

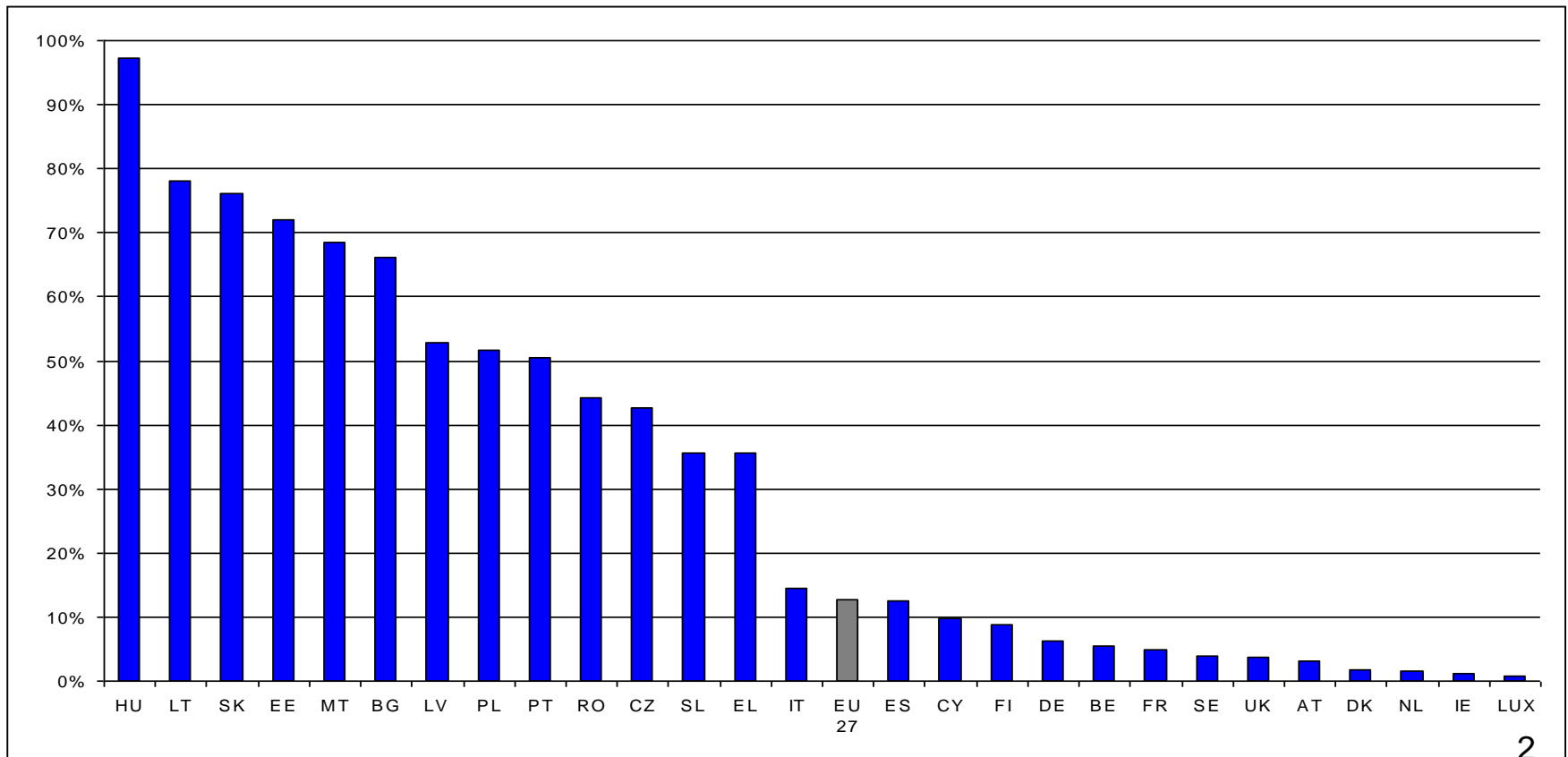


# EU cohesion policy support for energy efficiency

**SEIF Warsaw, 28 November 2017**

European Commission, Directorate-General for Regional and Urban Policy

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



# ESIF 2014-2020

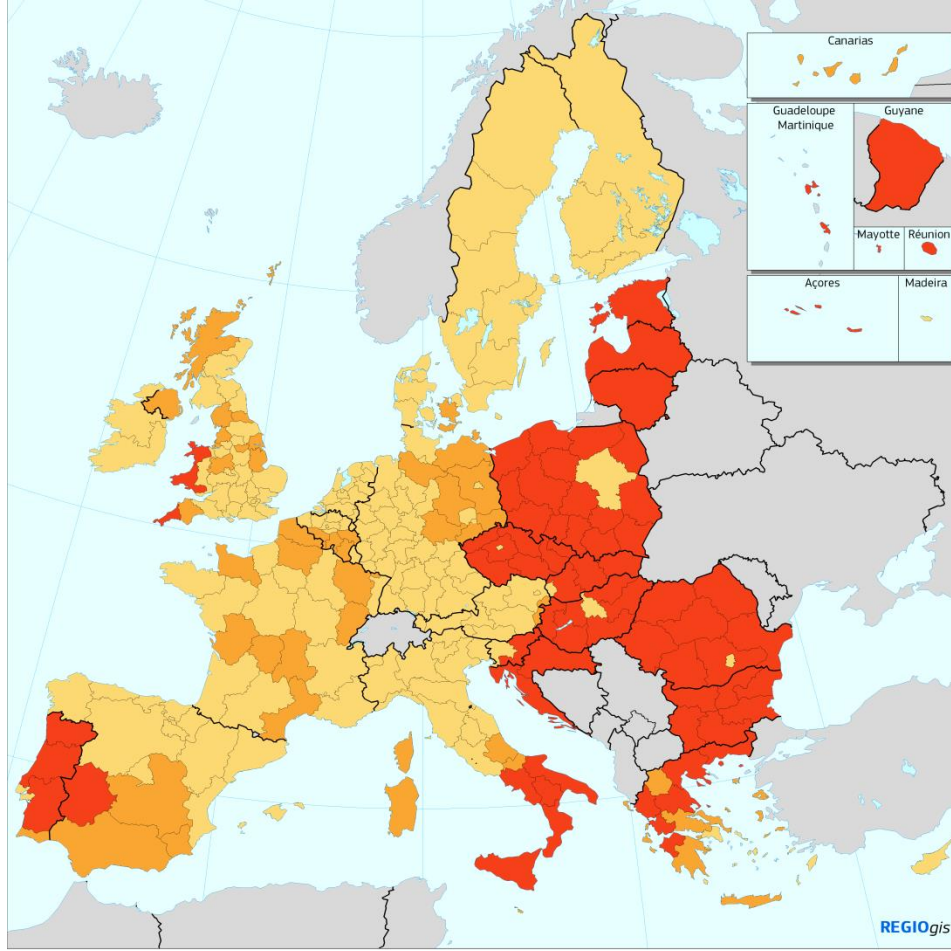


## European Structural and Investment Funds (ESIF): EUR 454bn

- 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	
Red	Less developed regions (GDP/head < 75% of EU-27 average)
Orange	Transition regions (GDP/head between >= 75% and < 90% of EU-27 average)
Yellow	More developed regions (GDP/head >= 90% of EU-27 average)

## Shared management

## Thematic concentration: low-carbon economy

- Thematic concentration: obligatory % of ERDF for different types of regions to be spent on innovation, digital growth, SME's, **low-carbon economy**
- Low-carbon economy: more developed regions 20% ERDF; transition 15% less developed 12%.
- Includes: RES, energy efficiency in enterprises, energy efficiency in housing, smart grids, low-carbon urban strategies including mobility, innovation in low-carbon technologies, high-efficiency CHP and co-generation
- Change of approach: in 2007-2013 support to the housing sector extremely limited; in 2014-2020 energy efficiency in housing encouraged.



