



Supporting Programs

CCS PROJECTS IN EUROPE - DIALOG WITH THE DIPLOMATIC REPRESENTATIVES IN ROMANIA
= *FROM DEBATES TO ACTIONS* =

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CCS Supporting Programs

There are currently various financial mechanism that support large scale CCS projects:

- New Entrants Reserve (NER 300)
- European Economic Area (EEA) and Norway Grants
- European Union – Emission Trading System auctioning
- State aid
- Structural Funds
- Lending instruments

Institutional & Financial Support



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European Energy Programme for Recovery

- Community financial assistance to projects in the field of Energy:
 - gas and electricity infrastructure projects
 - offshore wind energy projects
 - carbon capture and storage projects
- The first step in funding large scale CCS projects
- December 2009 – EC awarded 1 billion Euros to six CCS projects
- The projects are located in Germany, Italy, Netherlands, Poland, Spain, UK





The NER300 Initiative



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- Supporting programme for CCS and innovative RES technologies
- Award Decision by end 2011 / early 2012
- For CCS, the areas covered include all major power generation technologies and applications for industry
- Total funding represents the equivalent of 300 million emissions allowances
- The programme funds 50% of the relevant costs (i.e. extra investment and operating costs due to the application of the technology)
- Main conditions:
 - Entry into operation by 31st December 2015
 - Knowledge sharing commitment





The Norway Grants



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- Supporting programme for the 12 new EU countries, Romania included
- The programme funds up to 85% of the investment costs
- Priority sectors:
 - Carbon Capture and Storage
 - Green Industry Innovation
 - Research and Scholarship
 - Human and Social Development
 - Justice and Home Affairs
 - Promotion of Decent Work and Tripartite Dialogue
- Predefined projects may be included
- Special attention given to CCS technology – at least 20% dedicated funds
- Total funding for Romania represents 115 million Euros





The EEA Grants



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- The European Economic Area - Norway, Iceland and Lichtenstein
- Supporting programme for the 12 new EU countries, Romania included
- The programme funds up to 85% of the investment costs
- Priority sectors:
 - Environmental protection and management
 - Climate change and renewable energy
 - Civil society
 - Human and social development
 - Protecting cultural heritage
- Predefined projects may be included
- Special attention given to environmental and climate change-related technology – at least 30% dedicated funds
- Total funding for Romania represents 190 million Euros



EU – ETS Auctioning



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- Directive 2003/87/EC amended by Directive 2009/29/EC
- Emissions allowance = the right to emit one ton of CO₂
- Starting from 2013 there are no more free allocated allowances for electricity
- Derogation for district heating and installations with risk of relocating
- *CO₂ captured and stored acknowledged as “not emitted” under the EU-ETS as of 2013*
- Earnings from the EU-ETS auctioning – at least 50% are dedicated to environmental projects targeted to GHGs reduction
- Estimated total yearly allowances available for auctioning in Romania is about 30 million allowances
- Increasing CO₂ prices evolution → *increasing funds for projects*





State Aid



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- No specific guidelines for CCS support, state aid for CCS evaluated under the EU Treaty
- Generally positive attitude towards state aid for CCS projects
- Availability of state aid rests on the willingness of the Member State
- Does not guarantee enough funding across the EU





Structural Funds

- Currently, no specific funding for CCS projects
- Funds could fall within planned research and innovation activities
- Possible to explicitly cover CCS projects in the next period 2014-2020





EIB financing

- *European Investment Bank aims at implementing the EU's policy objectives by financing sound business projects*
- *The EIB's Risk Sharing Financing Facility – joint initiative of the EC and EIB aimed at providing risk financing for new technologies and R&D implementation projects*
- Individual loans is provided to sound projects which are in line with EIB lending objectives (such as protecting and improving the environment)





EBRD financing

- European Bank for Reconstruction and Development supports projects from central Europe to central Asia
- EBRD invests in private sector clients whose needs cannot be fully met by the market, fostering transition to an open and democratic economy
- EBRD finances through lending instruments or equity participation





The SET Plan

- Aims at accelerating the development of low carbon technologies, leading to their widespread market take-up
- 3 June 2010 – CCS European Industrial Initiative of the SET Plan was launched
- CCS EII Implementation Plan 2010 – 2012 :
 - Demonstration activities
 - Final Investment Decisions for up to 12 CCS
 - Populate the EU CCS Project Network
 - R&D actions towards deployment
- CCS EII total costs: € 7 – 12 bn for CCS demonstrative programme and an additional € 1-2 bn for R&D committed by 2012
- Costs shared between Industry, Member States and the European Commission





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Thank you for your Attention !

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