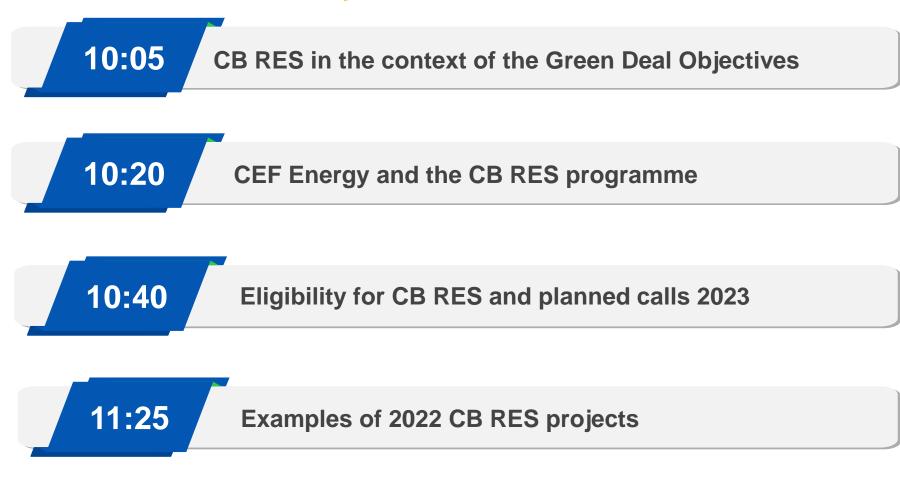


#### **AGENDA**

CB RES Virtual Info Day





### House keeping rules

- Keep your microphones muted
- During the event you can post your questions directly in the Teams chatbox:



 There will also be an open mic session at the end of the workshop where you can ask questions directly.





# CB RES in the context of the Green Deal Objectives

Vasil STOYNOV, Unit C.1 Renewables and Energy System Integration Policy, DG Energy

CB RES Workshop

13th of February 2023

# Transforming EU economy and society to meet climate ambitions

- On 14 July 2021, the European Commission adopted a set of proposals to make the EU's climate, energy, land use, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels.
- Reducing greenhouse gas emissions by at least 55% by 2030 requires to step-up the shares of renewable energy in electricity production and greater energy efficiency.





#### REPowerEU

 A roadmap to reduce the dependence on Russian fossil fuels and fast forward the energy transition

Based on 3 pillars:

Energy saving and energy efficiency

Massive acceleration of investment in renewables

Diversification of our energy supplies



### Role of renewables and CB RES

- REPowerEU proposal from May 2022 for increased
   EU target for renewable energy by 2030 –
   45%, together with streamlining of permitting
   procedures
- **Emergency regulation** from December 2022 to accelerate the deployment of renewable energy sources
- Rapid roll out of solar and wind energy projects combined with renewable hydrogen deployment to save around 50 bcm of gas imports