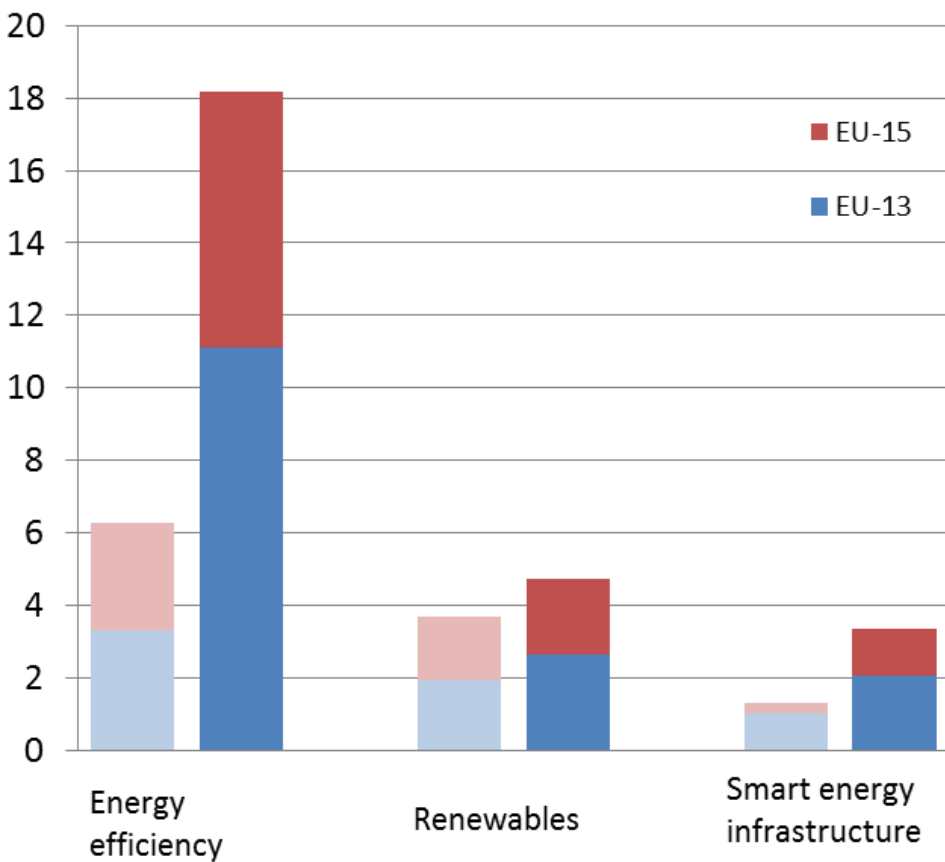
## ESI Funds key features

- **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 (EC internal target: 20% of low-carbon economy allocation to be implemented via FI's)
- 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.



