

Financial instruments 2014-2020 – support to climate and energy policies

1) Horizon 2020

Horizon 2020, the new research and innovation programme, addresses climate change, energy policy and sustainable transport and mobility under its societal challenges pillar with a proposed budget of €29.679 million (38,5% of Horizon 2020).

The Work Programme for "Secure, Clean and Efficient Energy" for 2014-2015 has a budget of €5.931 million and the following focus areas: Energy Efficiency, Competitive Low-Carbon Technologies and Smart Cities and Communities. The Market uptake measures, which can be considered as the continuation of the Intelligent Energy Europe Programme, are incorporated in the programme under the two first priorities with 'Coordination and Support actions'. These address market failures and governance gaps currently slowing down the progress in particular on energy efficiency across all sectors.

The **call for Energy Efficiency** is divided into 4 sections. Within the section 'Buildings and Consumers' 12 topics can be found including for instance highly energy performing buildings, renovation of historic buildings, public procurement and consumer engagement. The section 'Heating and Cooling' addresses district heating/cooling. Under 'Industry and Products' several topics are directed to organizational innovation, new technologies and the effective implementation of EU product efficiency legislation. Finally, 'Finance for Sustainable Energy' looks at innovative financing solutions, aggregated sustainable energy investments schemes and market uptake (see innovative financing below).

The **call for Low Carbon Technologies** aims at developing affordable, cost-effective and resource-efficient technology solutions to decarbonize the energy system in a sustainable way, secure energy supply and complete the internal energy markets. The call on Competitive Low-Carbon Energy includes priorities on new knowledge and technologies, renewable electricity, biofuels, smart grids and energy storage.

The **Smart Cities and Communities call** aims at commercial-scale solutions with a high market potential. Sustainable development of urban areas requires new, efficient, and user-friendly technologies and services, in particular in the areas of energy, transport and ICT. The priority areas for Smart Cities and Communities are nearly zero or low energy districts, integrated infrastructures and sustainable urban mobility.

Innovative financing continues to be a priority following the spirit of Intelligent Energy Europe Programme. The **ELENA EIB Facility** (European Local Energy Assistance) continues to support the mobilisation of investments in the sustainable energy area, and to address the related market barriers. The technical assistance grants will be provided to the beneficiaries on feasibility and market studies, project structuring and any other assistance necessary to develop Investments Programmes.

The new **Project Development Assistance (PDA)** will replace the various ELENA windows previously directed to smaller scale investments. The aim is to demonstrate the viability and positive impacts of sustainable energy investments. The support will be conditional on mobilized investments of project sizes starting from EUR 6 million up to EUR 50 million.

New funding opportunities and open calls for the next multi-annual framework (2014-2020) can be found [here](#). A portal with an on-line manual to guide interested parties in their search for financing within the Horizon 2020 programme can be found [here](#).

The Work Programme for 'Smart, green and integrated transport' foresees a budget of €6.339 million to achieve a European transport system that is resource-efficient, climate- and environmentally-friendly, safe and seamless. The Programme is structured in four broad lines of activities aiming at resource efficiency, better mobility and safety, global leadership and research. These activities are addressed in the work programme by three Calls for proposals: Mobility for Growth, Green Vehicles and Small Business and Fast Track Innovation for Transport. All the information for the Work Programme of 2014-2015 on Smart, Green and Integrated transport can be found [here](#).

Urban Mobility is addressed under chapter 5 of the work programme. The programme has a budget of €106,5 million and will foster innovation in resource efficient and competitive mobility and transport. The focus is on CO₂ free city logistics in major urban areas by 2030, and on phasing out the use of conventionally fuelled cars in cities by 2050. **CIVITAS 2020** is structured around five complementary challenge topics and will continue to support local partnerships in implementing and testing new approaches under real-life conditions.

Calls for proposals can be found [here](#). Three topics have open calls in 2014 on transforming the use of conventionally fuelled cars, reducing impacts and costs of freight and service trips and tackling urban road congestion. In 2015 there will be two more topics on strengthening the knowledge and capacity of local authorities and demonstrating innovative solutions for cleaner and better transport and mobility.

2) LIFE+

The LIFE programme aims at improving the implementation of EU environment and climate policy and legislation. The programme will contribute to the shift towards a resource-efficient, low-carbon and climate resilient economy, to the protection and improvement of the quality of the environment and to halting and reversing biodiversity loss. The total budget of the programme is €3.618 million: €2.713,5 million directed to the Environmental Programme and €904,5 million directed to Climate Action.