   role of CB RES projects







# CEF Energy and the CB RES programme



**Beatrice CODA**, Head of Unit B4, CEF Energy CINEA

CB RES Workshop

13th of February 2023



#### CINEA's key contribution to the European Green Deal

EUROPEAN MARITIME FISHERIES AND AQUACULTURE FUND

LIFE PROGRAMME

EUROPEAN CLIMATE,
INFRASTRUCTURE AND
ENVIRONMENT
EXECUTIVE AGENCY

RENEWABLE ENERGY FINANCING MECHANISM

**CONNECTING EUROPE** 

**FACILITY 2** 

**Transport and Energy** 

**INNOVATION FUND** 

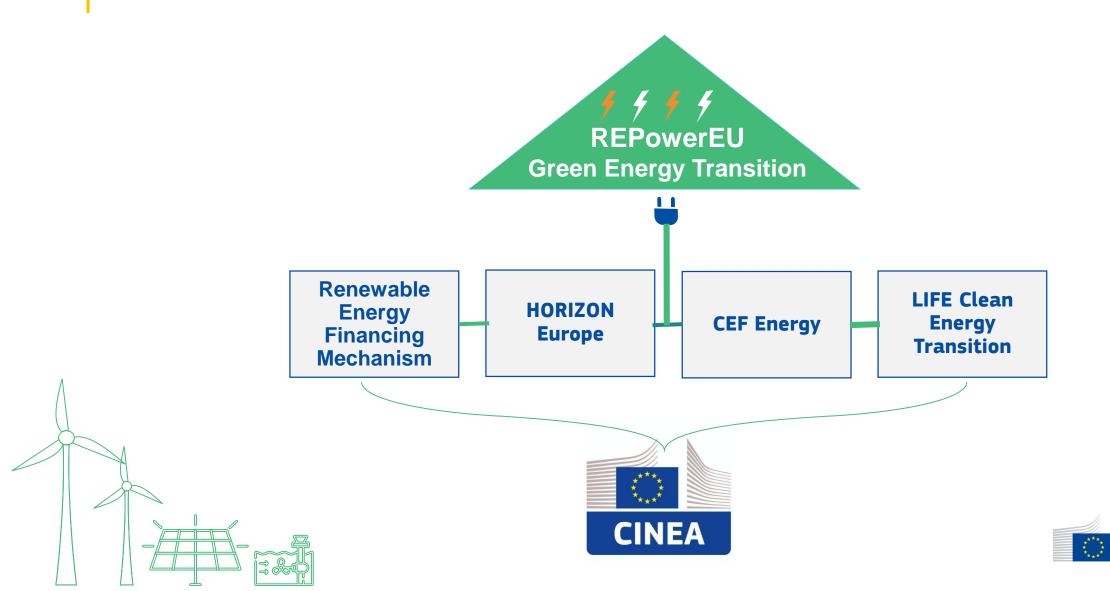
from 34 billion to > 55 billion

from 300 staff to > 500 in 2027 HORIZON EUROPE Climate, Energy and Mobility

JUST TRANSITION
MECHANISM
Public Sector Loan
Facility pillar



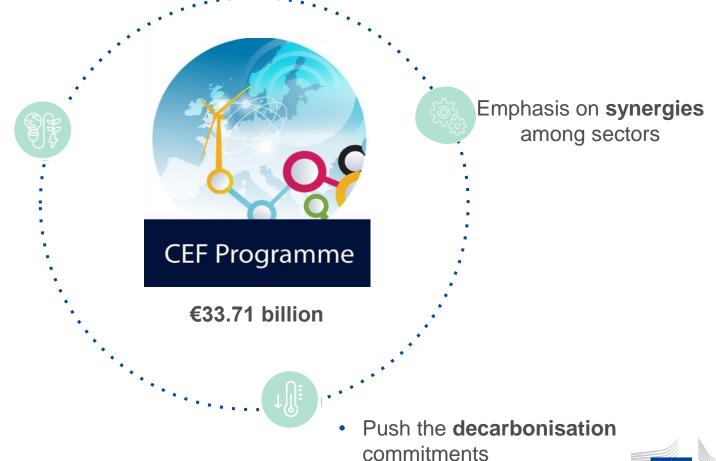
### **EU FINANCING:** Key financial mechanisms for the energy sector



European

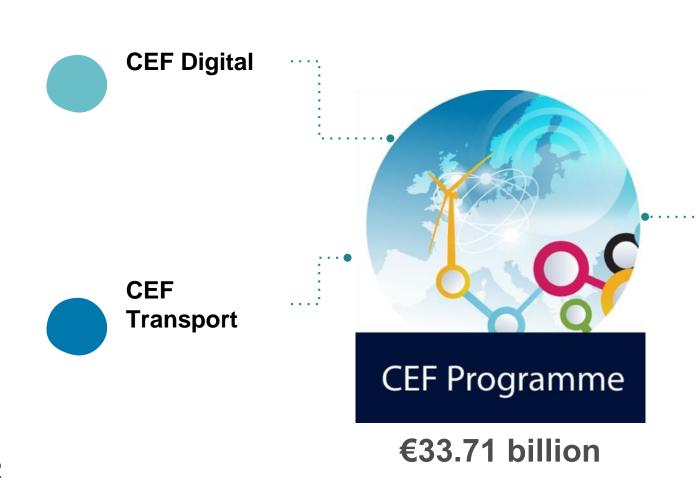
# Connecting Europe Facility (CEF) 2021- 2027

Develop and modernise the **trans-European networks** in the fields of transport, energy and digital





# Connecting Europe Facility (CEF) 2021- 2027





- **€5.84** billion for:
- PCIs: Projects of Common Interest
- CB RES: Cross-border projects in the field of renewable energy.