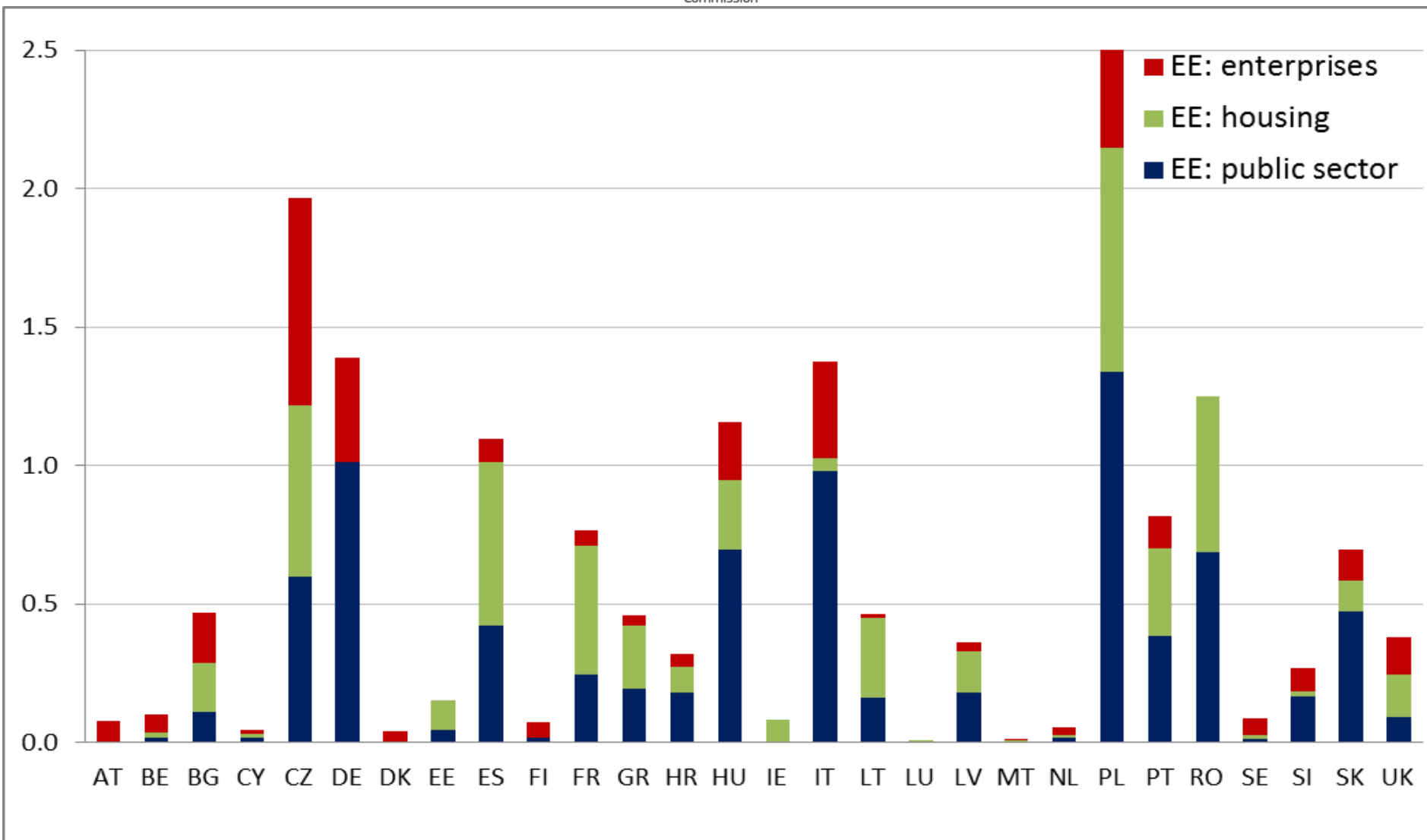
Public buildings will use **5.2 TWh/year less energy** than they do now.



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

Planned allocations from the European Regional Development Fund (ERDF) and the Cohesion Fund (CF), 06/2016.

