

CLEAN ENERGY

Renewable Energy Financing Mechanism

Facilitating investments in renewable energy projects, deployment of renewable energy across Member States towards collective EU targets. The renewable energy resources financed via this mechanism will count towards the climate targets for renewable energy for all member states participating in the particular project – whether as host or contributing country. The allocation of these renewables statistics will be defined on the basis of a standard formula.

Budget (2021–2027): defined for each call based on agreed contribution from participating Member States

Key Areas	• Renewable energy production
WHO can apply?	• Legal entities: Public or private bodies, established in any country in the world Projects must be located in EU Member States.
WHAT activities can be funded?	Renewable energy installation/generation projects
Range of EU Contribution	<ul style="list-style-type: none"> • A system of EU-wide tenders identifies suitable renewable energy installation projects to receive support, Member States can either host a project, without needing to provide finance or contribute financially to a project located in a different Member States, private investors can invest • A typical call of the EU Renewable Energy Financing Mechanism is price-based, targeted at capacity and follows the pay-as-bid principle, where the awarding criteria is focused on the lowest submitted bids • The size of the contribution is determined by the outcome of the tender procedure, where only the most competitive projects will be selected and receive support, corresponding to their bid in the tender
Links to relevant calls	Call for proposals for the EU Renewable Energy Financing Mechanism
Target Technology Readiness Level (TRL)	n/a
Project example	<p>Niittyneva Solar Park (March 2024 – November 2040)</p> <p>Skarta Energy Solarparks Oy is developing a 8 megawatt peak (MWp) solar power plant in the municipality of Nivala, located in central Finland. The amount of energy produced per year is estimated to be approximately 7,240 megawatt-hour (MWh). Skarta's objective is to expand its activities in the value chain of wind power, solar energy and hydrogen to boost its participation in green energy projects.</p>