Delivering the energy transition with cohesion policy

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1. Background
2. Cohesion policy and energy
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1. Background
THE EUROPEAN GREEN DEAL

The EU will...

Become climate-neutral by 2050

Transform to circular and resource-efficient economy

Preserve and restore ecosystems and biodiversity

...all the while...

Ensuring a just and inclusive transition

Remaining competitive and helping companies become world leaders in clean products and technologies

Preserve and restore ecosystems and biodiversity

THE EUROPEAN GREEN DEAL
REPowerEU plan

Independence from Russian fossil fuels by 2030

- Increase imports of liquefied natural gas (LNG) by 50 bcm
- Increase pipeline gas imports by 10 bcm
- Increase biomethane production by 3.5 bcm
- EU-wide energy saving to cut gas demand by 14 bcm
- Rooftop solar to reduce gas demand by 2.5 bcm
- Heat pumps to reduce gas demand by 1.5 bcm
- Reduce gas demand in the power sector by 20 bcm through deployment of wind and solar
REPowerEU Package

- REPowerEU Plan Communication, Annexes and Staff Working Documents
- EU Save Energy Communication
- EU Solar Strategy Communication
- EU External Energy Engagement Communication
- Recommendation on speeding up permit-granting procedures for renewable energy projects and facilitating Power Purchase Agreements
- Amendment to RRF Regulation and Guidance
- Draft Delegated Acts on RFNBO additionality and low-carbon hydrogen

Outside the package but adopted on the same day:

- Electricity Market Design Communication
REPonwer EU: Accelerating the clean energy transition

A massive speed-up and scale-up in renewable energy

**Solar**: new target of 320GW by 2025 & European Rooftop Initiative

**Heat**: doubling deployment rate to cumulative 10 million units over next 5 years

Increase renewables target in RED: from 40% in the July proposal to 45% by 2030

Package for faster permitting of renewables
2. Cohesion policy and energy
1/3 of the EU budget (ERDF, CF, ESF+, JTF) to:

• Reduce disparities between Europe's regions, strengthening economic, social and territorial cohesion
• Contribute to EU priorities, including the European Green Deal

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

At least 30% of the ERDF and 37% of the CF dedicated to climate action.
Policy objective 2: A greener, low-carbon Europe (including energy transition, the circular economy, climate adaptation and risk management)

1. promoting energy efficiency measures and reducing greenhouse gas emissions;
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.
Programming 2021-27 - Energy

• Programmes to be aligned with EU medium (2030) and long term (2050) energy and climate objectives:
  
  • Implement ‘Energy Efficiency first’ principle – reducing demand before looking at supply!
  
  • Support to delivery of renovation wave = top priority (public buildings like hospitals, schools, universities… residential buildings)
  
  • Integrated approach (energy efficiency + RES) & energy system integration to be further supported
  
  • RD&I in renewables, renewable energy communities
  
  • Fossil fuel exclusion in 2021-27 cohesion policy with limited exemptions: support to gas not to become main funding envelope within ERDF/CF
  
• Concentrate funding on limited number of specific objectives to increase impact & leverage
• Expertise/Capacities/Skills = key enabling factor!
• Use TA of programmes to build capacities in authorities at all levels
• EC preparing dedicated TA scheme on use of cohesion policy funding for building renovation
• Further link ERDF/CF programmes with existing frameworks such as Covenant of Mayors, Clean Energy for EU islands, local climate strategies…
• Partnership principle: build ownership of programmes = involving socio-economic partners, NGO’s, associations etc
3. Way ahead
Support to energy communities with ERDF/CF

- Possible investments in direct or indirect support to the development of energy communities
- Use of ‘mainstream’ funding in programmes under priority objectives 2 or 5
- Use of territorial cooperation programmes (Interreg) for instance for cross-border energy communities
- Use of territorial tools:
  - Integrated Territorial Investments (ITI’s)
  - Community Led Local Development (CLLD)
- Use of Technical Assistance support under CP programmes
More information

- Smart Villages and Renewable Energy Communities
- ITI examples on energy efficiency and RES:
  - Handbook of Sustainable Urban Development Strategies
  - Integrated territorial and urban strategies: how are ESIF adding value in 2014-2020?
- Interreg projects:
  - Interreg Baltic Sea project - policy recommendations for renewable energy communities development
  - https://www.interregeurope.eu/policy-learning-platform
  - https://www.ecco-oss.eu/
THANK YOU!