



# Policy Framework

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European Union | European Regional Development Fund



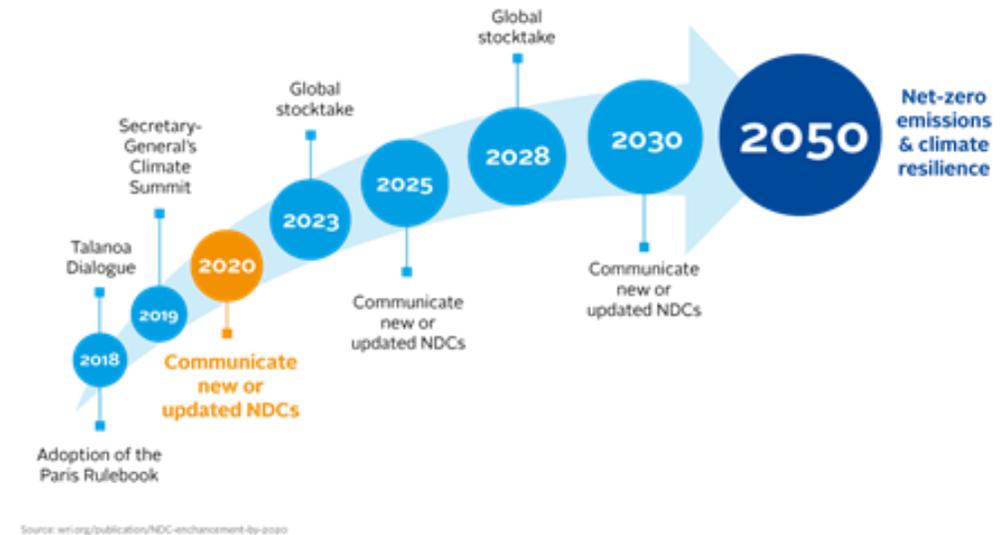
# The 2016 Clean Energy Package

EU has committed to reducing carbon emissions to meet the goals of the 2015 Paris Agreement

Implementation: Clean Energy for all Europeans Package (2016)

- Energy Efficiency Directive (2018)
- Renewable Energy Directive (2018)
- Energy Performance of Buildings Directive (2018)

## AMBITION MECHANISM IN THE PARIS AGREEMENT





# Renewed Ambition

European Green Deal (2019) to be Net-zero by 2050, 55% reduction by 2030

- Climate Law (2020) – enshrining net-zero in law
- European Industrial Strategy
- SME Strategy
- Climate Pact
- Renovation Wave
- Fit for 55% Package





# Fit for 55 Package

Revisions to the legislative framework – expected 14 July 2021

Aims to ensure that 55% reduction target can be met

Revisions to:

- Energy Efficiency Directive – expected 40% target for 2030, up from 32.5%
- Renewable Energy Directive: expected target of 38-40% for 2030, up from 32%(2030)
- Energy Performance of Buildings Directive (expected late-2021)

|    |                    |   |
|----|--------------------|---|
| 1. | Fit for 55 package | <p>a) Revision of the EU Emissions Trading System (ETS), including maritime, aviation and CORSIA as well as a proposal for ETS as own resource (legislative, incl. impact assessment, Q2 2021)</p> <p>b) Carbon Border Adjustment Mechanism (CBAM) and a proposal for CBAM as own resource (legislative, incl. impact assessment, Q2 2021)</p> <p>c) Effort Sharing Regulation (legislative, incl. impact assessment, Article 192(1) TFEU, Q2 2021)</p> <p>d) Amendment to the Renewable Energy Directive to implement the ambition of the new 2030 climate target (legislative, incl. impact assessment, Article 194 TFEU, Q2 2021)</p> <p>e) Amendment of the Energy Efficiency Directive to implement the ambition of the new 2030 climate target (legislative, incl. impact assessment, Article 194 TFEU, Q2 2021)</p> <p>f) Revision of the Regulation on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry (legislative, incl. impact assessment, Article 192(1) TFEU, Q2 2021)</p> <p>g) Reducing methane emissions in the energy sector (legislative, incl. impact assessment, Articles 192 and 194 TFEU, Q2 2021)</p> <p>h) Revision of the Energy Tax Directive (legislative, incl. impact assessment, Q2 2021)</p> <p>i) Revision of the Directive on deployment of alternative fuels infrastructure (legislative, incl. impact assessment, Article 91 TFEU, Q2 2021)</p> <p>j) Revision of the Regulation setting CO2 emission performance standards for new passenger cars and for new light commercial vehicles (legislative, incl. impact assessment, Article 192(1) TFEU, Q2 2021)</p> <p>k) Revision of the energy performance of Buildings Directive (legislative, incl. impact assessment, Article 194 TFEU, Q4 2021)</p> <p>l) Revision of the Third Energy Package for gas (Directive 2009/73/EU and Regulation 715/2009/EU) to regulate competitive decarbonised gas markets (legislative, incl. impact assessment, Article 194 TFEU, Q4 2021)</p> |
|----|--------------------|---|

