

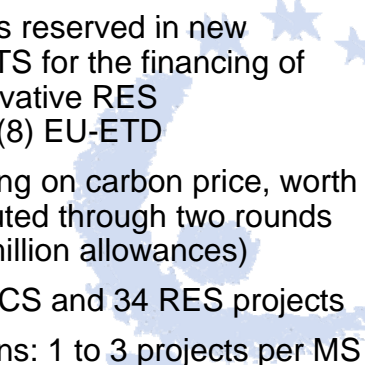


NER 300

Financing CCS and innovative RES demonstration projects under the ETS

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- ★ **NER 300:** 300 million allowances reserved in new entrants reserve (NER) of EU-ETS for the financing of commercial-scale CCS and innovative RES demonstration projects, Art. 10a(8) EU-ETD
 - ★ 300 million allowances (depending on carbon price, worth some €4-5 billion) will be distributed through two rounds of Call for proposals (200/ 100 million allowances)
 - ★ Wide range of technologies: 8 CCS and 34 RES projects
 - ★ Geographically balanced locations: 1 to 3 projects per MS

- ★ 50% of relevant costs will be funded, per project max. 15% of the total number of allowances
- ★ NER 300 not part of EU budget – can be combined with other instruments, including EEPR and Structural and Cohesion Funds
- ★ Implementation at EU level (COM), but with strong role for Member States (MS), and with support from the European Investment Bank (EIB)

- ★ Legal basis: Article 10a(8) EU Emissions Trading Directive
- ★ Decision 2010/670/EU of 3 November 2010 laying down criteria and measures for the financing of commercial demonstration projects that aim at the environmentally safe capture and geological storage of CO₂ as well as demonstration projects of innovative renewable energy technologies under the EU-ETS
- ★ Co-operation Agreement Commission – EIB
- ★ Call for proposals

- ★ Launch of first Call for proposals on 9 November 2010
- ★ Projects to submit applications to MS by 9 February 2011
- ★ MS to submit the eligible applications that they support to the EIB by 9 May 2011
- ★ EIB completes its evaluation by 9 February 2012 (subject to the number of proposals received)
- ★ Award decisions for the first tranche envisaged for the second half of 2012

- ★ Projects to submit proposals to MS
- ★ MS to check eligibility and submit the eligible projects they intend to support to the EIB
- ★ EIB to carry out technical and financial due diligence, rank projects and make recommendations for award decisions
- ★ COM to verify eligibility, reconfirm funding with MS, consult the Climate Change Committee and make, publish and adjust award decisions

- ★ Eligibility: Technology categories and sub-categories, capacity thresholds, innovation (RES)
- ★ Due diligence: Financial and technical, aim to ensure that any Project receiving a funding commitment under NER 300 has a good prospect of proceeding to project completion and entry into operation
- ★ Ranking: Based on cost per unit performance, CCS projects together, RES projects in sub-categories
 - ↪ CCS Group: 8 highest ranked projects meeting portfolio requirements (representation of technology categories, storage options)
 - ↪ RES Group: Highest ranked project in each sub-category

- ★ EIB to monetise allowances, manage revenues and transfer revenues to MS as required for Project funding
- ★ MS to disburse funds based on legally binding instrument with the Project Sponsor, and to ensure implementation (including knowledge sharing requirements, recovery of excess funds)
- ★ Further details in Specifications for Legally Binding Instrument annexed to Call for Proposals

- ★ **NER 300** unprecedented in scope and magnitude (covering CCS and RES demonstration projects, €4-5 billion)
- ★ European approach will ensure highest possible quality of demonstration projects in terms of technological and geographical balance
- ★ Evaluation criteria set out in NER 300 Decision, together with strong roles for MS and for EIB, will ensure high quality selection process and outcome
- ★ NER 300 will hence provide a significant contribution to accelerating innovation both regarding CCS and RES technologies

- ★ **NER 300 website:**
http://ec.europa.eu/clima/funding/ner300/index_en.htm
- ★ **NER 300 mailbox:**
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Thank you for your attention!