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

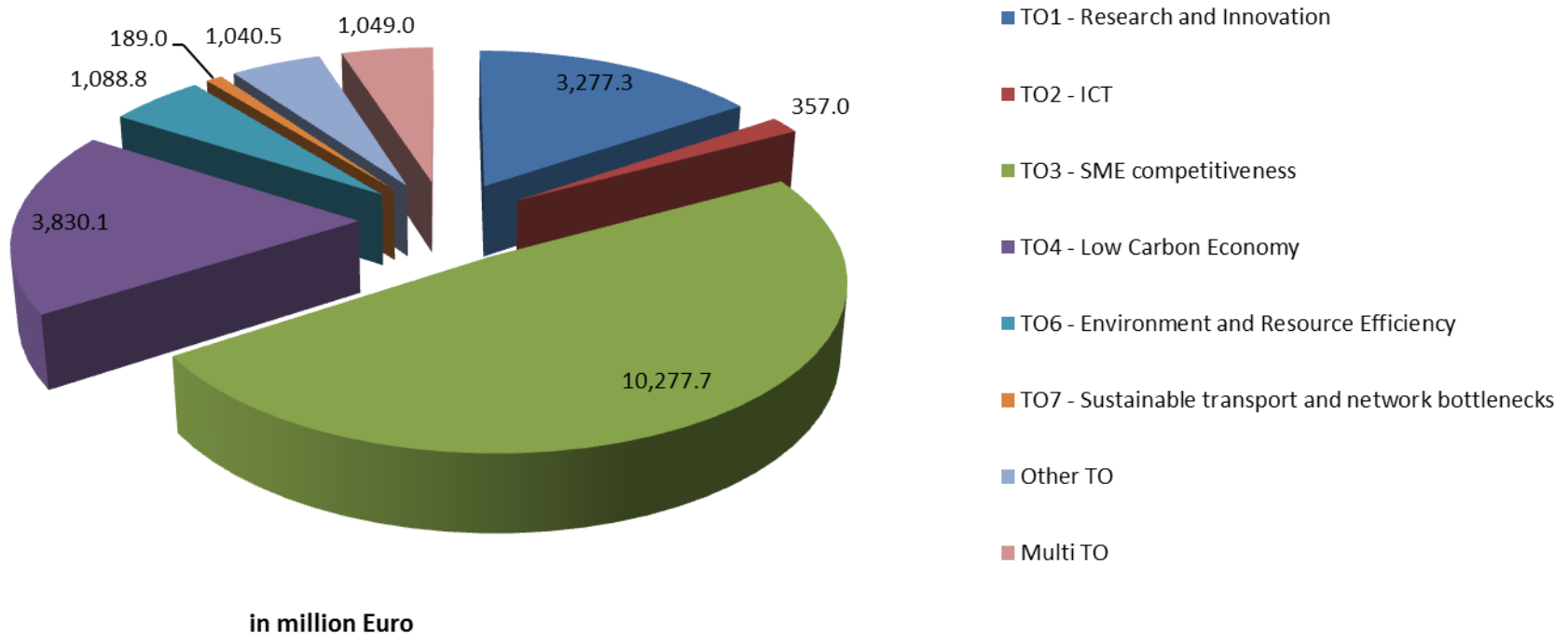


Total planned allocations per Member State from the ERDF and the CF as of January 2017

# Financial instruments in 2014-2020



## € 20 billion planned allocations to FI for ERDF, ESF and CF by Thematic Objective





# Cohesion policy for energy efficiency in Poland



- Operational Programme Infrastructure and Environment (central level) + 16 Regional Operational Programmes
- **EUR 2 billion** Energy efficiency in buildings
  - public – **grants**
  - multi-family housing – mainly **FI's and repayable assistance**
- **EUR 385 million** Energy efficiency in enterprises
- Other project types contributing to energy efficiency: development of district heating, high-efficiency CHP, low-carbon strategies for urban areas (including sustainable mobility), rail, urban regeneration

# Catching-up Regions Initiative for single-family housing



- The measure aims to improve the **air quality in Malopolskie and Śląskie** and subsequently help both regions meet their obligations under the recently enacted national anti-smog resolutions. This should be achieved through setting up a **sustainable and scalable financing scheme for replacement of obsolete heating systems with more efficient devices and thermo-modernisation measures in single family buildings** .
- The activity forms part of **Catching-up Regions Initiative II (CRI)** implemented in partnership with the **World Bank** and the **Ministry of Economic Development**. Continuous meetings with various stakeholders, including relevant ministries, regional and local authorities, financial institutions, equipment manufacturers, suppliers and installers shall help examine the market readiness for a new instrument, assess its viability and complementarity with other existing schemes and build up a consensus around the proposed solution. **Lessons learned should also be applicable all across the country.**



*In view of the existence of **numerous mechanisms** supporting low-carbon economy (including EE and RES) from national funding, **coordination and complementarity with European funding must be ensured**. ESI funds will act first of all as a **catalyst and leverage** for further investments, also by supporting the most **ambitious projects** with a **demonstration potential**.*

[Partnership Agreement for Poland, 2014]



- **Low carbon-economy and energy efficiency** at the heart of the reformed 2014-2020 EU cohesion policy
- Increased role of **financial instruments** instead of grants
- **Coordination of different instruments** supporting energy efficiency is crucial



# Thank you for your attention!

## 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, ESIF+EFSI: legislation and guidance – useful links

- DG REGIO:  
[http://ec.europa.eu/regional\\_policy/en/funding/financial-instruments/](http://ec.europa.eu/regional_policy/en/funding/financial-instruments/)
- fi-compass: <https://www.fi-compass.eu/>
- Investment Plan for Europe EC:  
[http://ec.europa.eu/priorities/jobs-growth-and-investment/investment-plan\\_en](http://ec.europa.eu/priorities/jobs-growth-and-investment/investment-plan_en)
- EFSI EIB website: <http://www.eib.org/efsi/index.htm>
- Brochure on ESIF and EFSI complementarities:  
[http://ec.europa.eu/regional\\_policy/sources/thefunds/fin\\_instrument/pdf/efsi\\_esif\\_compl\\_en.pdf](http://ec.europa.eu/regional_policy/sources/thefunds/fin_instrument/pdf/efsi_esif_compl_en.pdf)