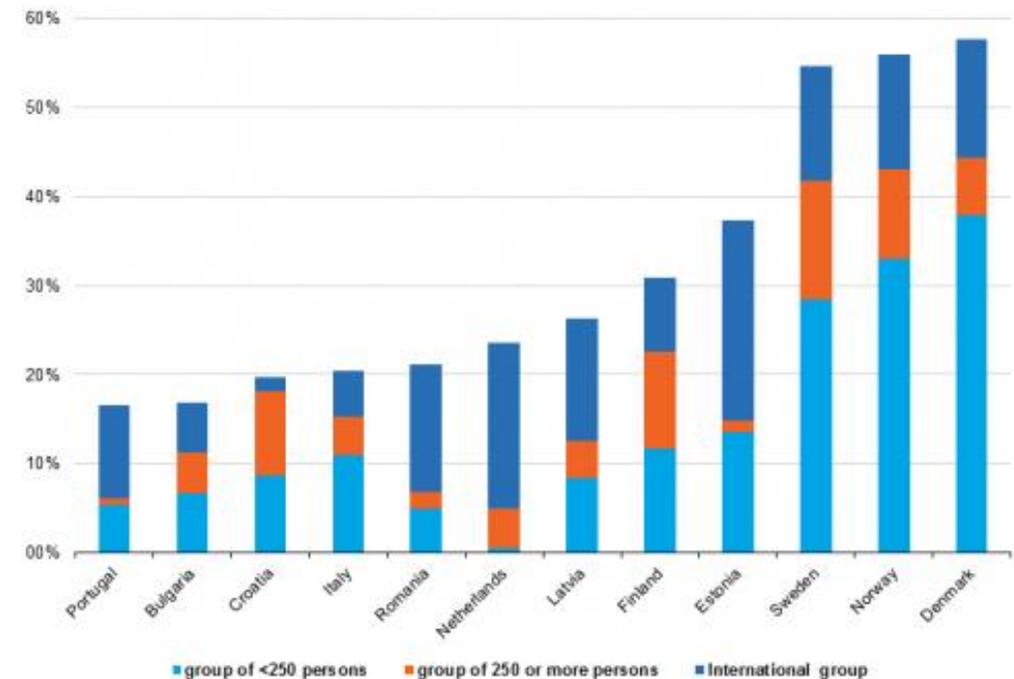


# Why target SMEs?

## SMEs are very significant in the European economy:

- 25 million SMEs = 99% of all businesses in the EU
- Employ around 100 Million people – 2 out of 3 jobs
- Account for more than half of GDP
- Contribute to local and regional development
- Use around 13% of total energy demand, c.150 Mega tonnes of oil equivalent (Mtoe)

Share of persons employed by enterprises in groups of fewer than 250 persons, groups of 250 or more persons, and international groups, 2015



Countries participating in the 2016 Microdata linking project.



# Framework – Applicability to SMEs

## Energy Efficiency Directive

### Article 8

- Obliges member states to develop programmes to encourage SMEs to undergo energy audits and implement their recommendations
- Member states must establish favourable frameworks to provide technical assistance and targeted information for SMEs
- Must bring to attention of SMEs concrete examples of how Energy Management Systems can improve performance
- Member states must provide training for energy auditors

To be seen: Strengthened in new EED?

## Renewable Energy Directive

SMEs recognised as key to the energy transition

- Member States encouraged to establish support schemes for renewables, remove barriers to renewable energy communities and ‘prosumers’, simplify administrative procedures and permits for small installations, “in order to foster the uptake of renewable energy by microenterprises and small and medium-sized enterprises (SMEs) and individual citizens”



# Conclusions

Policy Framework

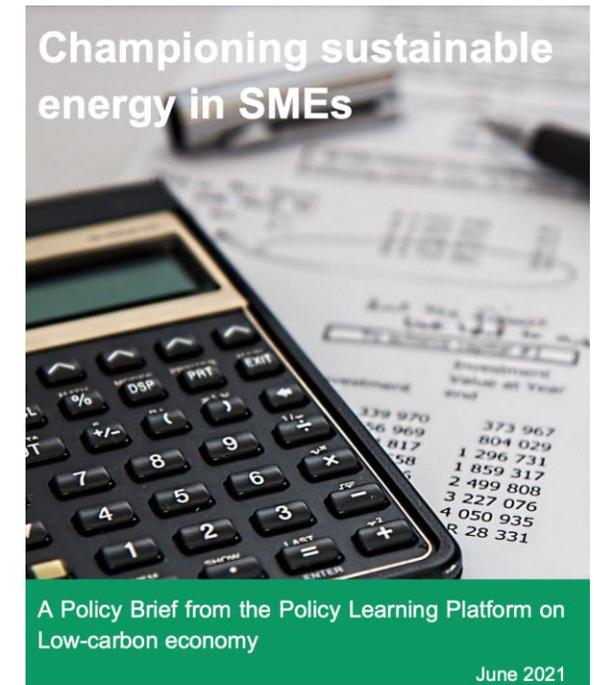


Multiannual Financial Framework (2021-2027)

- SMEs will have a key role in decarbonizing the economy and must take action
- Public authorities will need to create support programmes in their regions – learn from what works!
- Many opportunities in EU Programmes – both directly managed by the EC, and those at member state level (ESIFs)
- State aid rules being adapted to enable new opportunities at national and regional level

Stay tuned for our final session!

- For more, check out our new policy brief!





# Thank you!

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