Climate change and cohesion policy 2021-2027

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Jornada actuaciones de cambio climático FEDER Canarias, 15 November 2019
What is cohesion policy?
Cohesion policy 2014-2020

352 billion EUR (ERDF, CF, ESF) 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

Delivered through:

- Place-based programmes and territorial cooperation
- Shared management
- Funding preconditions
- Smart specialisation
- Technical assistance, capacity-building
- Urban Agenda for the EU
Programa operativo FEDER Canarias 2014-2020
Example: renewable energy in La Réunion (FR)

- Instalment of solar PV modules on 24 industrial buildings
- Various other projects promoting solar, wind and other renewables, as well as energy efficiency

- Contributing to goal of having 100% renewable-based electricity in 2030

- Operational Programme La Réunion 2007-2013
- Total ERDF investment EUR 41,000,000
2014-2020 implementation (1)

- Planned allocations to low-carbon economy: 41.8 billion EUR

cohesiondata.ec.europa.eu
2014-2020 implementation (2)

- Planned allocations to climate adaptation and risk prevention: 7.4 billion EUR allocated by 21 MS
Programa operativo FEDER Canarias 2014-2020

EP4. Favorecer el paso a una economía baja en carbono en todos los sectores
EP5. Promover la adaptación al cambio climático y la prevención y gestión de riesgos

Gasto planificado (M EUR)
Operaciones seleccionadas (M EUR)
Climate change and the incoming Commission (2019-2024)
Key ambitions of the next Commission

“Europe must lead the transition to a healthy planet and a new digital world. But it can only do so by bringing people together and upgrading our unique social market economy to fit today’s new ambitions”

(Ursula von der Leyen, Political guidelines for the next EC 2019-2024)

Headline ambition 1: A **European Green Deal**

- Global leadership: world’s first climate-neutral continent
- Biodiversity Strategy 2030
- New Circular Economy Action Plan
- Just transition: cohesion policy, Just Transition Fund
- Sustainable European Investment Plan
- Future-ready economy – new industrial strategy
Towards a climate-neutral Europe in 2050
Context: territorial diversity

European cities are already on average 1°C warmer than in the 20th century.
The next Multi-annual Financial Framework (2021-2027)
New regional eligibility map

2021-2027

GDP/head (PPS) by NUTS2 region, average 2014-2015-2016

Index, EU-27 = 100
- < 75% (less developed regions)
- 75% - 100% (transition regions)
- >= 100% (more developed regions)
Spain - GDP/head (PPS) by NUTS2 region, average 2014-2015-2016

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NUTS2 boundaries

© EuroGeographics Association for the administrative boundaries
Cohesion policy 2021-2027

Thematic menu: 5 policy objectives

1. A smarter Europe (innovation & economic transformation)

2. A greener, low-carbon Europe (including energy transition, the circular economy & climate change adaptation)

3. A more connected Europe (transport and ICT)

4. A more social Europe (the European Pillar of Social Rights)

5. A Europe closer to citizens (sustainable development of urban, rural and coastal areas and local initiatives)
Cohesion policy 2021-2027

Policy objective 2 « A greener, low-carbon Europe »

• Specific objectives:
  i. promoting energy efficiency measures;
  ii. promoting renewable energy;
  iii. developing smart energy systems, grids and storage at local level;
  iv. promoting climate change adaptation, risk prevention and disaster resilience;
  v. promoting sustainable water management;
  vi. promoting the transition to a circular economy;
  vii. enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution;
2021-2027: excluded from support

- decommissioning/construction of nuclear power stations;
- investments to reduce GHG emissions under ETS Directive;
- tobacco and tobacco products;
- undertakings in difficulty;
- airport infrastructure except for outermost regions;
- disposal of waste in landfill;
- facilities for the treatment of residual waste;
- production, processing, distribution etc. of fossil fuels, with the exception of investment related to clean vehicles;
- broadband infrastructure in areas with at least two broadband networks of equivalent category;
- rolling stock for use in rail transport
  - but still possible if it serves a publicly tendered public service obligation;
  - or if it concerns a new entrant in rail transport services on lines fully opened to competition.
2021-2027 thematic concentration

• Focus ERDF spending in the key areas for growth and jobs

• At national level based on GNI per head => flexibility

For countries with:

<table>
<thead>
<tr>
<th>GNI</th>
<th>minimum % PO1 (&quot;smarter Europe&quot;)</th>
<th>minimum % PO2 (&quot;greener, low-carbon Europe&quot;)</th>
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</thead>
<tbody>
<tr>
<td>GNI below 75%</td>
<td>35%</td>
<td>30%</td>
</tr>
<tr>
<td>GNI 75-100%</td>
<td>45%</td>
<td>30%</td>
</tr>
<tr>
<td>GNI above 100%</td>
<td>60% and PO1 + PO2 min. 85%</td>
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</tbody>
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• In addition to broader objective: 25% of climate spending across the EU budget
2021-2027 enabling conditions

• Why:
  - Improvement of effectiveness of spending
  - Focus on legal, institutional, strategic and implementation capacity

• Links with EU policy framework:
  - National Energy and Climate Plans, national/regional disaster risk management plans, Waste Management Plans…

• How:
  - Fulfilment assessed when adopting programmes
  - Applicable throughout period
  - Condition for payment applications
  - Close link to administrative capacity and reforms
2019 European Semester and next steps

- More effective link between the European Semester and EU funding for 2021-2027
- Country reports provide the analytical basis for a successful programming of Cohesion policy funds in 2021-2027 (Commission’s starting negotiating position)
- Annex D on investment guidance for cohesion policy funding 2021-2027 is a thematic summary of investment actions under POs 1-5
- Launch events (March and April) in every MS marked the start of a dialogue between Commission and MS
- Roadmaps submitted by MS by June 2019
Annex D: Investment priorities for PO2 (Spain)

- **Energy efficiency**
  - Renovation of building stock

- **Smart energy systems**
  - Deploy smart electricity distribution grids and storage solutions

- **Renewable energy**
  - Deploy renewable energy capacities
  - Transition to renewables in heating and cooling
  - Support renewable energy technologies

- **Climate change adaptation, risk prevention and disaster resilience**
  - Climate change adaptation measures based on ecosystem restoration

- **Water**
  - Efficient use of water: saving and re-use
  - Collection and treatment of wastewater

- **Resource efficiency and waste management**
  - Circular economy and biodiversity restoration
Questions or comments?

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