# CEF CB RES programme

#### **Budget**

Up to 15% of the total CEF energy budget (875m€), subject to market uptake.



#### **Legal Basis**

- Renewable Energy Directive (EU) <u>2018/2001</u> (RED II)
- CEF Regulation No <u>2021/1153</u>
- Commission Delegated Regulation (EU) 2022/342
- Commission SWD (2021) 429



# Objectives of the new CEF window for cross-border projects in the field of renewable energy (CB RES)

Joint planning, development & cost effective exploitation of renewables and **EU target achievement** 

Promoting **cooperation**between Member States
and also 3rd countries
based on mechanisms in
RED II

Facilitate RES integration through **energy storage** and conversion facilities

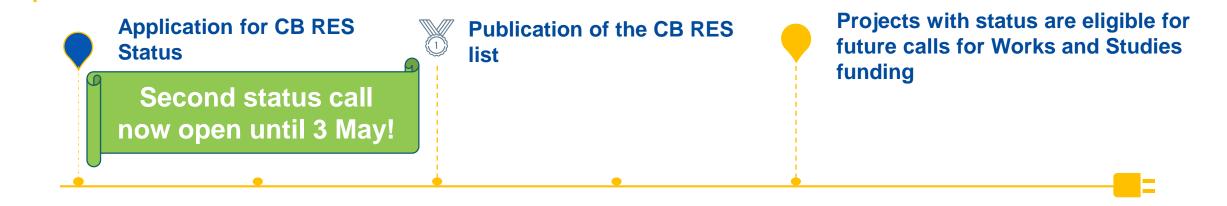
Contribute to strategic uptake of innovative renewables technologies



Contribute to the EU's Long
Term **Decarbonisation**Strategy



#### **CB RES** Process



#### Eligible projects include:

- Renewables generation based on any renewable energy source
- All sectors electricity, transport, Heating & Cooling
- Storage / IT systems/ grid connection, **provided** it forms an <u>integral part of the project</u>, <u>effectively enable the integration of</u> and are <u>ancillary</u> to a renewables generation facility

#### Note also:

No pre-defined capacity thresholds, locations or technology type in <u>CEF regulation</u>.



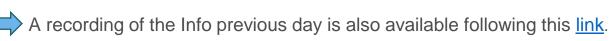
# Funding is also available for Preparatory studies

**No CB RES status is required**. This is designed to provide financial support to overcome obstacles which prevent cooperation projects from going ahead, such as:

- technology surveys
- cost linked to cooperation mechanism implementation
- cost estimation reports
- environmental survey

Next call for preparatory studies will open in September 2023 (tbc)







#### Points of attention





- The "cross-border" nature of a project may or may not be physical.
- The cooperation agreement may be harder to set up than the technical part of the project, it is essential to work with Member States early on.





# Eligibility for CB RES and planned calls 2023



Gianluca FERRERI, Head of Sector

UNIT B.4 - CEF Energy and Renewable Energy Financing Mechanism

CB RES workshop

13th of February 2023



# What projects are eligible for financing?

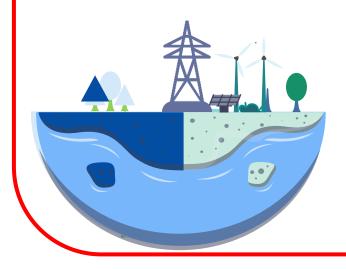
(Art. 3 of Delegated Regulation)

Joint Projects as per Renewable energy directive

#### Individual project

Physical cross-border with impact

e.g. dispatchable power in country A reducing grid congestion in country B





#### **Individual project**

No physical crossborder impact

e.g. two distant countries jointly financing a wind offshore park

#### **Multiple projects**

Not necessarily physical cross-border impact

e.g. joint support scheme (usually in connection with statistical transfer)







# General criteria of eligibility for CB RES status

- 1. Cooperation agreement or any other kind of arrangement (e.g. letter of intent expressing willingness to cooperate)
- 2. Cost savings or benefits [...] in comparison to a similar project implemented by one Member States alone
- 3. Potential overall benefits of cooperation outweigh its costs



### **Proof** of Cooperation



Written declaration of the participating Member States:

- ⇒ Expressing the willingness to cooperate
- ⇒no specific format,
- ⇒ signed by the Ministries
- ⇒ Or by the **sub-national level** (e.g. Land, Region, etc) if has the **competency** in the domain.



