SMART AND CLEAN ENERGY FOR ALL

THE RIGHT ENABLING ENVIRONMENT FOR POST – 2020

Delivering on social concerns and job training to ensure a socially fair energy transition

Driving digitalization forward to enable new energy technologies

Setting the right incentives for investment in the energy transition and maximising the use of public funds

Delivering on key energy infrastructure projects

External dimension: Fostering security of supply and promoting clean energy measures abroad

Accelerating research and innovation to support leadership in advanced RES

Ensuring regional cooperation: Making the energy transition a multi-level government and stakeholder project

Enabling Framework

European Commission
With the Clean Energy for All Europeans Commission commits to undertake facilitating actions in order to mitigate the societal impact of clean energy transition.

Commission Communication on Clean Energy for All Europeans

"(...) Commission will examine how to better support the transition in coal and carbon-intensive regions. To this end it will work in partnership with the actors of these regions, provide guidance, in particular for the access to and use of available funds and programmes, and encourage exchange of good practices, including discussions on industrial roadmaps and re-skilling needs, through targeted platforms"

Delivering on social concerns and job training to ensure a socially fair energy transition
Number of persons declared as employed in the mining of coal and lignite in the EU, Eurostat

Change in coal demand by key region through to 2040 source: IEA 2016

EC and IEA analysis indicate that coal demand in the EU could further drop by 60% through to 2040.

EU coal production (1,000 tonnes of oil equivalent), Eurostat
Recent notifications of state aid for coal mine closures

- Spain (2016): closure of all remaining hard coal mines by the end of 2018
- Poland (2016): closure of 8 hard coal mines, out of a total of 22
- Romania (2016): closure of 2 hard coal mines (out of a total of 4)

Member State policy frameworks

- Germany (2016) Climate Action Plan 2050: does not support the construction of new unabated coal-fired power plants
- UK (2016): investigates regulatory actions to phase out unabated coal-fired power generation from the UK energy system by 2025

Industry pledges: Eurelectric Statement, 5 April 2017

"The power sector is already widely investing into low-carbon and innovative solutions to achieve carbon-neutral electricity supply by 2050, and does not intend to invest in new-build coal-fired power plants after 2020."

(excl. PL and HE industry associations)
CLEAN ENERGY TRANSITION UNDER WAY IN OTHER INDUSTRIALISED ECONOMIES

**Financing strategies**

- **EIB**: EPS for energy projects of 550g CO2/kWh (followed by HSBC)
- **World Bank**: financing for coal plants limited to "rare circumstances"
- **EBRD**: will not finance unless in "rare circumstances"
- **OECD Export Credit rules for coal**: below 750g CO2/kWh, unless in least developed economies

**Regulatory practices**

- **USA**: EPS for new coal plants of 635g CO2/kWh
- **Canada**: EPS for new coal plants of 420g CO2/kWh
- **UK**: EPS for new coal plants of 450g CO2/kWh
# RELEVANT EXISTING EU FUNDS AND OPTIONS

## EUROPEAN SOCIAL FUND

- European Social Fund is the European Union's main financial instrument for supporting employment in the Member States as well as promoting economic and social cohesion.

## EUROPEAN STRUCTURAL AND INVESTMENT FUNDS

- Low-emission economy projects can be financed through the European Regional Development Fund and the Cohesion Fund.

## HORIZON 2020

- Horizon 2020 (2014-2020) supports research and innovation activities addressing the decarbonisation of the fossil fuel-based power sector and energy intensive industry through CCS and the development of more efficient and flexible fossil fuel power plants.

## RESEARCH FUND FOR COAL AND STEEL

- The Research Fund for Coal and Steel ('RFCS') provides around EUR 50 million each year to support research projects on a wide range of aspects related to coal and steel – from production processes to the impact on the climate and environment. Around €15 million annually is available for coal related research.

## NER300/INNOVATION FUND

- Under the EU ETS Directive funds have been made available to finance carbon capture and storage and innovative renewable technologies. Under the EU ETS Directive revision Commission proposed that an Innovation Fund should be established to finance innovative RES and CCS after 2020.

## STATE AID FOR COAL MINE CLOSURES

- Direct aid to the coal sector is only allowed under the 2010 Council Coal Decision and is conditional on the definitive closure of the mining units benefiting from it by the end of 2018.