



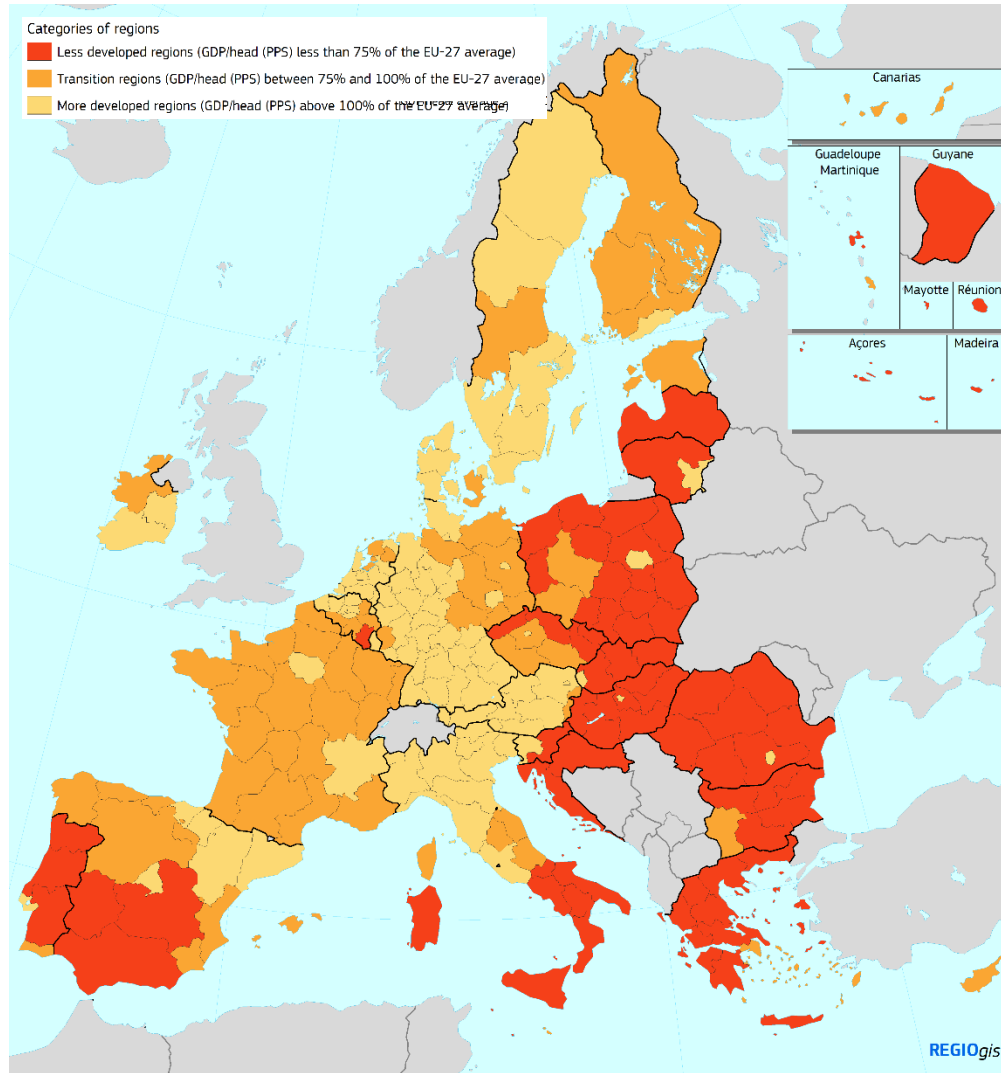
Investments in energy with 2021-27 cohesion policy

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Cohesion policy 2021-2027



Investment for jobs and growth goal (ERDF and ESF+) eligibility, 2021-2027
informal update (July 2020) based on unpublished lists of regions

- Around EUR 350 billion (European Regional Development Fund, Cohesion Fund, European Social Fund Plus, Just Transition Fund) to:
 - Reduce disparities between Europe's regions, strengthening economic, social and territorial cohesion
 - Contribute to EU priorities
- 5 Policy Objectives
 1. **A more competitive and smarter Europe**
 2. **A greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe**
 3. A more connected Europe
 4. A more social and inclusive Europe
 5. A Europe closer to citizens
- 30% (ERFD) and 37% (CF) climate mainstreaming at fund level

Policy objective 2:

A greener, low-carbon Europe (including energy transition, the circular economy, climate adaptation and risk management)

1. promoting energy efficiency measures;
2. promoting renewable energy;
3. developing smart energy systems, grids and storage outside TEN-E;
4. promoting climate change adaptation, risk prevention and disaster resilience;
5. promoting sustainable water management;
6. promoting the transition to a circular economy;
7. enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution.