### CBA showing socio-economic net benefits

Art. 5 of the delegated regulation supplementing the CEF Regulation

#### Estimation of the socio-economic net benefits

- Cost-benefit analysis (CBA) based on CBA methodology set out in the Commission staff working document (2021) 429.
- Comparison to a similar project or renewable energy project.





# Compliance with selection criteria: eligible technologies, components and investments

 Project concerns energy generation technologies based on any of the renewable energy sources listed in Directive (EU) 2018/2001 (art.2).

Any additional components (apart from RES generation) form an integral part of the project,
 enable the integration of and are ancillary to the RES generation.





# Technologies, components and investments: Eligible scenarios



The proposal concerns only renewable energy (RES) generation.

The RES components are in the list of article 2 of RED II.

**E.g.** Geothermal plant; Hydropower station; biomass plant; on shore or offshore wind project; RES electricity installation for H2 production



The proposal concerns renewable energy (RES) generation and transmission/storage.

The RES components are in the list of article 2 of RED II.

**E.g.** Offshore wind project with connectors to the grid; H2 electrolyser from RES generation + H2 transmission, etc..





### Technologies, components and investments: Non-eligible scenarios



#### Scenario 3

The proposal concerns only renewable (RES) energy transmission or storage.

**Eg**. Hydrogen pipeline without generation, electricity grids, eammonia storage, battery system etc...



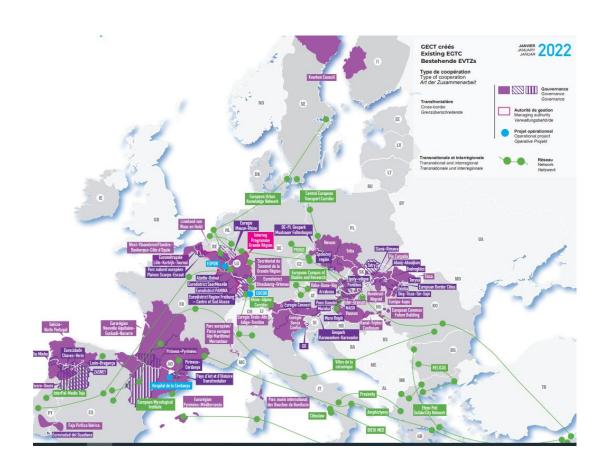
#### Scenario 4

The proposal does not concern renewable energy, even though it contributes to climate mitigation efforts.

**Eg**. Carbon Capture project (without RES); CO2 pipelines; Energy efficiency retrofitting etc..



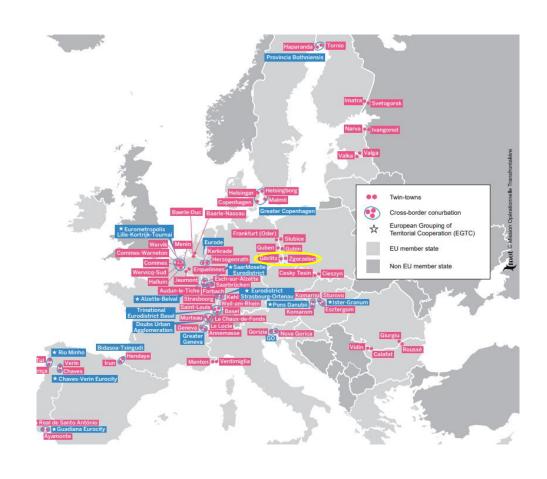
### CB RES for Cross border regions



- Cross-border district heating projects at NUTSIII level
- Cross-border renewables installations (e.g on-shore wind, solar parks)
- Green hydrogen value chain projects



### CB RES for Cross border urban territories



- Cross-border district heating projects at municipalities level
- Cross-border renewables installations (e.g. on-shore wind, solar parks)
- Cross-border RES projects to decarbonise heavy industry



# What can the CEF CB RES Programme do for your region?

- Step up in the cross-border regional cooperation by widening it to the energy field
- Leverage on existing historical cooperation, e.g. developed via Interreg
- Scale-up pilot projects on RES generation via accessing to CEF funding



# Why is CEF CB RES Programme fit for regions and cities? Because...

- Renewable energy generation is decentralised by nature
- Regions and cities have the knowledge of their territories, their assets and needs
- Regions and cities are frontrunner of the cross-border cooperation, e.g. through 30 years of Interreg programmes



