for loans.
No need for national co-financing.
37% climate mainstreaming (up to **€249 billion**)



RECOVERY AND RESILIENCE FACILITY

FLAGSHIP AREAS FOR INVESTMENTS AND REFORMS



POWER UP

CLEAN TECHNOLOGIES AND RENEWABLES



RENOVATE

ENERGY EFFICIENCY OF BUILDINGS



RECHARGE AND REFUEL

SUSTAINABLE TRANSPORT AND CHARGING STATIONS

CONNECT

ROLL-OUT OF RAPID BROADBAND SERVICES

MODERNISE

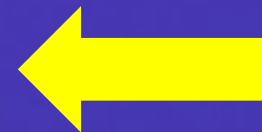
DIGITALISATION OF PUBLIC ADMINISTRATION

SCALE-UP

DATA CLOUD CAPACITIES AND SUSTAINABLE PROCESSORS

RESKILL AND UPSKILL

EDUCATION AND TRAINING TO SUPPORT DIGITAL SKILLS



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Guidance

- [Annual Sustainable Growth Strategy 2021](#)
- **Guidance to Member States on Recovery and Resilience Plans**
- **Commission Staff Working document, template, recovery and resilience plans**
- [Examples of components \(for 4 flagship areas\)](#)

Still to come: more detailed guidance, examples for the remaining areas, specific guidance for each Member State

Green transition, examples of objectives:

- *Reducing greenhouse gas emissions*
- *Improving carbon pricing*
- *Improving the energy and resource efficiency of public infrastructures*
- *Improving energy performance of the building stock through a renovation wave*
- *Supporting clean energy deployment, notably through renewable energy, smart grid and storage infrastructure*
- *Supporting the development and deployment of innovative clean technologies*
- *Promoting the circular economy, the sustainable blue economy and bioeconomy*
- *Increasing the use of sustainable and environmentally friendly transport*
- *Improving environmental infrastructure*
- *Reducing waste, better waste management and water management, reducing pollution*
- *Restoration of ecosystems, protection of biodiversity, promote nature-based solutions*
- *Sustainable food*
- *Greening urban spaces*

Next steps

- The Commission calls on the European Parliament and the Council to agree as quickly as possible on the legislative proposal so that the Facility becomes operational as of 1 January 2021.
- Deadline for submission of the Recovery and Resilience plans: 30.04.2021.
- Member States are encouraged to submit their preliminary draft plans from 15 October 2020.
- Member States are encouraged to engage in a broad policy dialogue with all relevant stakeholders to prepare their recovery and resilience plans.
- Member States are encouraged to contact the [Recovery Task Force](#) and DG ECFIN to discuss their draft plans.

Commission's recommendations for Croatia, based on NECP assessment

3. EU funds available 2021-2027: commitments (MFF and NGEU) in current prices unless stated

Structural Funds	Common Agricultural Policy	Recovery & Resilience Facility	Just Transition Fund	Modernisation Fund	ETS auction revenue
EUR 8.7 bn	EUR 4.7 bn	EUR 6.0 bn *	EUR 0.2 bn*	EUR 0.2 bn **	EUR 0.1 bn ***

** in 2018 prices; ** assuming a carbon price of EUR 20 per tonne; *** average of 2018 and 2019 actual auction revenues, amounts in 2021 to 2027 will depend on the quantity and price of auctioned allowances.*

Further EU funds in 2021 to 2027, available to all EU Member States, that are relevant for the implementation of the energy and climate plans, include:

- EUR 91.0 billion from Horizon Europe;
- EUR 9.1 billion from InvestEU;
- EUR 29.9 billion from Connecting Europe Facility;
- EUR 360.0¹ billion from the Recovery and Resilience Facility;
- EUR 0.9 billion from the Technical Support Instrument;
- EUR 5.4 billion from the LIFE programme;
- EUR 8.2 billion from the European Agricultural Fund for Rural Development; and
- EUR 140.0² billion from the Innovation Fund.

- Focus on RES, sustainable transport, energy efficiency – buildings renovation



Thank you for your attention!