ERDF thematic concentration

- Maintaining spending in the key areas for growth and jobs
- At national level based on GNI per head => flexibility

For countries with:	minimum % PO1 ("smarter Europe")	minimum % PO2 ("greener, low carbon Europe")
GNI below 75%	35%	30%
GNI 75-100%	45%	30%
GNI above 100%	60%	30%

- 6% of budget to urban development, delivered through local development partnerships (can overlap with above)



Key ways ahead

- Energy Efficiency first principle – reducing demand before looking at supply
- Support the renovation wave (=energy savings + job creation + tackling energy poverty)
- In RES: priority on innovation/non mature technologies & community based RES
- Avoid investment in stranded assets - Do No Significant Harm (DNSH) principle
- Fossil fuel exclusion in 2021-27 Cohesion policy (with limited exemptions)
- Just Transition – social dimension & affordability
- Added value of Cooperation: cross-border/interregional/macro regional approaches

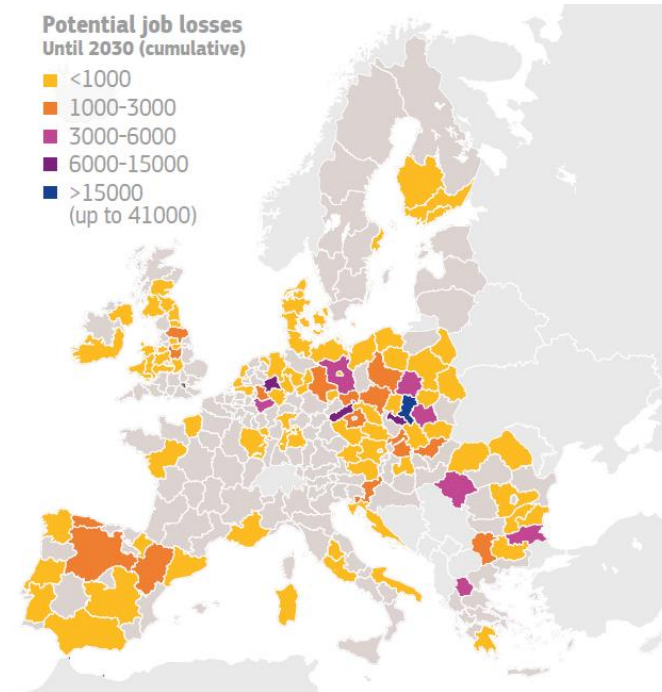


Key ways ahead (II)

- National energy and climate plans (NECPs) as the reference for the investment programmes
- Link EU funding with existing strategic & planning frameworks such as Clean Energy for EU islands, Covenant of Mayors, regional/local climate & energy strategies...
- Preparation of a project pipeline
- Expertise & Technical Assistance = key enabling factor !
- Partnership principle: build ownership = involving people, NGO's, associations etc – support to energy communities

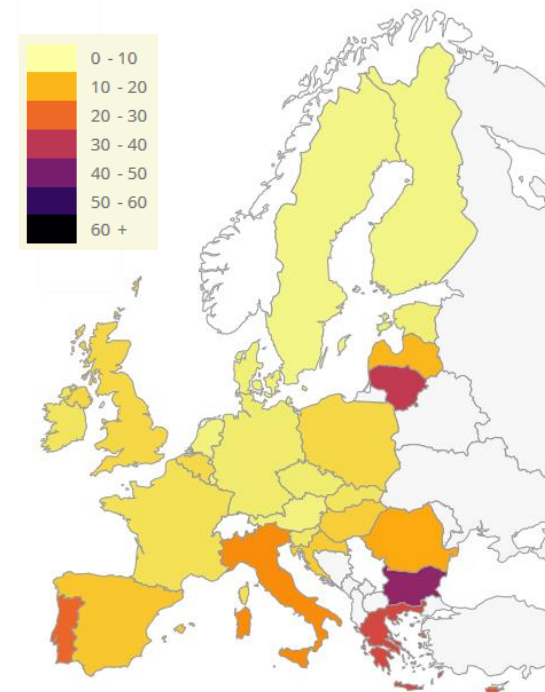
Leave no one behind: need for a 'just transition'

Coal extraction represents
185,000 jobs in 41 regions



Potential job losses in coal and lignite mining and power plants by 2030
(Source: Joint Research Centre)

50 million Europeans
suffer from energy poverty



Inability to keep home adequately warm, % population, 2017
(Source: Energy Poverty Observatory)

Just Transition Fund



Narrower geographical scope

- Territories facing serious socio-economic challenges deriving from the climate-neutrality transition

Stronger focus in scope of intervention

- Economic diversification and reconversion
- Re-skilling and job seeking assistance for workers
- + Targeted support to local deployment of sustainable energy, circular economy or sustainable mobility

Limited additional eligibility

- Productive investments in large enterprises: if needed to offset job losses
- Investments reducing GHG emissions from ETS activities: if needed to preserve jobs

Member States shall prepare territorial just transition plans (happening now!)

Implementation 2021-2027

- Cohesion policy is implemented in *shared management* between MS and Commission
- Programmes drafted by MS, adopted by Commission
- Implementation structure (rules, authorities involved) set up by MS
- Project selection is responsibility of MS

Next steps for 2021-2027 period

- (implementation of 2014-2020 programmes ongoing until end-2023)
- NOW: Preparation of Partnership Agreements (PA) and Programmes (by MS/regions)
- Programming negotiations with EC services about programme objectives and types of actions to be financed under the programmes
- Formal adoption of PAs and programmes by EC possible after publication of the Cohesion policy regulations (expected around summer)
- Monitoring Committee of each program approves methodology & criteria for the selection of operations (to be applied in the calls for project proposals)
- Publication of calls by Managing Authorities – project selection – contracting – project implementation

Contact



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