### CB RES types of call



**Call for Preparatory Studies** 

- Next opening: Sept 2023 (tbc)
- No CB RES status needed
- Support to development of early phase project idea
- Letter of support at MS or regional level if competent



Call for the CB RES status

- Currently open call until
   3 May 2023
- Next call: November 2023



- Condition to apply: be selected for CB RES status
- Next call: November 2023





# Examples of 2022 CB RES Projects

#### Paul Grandeau

UNIT B.4 - CEF Energy and Renewable Energy Financing Mechanism



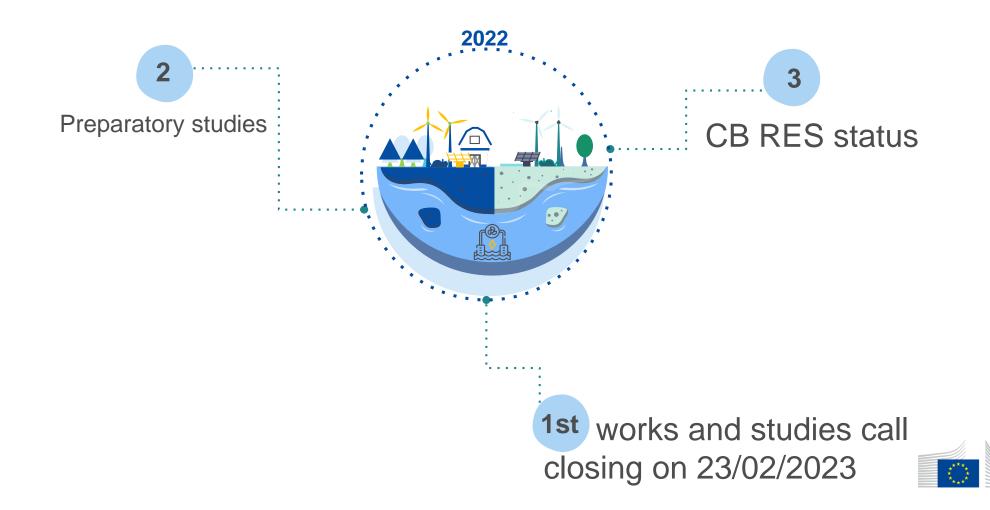
CB RES workshop

13th of February 2023





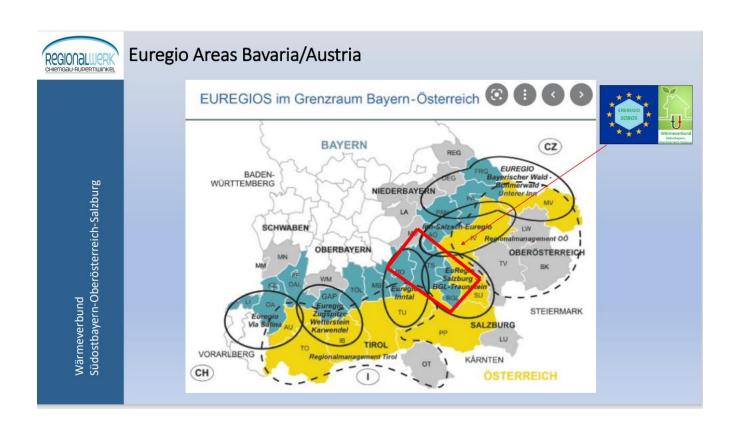
## Selected projects in the first round of calls 2022