The sub-programme for Environment consists of three priority areas focussing on implementation and integration. The priority areas are: Biodiversity, Environment and Resource Efficiency and Governance, including dissemination of knowledge for decision-making and the development of best practices for better and more effective compliance and awareness raising campaigns.

The sub-programme for Climate Action supports efforts contributing to three specific priority areas: Climate Change Mitigation, Climate Change Adaptation and Climate Governance and Information. Climate change mitigation remains essential for moving to a low-carbon economy. Adaptation to climate change is a cross-sector Union priority, which will also need to be ensured. Moreover, governance promotion and awareness-raising are essential in order to deliver constructive results and to ensure the involvement of stakeholders.

The **Life Programme** has a two-stage application procedure. An annual call for proposals will be published in the spring each year with a deadline for submission of proposals in the autumn. Check [here](#) for updates and announcements.

3) Cohesion Policy Financing

The reformed cohesion policy (ERDF, Cohesion Fund and ESF) will make available up to EUR 366.8 billion to invest in Europe's regions, cities and the real economy.

Based on the principle of shared management Partnership Agreements are signed between the European Commission and Member States to stimulate and monitor progress of investments towards the Europe 2020 objectives. Prioritising of thematic objectives based on national needs and the management of funds are done by the Member States.

The **European Regional Development Fund** supports cross-border, transnational and interregional co-operation programmes. Investments under ERDF will be concentrated on 4 key priorities: innovation and research (1), the digital agenda (2), support to small and medium-sized businesses (3) and the low-carbon economy (4). Around €100 billion will be dedicated to these sectors, of which at least €23 billion will support the shift towards a low-carbon economy - energy efficiency and renewable energies (doubling the amount comparing to the current EU budget). The percentage of the budget dedicated to energy efficiency and renewable energy will be allocated as follows: Less Developed Regions: 12%, Transition Regions: 15% and More Developed Regions: 20%.

A minimum of 5% of national ERDF allocations are earmarked for sustainable urban development activities, which could include activities related to transport, energy and ICT.

URBACT is a European programme as part of the Cohesion Policy and mutual financed by the ERDF and the member states. As a European exchange and learning programme it promotes sustainable urban development by sharing good practices between cities and promoting pragmatic solutions. Find [here](#) more information on how URBACT is financed and how it allocated its budget. The third URBACT programme (2014-2020) is still under development. The draft budget for the URBACT III is €74.302 million. Information on the process and timing before the official start can be found [here](#). For more information and updates on calls for proposals, follow this [this link](#).

The European Social Fund will provide a significant contribution to EU priorities in the field of employment, training, life-long learning, education and social inclusion. This is an opportunity for Member States and cities to create jobs and train people whose skills will facilitate their energy transition, such as energy and climate managers, urban planners (with a knowledge of the low-energy city concept), architects and construction companies (designing low energy and passive buildings), financial engineers and lawyers able to set up innovative financial schemes and public-private partnerships, etc (<http://ec.europa.eu/esf/home.jsp?langId=en>).

INTERREG

Interreg IVB NWE is a financial instrument of the European Union's Cohesion Policy. It funds projects that support transnational cooperation. The aim is to find innovative ways to make the most of territorial assets and tackle shared problems of Member States, regions and other authorities.

Thematic Objectives:

- Strengthening research, technological development and innovation. The programme seeks to reduce the innovation capacity gaps between regions and contribute to the implementation of the smart specialisation strategies of participating regions.
- Supporting the shift towards a low-carbon economy in all sectors. The Programme will invest in the area's climate change mitigation potential, reduction of GHG emissions, energy

efficiency and the share of renewable energy sources in the consumption and production mix.

- Protecting the environment and promoting energy efficiency. The Programme will invest in eco-innovation and resource efficiency. The purpose is to reduce the environmental footprint of human activity on the environment, and decouple the growth curve from the material consumption curve.

Interreg V B Alpine Space Programme will keep on supporting transnational cooperation projects which commonly tackle Alpine specific challenges in the funding period 2014-2020. The future budget, procedures and priority actions are still under development.

More information: <http://www.alpine-space.eu/about-the-programme/strategy-development-for-the-alps/alpine-space-programme-2014-2020/asp-2014-2020-programming-process/>

Interreg IVB North Sea Region Programme builds on the thematic objectives and investment priorities decided by the European Commission, the PPSG agreed 9 specific objectives (i.e. growth, renewable energy and green mobility). More information on the objectives and guidance for the period 2014-2020 can be found [here](#).