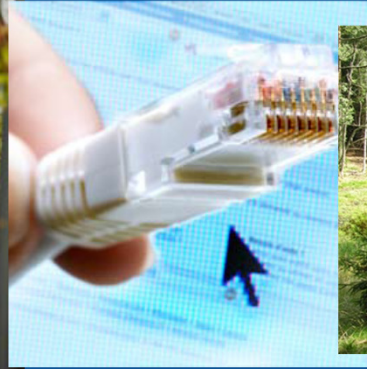




Investing in climate change with the 2014-2020 Cohesion Policy



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Content

1. The framework of 2014-2020 Cohesion Policy
2. Investments in mitigation of climate change
3. Opportunities for investments in adaptation to climate change
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The framework of the 2014-2020 Cohesion Policy



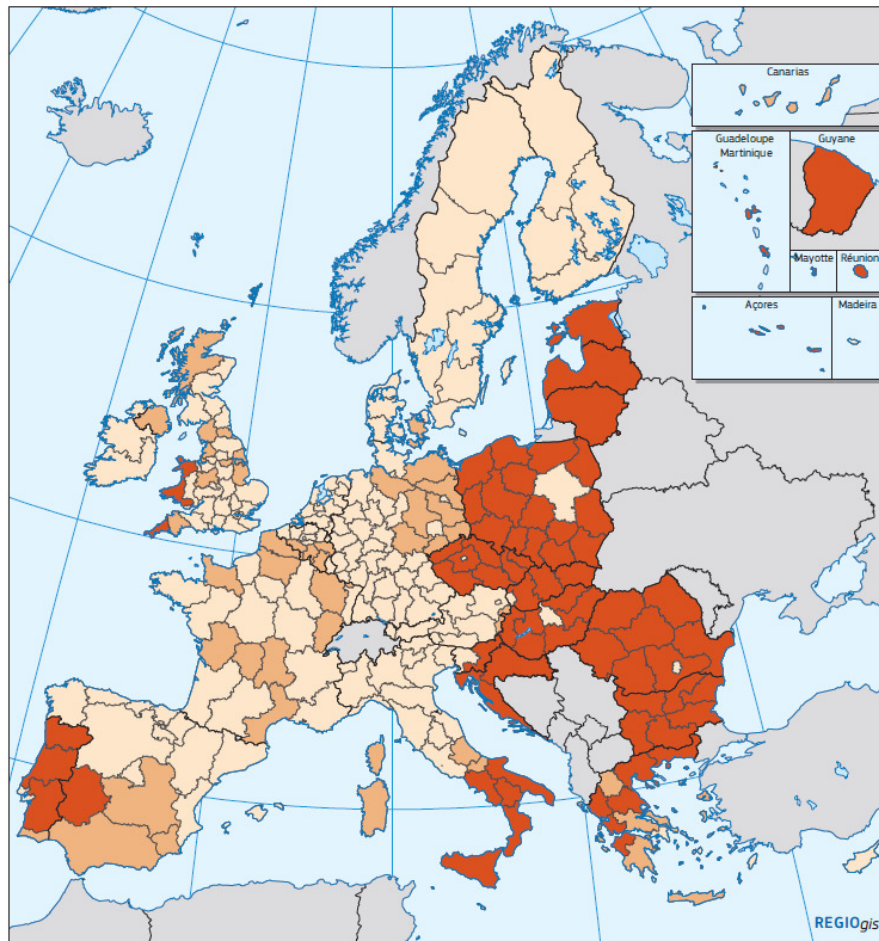
Cohesion Policy 2014-2020

- Objectives of cohesion policy: strengthen the EU's **economic, social and territorial cohesion**
- **Alignment with 'Europe 2020'** and its focus on smart, sustainable and inclusive growth
- Increased **thematic focus & performance orientation** (ex-ante conditionality; performance reserve...)



European Commission

How will funding be allocated?