### 2 Preparatory studies selected in 2022

#### **ENEREGIO SOBOS**

Cross-regional zero carbon district heating

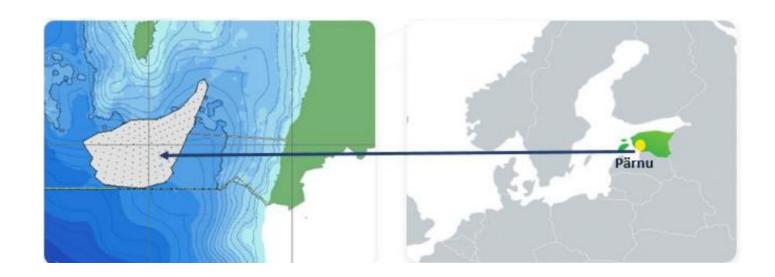




### 2 Preparatory studies selected in 2022

#### **GORIO**

Hybrid Offshore project in the Baltic





# 3 projects acquired the CB RES status in the 2022 call

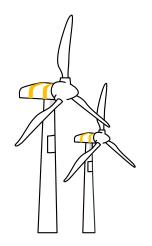
#### Goerlitz-Zgorzelec

Cross-border zero carbon district heating



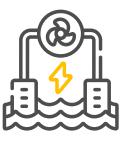
#### **ELWIND**

Hybrid Offshore project in the Baltic



#### **CICERONE**

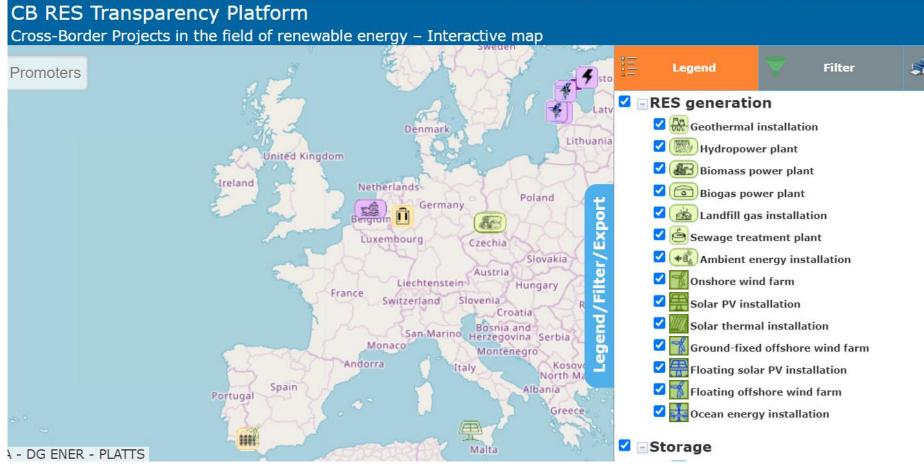
Cross-border
European Green
hydrogen value chain





### CB RES Transparency platform

CLIMATE, INFRASTRUCTURE AND ENVIRONMENT EXECUTIVE AGENCY / ENERGY



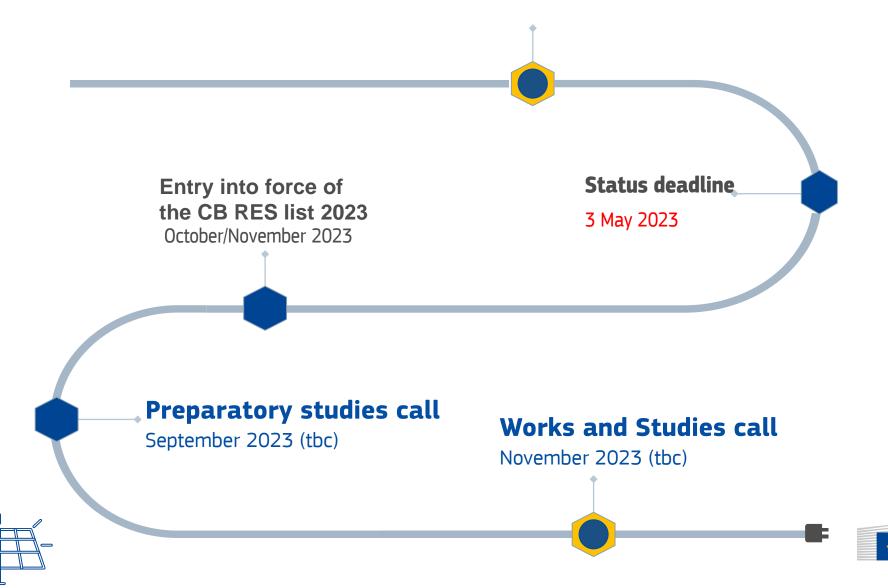




### Indicative timeline

#### **CB RES Status**

10 January 2023



### Relevant resources

**CEF CB RES programme** 

CB RES status call



**Link** 











# Q&A

Feel free to open your mic



# To keep in touch with CINEA



cinea-cef-renewables@ec.europa.eu



CINEA - European Climate, Infrastructure and Environment Executive Agency





**CINEATube** 



# Thank you



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