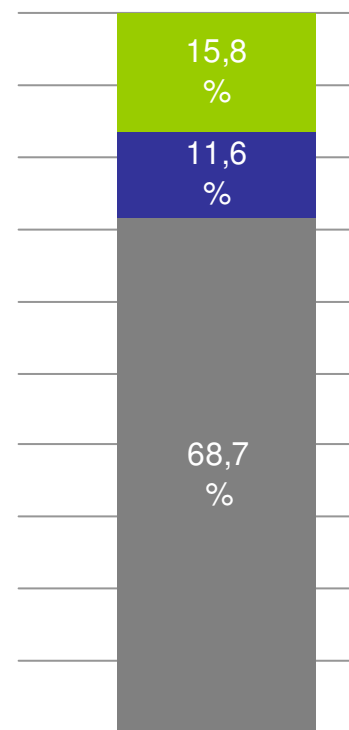


Structural Funds (ERDF and ESF) eligibility 2014-2020

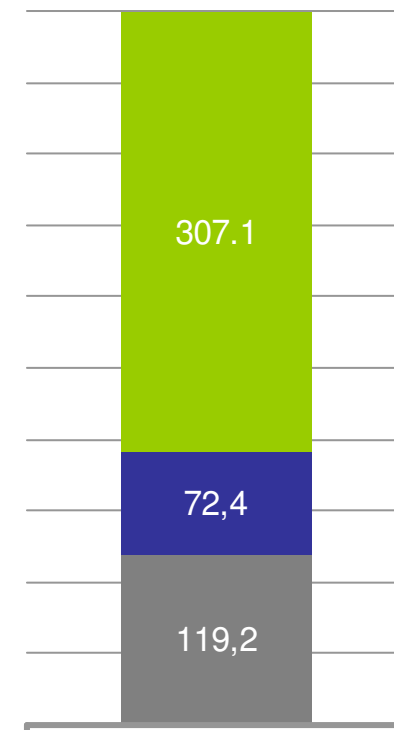
- Category
- Less developed regions
 - Transition regions
 - More developed regions

Note: Mayotte will be eligible as less developed region
Source: DG REGIO

- More developed regions
- Transition regions
- Less developed regions/MS



Budget allocation (in %)



Population covered (in millions)

Thematic objectives

Europe 2020

smart

sustainable

inclusive

- 1. Research and innovation**
2. Information and Communication Technologies
- 3. Competitiveness of Small and Medium-Sized Enterprises (SME)**
- 4. Shift to a low-carbon economy**
- 5. Climate change adaptation and risk management & prevention**
- 6. Environmental protection and resource efficiency**
7. Promoting sustainable transport & removing bottlenecks in key network infrastructures
8. Employment and support for labour mobility
9. Social inclusion and poverty reduction
10. Education, skills and lifelong learning
11. Increased institutional capacity and effectiveness of public administration



European Commission

Concentration of ERDF for 2014-2020*



Research and Innovation



SMEs competitiveness

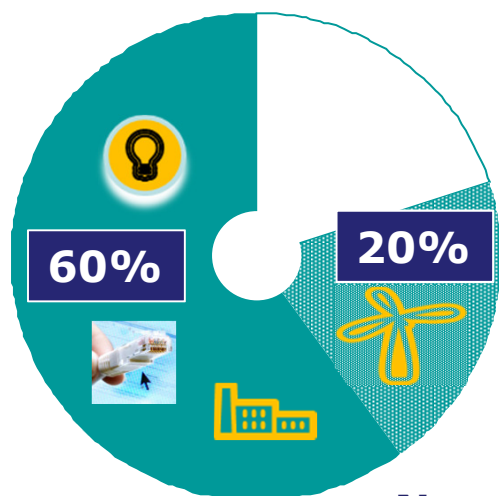


ICT

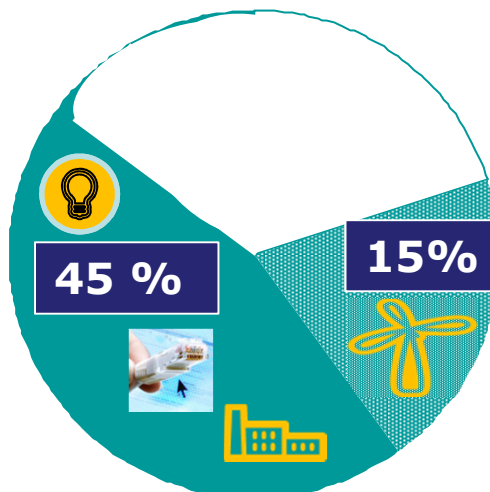


**Low-carbon economy
(Energy efficiency and
renewable energy)**

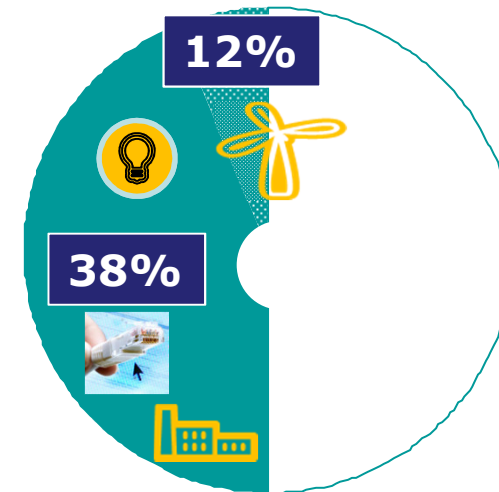
Developed regions



Transition regions



Less developed regions



**No more ceiling for investing in EE in housing
(currently maximum 4% of ERDF)**

Regional Policy

* Current state of the trilogue negotiations



Investments in mitigation of climate change



Investments in Sustainable Energy in 2014-2020 Cohesion Policy

"Supporting the shift towards a low-carbon economy in all sectors" – 5 investment priorities proposed by the Commission for ERDF and CF:

- a) Promoting the production and distribution of RES**
- b) Promoting EE and RES use in SMEs**
- c) Supporting EE and RES use in public infrastructures and in the housing sector**
- d) Developing smart distribution systems at low voltage levels ("smart grids")**
- e) Promoting low-carbon strategies for urban areas**



Implementation Principles – Energy

- Mainly private sector investment. Ensure that **public funding complements private investment**, leveraging it and not crowding it out
- EE: Consider creating **value for energy savings through market mechanisms** before public funding (energy saving obligations, energy service companies...)
- **Financial instruments** to be used where potential for private revenue or cost savings is large
- For physical investment, **grants to be used primarily:**
 - **to address market failures**
 - **to support innovative technologies**
 - **to support investments beyond cost-optimal EE** performance: ensure energy savings and GHG emission reductions above "business as usual"!



Links to Research and Innovation Smart Specialisation Strategies

- Future Cohesion Policy: Ex-ante conditionality for ERDF investments in RTDI to have a national or regional Smart Specialisation Strategy ("RIS3")
- In assessing their position and assets in the context of the development and implementation of their strategies, **MS and regions are invited to make full use of the knowledge developed in the framework of the SET-Plan** and the Intelligent Energy Europe Programme.
- A certain number of regions can be **expected to decide that they will focus Cohesion Policy resources for RTDI in the area of RES or EE**, in complementarity with Horizon 2020.



European
Commission

Opportunities for investments in adaptation to climate change



Regional
Policy

Why using ERDF/Cohesion Fund for adaptation ?

- Importance of local/regional authorities: deal with immediate consequences of disasters
- Investing in adaptation =
 - preserving **socio-economic development** & capacities
 - maintaining **territorial cohesion**: certain territories more at risk than others
- Preserve 'public goods' (infrastructures, ecosystems, health system...)

 Adaptation to CC = fits well with overall objectives of Regional Policy!



The legislative proposal

- Thematic Objective 4 (shift to low-carbon economy):
 - Investment Priority on "promoting low-carbon strategies for all type of territories [...] including the promotion of [...] mitigation relevant adaptation measures"
- Thematic Objective 5 (Promoting climate change adaptation, risk prevention and management)
 - Investment Priority on "Supporting dedicated investment for adaptation to climate change"
 - Investment Priority on "Promoting investment to address specific risks, ensuring disaster resilience and developing disaster management systems"

Possible actions to be supported (I)

- Development of national/regional/local 'knowledge base'
 - Scientific background studies & reports
 - Monitoring systems
 - ICT development (use of satellite data...)
- Development of strategies & action plans:
 - Adaptation strategies for cities/regions

Possible actions to be supported (II)

- Ecosystem-based solutions: floodplains, wetland preservation, forest management...
- Risk prevention & management plans at national, regional and local level
- Flood and coastal defence (dikes, reservoirs...)
- Preparedness tools (detection, early warning and alert systems, risk mapping and assessment)
- Support to highly specialised response units / civil protection modules

Possible actions to be supported (III)

- "Disaster proofing" infrastructure (transport, health...)
- Cross-border natural risk prevention & management
- Macro-regional approaches to adaptation & risk preventions
- Mitigation relevant adaptation measures: peatland conservation/restoration...



Key elements for successful delivery



Lessons learnt from 2007-13

- Many MS/regions faced difficulties to use ERDF/CF 'risk prevention' funding
- Various problems:
 - Lack of awareness among stakeholders / authorities of availability of ERDF/CF for adaptation/risk prevention
 - Weak capacities of responsible authorities to design/deliver such projects
 - Lack of relevant strategies & plans at national/regional/city level
- Interreg = good framework for adaptation projects



Key features

- No 'one-size-fits all' approach: adaptation is 'place-specific' = 'geographic flexibility'
- But certain common features: **develop partnerships / clusters / exchange** of experience & practices
- Invest in & develop **modelling tools/systems** to get forecasts and frame uncertainties
- Invest in **skills & capacities** to enable actors working with & in uncertainty (across sectors: construction, spatial planning, health...)



Governance

- Key importance of governance to design, develop & implement adaptation projects:
 - Innovation in governance systems for adaptation
 - Social innovation (in engaging with all stakeholders) & ownership building of public decisions through transparency
 - Pilots & demonstrations
 - Monitoring, reporting & evaluation: learn from new approaches
 - Develop a 'life-cycle approach' & maintain all actors involved

Conclusions

- Mitigation of & Adaptation to climate change = clear priorities under 2014-2020 cohesion policy
- Tailor made support to the specific needs at local/regional level
- Look for multi-benefit programmes & projects = synergies with water, nature, biodiversity...
- Link to Innovation is a further way ahead





Thank you! Questions?

