e-workshop: Championing sustainable energy in SMEs 24 June 2021

PIUS -

Funding system for Production Integrated Environmental Protection

Charlotte Reith Ministry of Economic Affairs, Energy, Transport and Housing – State of Hessen







European Union | European Regional Development Fund





## **Innovation and Investment Programme**

**PIUS = Production Integrated Environmental Protection** 



# **Policy targets**





# Our main policy targets are to simultaneously

- increase competitiveness of companies (SME)
- reduce greenhouse gases (GHG)-emissions
- Reduce energy and material consumption

# **PIUS Consult**



ENERGY

### eligible costs

cost und external consultants

### • funding rate

50%, max. 650 € per day, no more than 13.000 € in three years

# **PIUS Invest**





#### eligible costs

investment and personel costs, external expertise

#### funding rate

up to 30%, but reduction of Co2 emissions must be at least 1 kg p.a. per Euro funding, max. 500.000 € per application

# **PIUS** funding programme





#### three interlinked programms

AND START-UPS

TO HESSEN

- start with a funded **PIUS-Consult**
- end up with a 100 % financing via PIUS-Invest (30%) and Innovation Loan Hessen (70%)

# **Stakeholders**



The four participating institutions work as one team



Ministry of Economic Affairs (HMWEVW)



HTAI (regional business development agency, state owned)



RKW Hessen (regional business support agency, private company)

#### **WIEBank** WIBank (state business and infrastructure bank)

## Achievements

- 55 projects with a total investment of 49 Mio EUR are supported with 12 Mio EUR via PIUS-Invest
- 19,000 tons of CO2 savings per year
- Average funding per project: total investment: 892,000 EUR approved subsidy: 219,000 EUR subsidy rate of 25% (maximum rate is 30%)

1.6 kg of CO2 per year are saved for every Euro of funding



"The PIUS funding was absolutely crucial for our project. Without it, we would not have been able to finance the project and would probably never have realized it. PIUS made it possible for us to put our idea into practice quickly and easily. "

Frank Breul, CEO Frank Breul GmbH





# Thank you!



#### **Charlotte Reith**

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# Framework conditions of the funding programme

### **Experience of the funding period 2007-2013**

- Development and piloting of PIUS-Consult funding scheme
- Evaluation after 3 years: moderate success.
  - Problem: efficiency measures identified in the consulting could not be implemented (considerable investment expenditure)
  - Mediocre utilisation of PIUS-Consult due to missing investment support

#### **BUT: results were extremely promising**

- high potential of reducing emissions and consumption and increasing competitiveness
- need for an additional support scheme was obvious new scheme would have to support the implementation of the PIUS-Consult recommendations



# Framework conditions of the funding programme

### **Formation process**

#### 2008

2008 2012 - 2014 2021 2010/2011 2014 2014 - 2016 2017 Start of new **Evaluation of PIUS** change from Development and Launch of of PIUS-ERDF subordinated **PIUS-Invest** Consult period 2021 anchored in loans to non-Hessen RIS3-- 2027 First draft for a new refundable scheme strategy and ERDFgrants (ongoing at WIBank OP subordinated loans decline of

2021



# Legal basis and available resources

## **PIUS Consult**

#### Legal Basis

Regulation (EU) No 1407/2013 on de minimis aid for state aid

#### **Available resources**

- 120.000 Euros p.a. for funding PIUS consult
- Source: ERDF 2014-2020, from 2023 onwards State of Hessen

#### **PIUS Invest**

#### Legal Basis

Article 29 of GBER - "Aid for process and organisational innovation"

 'Definition: the implementation of a new or significantly improved production or delivery method (including significant changes in techniques, equipment or software)

#### **Available resources**

- 12.6 Mio Euro for grants (ERDF 2014-2020)
- 20 Mio Euro for grants (ERDF 2021-2027)

## Definition of process innovation



#### source: GBER Art. 2, No 97

'process innovation' means the implementation of a new or significantly improved production or delivery method (including significant changes in techniques, equipment or software), excluding minor changes or improvements, increases in production or service capabilities through the addition of manufacturing or logistical systems which are very similar to those already in use, ceasing to use a process, simple capital replacement or extension, changes resulting purely from changes in factor prices, customisation, localisation, regular, seasonal and other cyclical changes and trading of new or significantly improved products;



#### E-workshop: Championing sustainable energy in SMEs

Small and Medium Enterprises (SMEs) make up 99% of businesses in the EU, and around two-thirds of private sector employment.

Their impact on the economy, and the environment, is significant, and their transition to sustainable and low-carbon practices will be essential for reaching carbon emission reduction goals. However, SMEs often find it difficult to innovate and integrate new practices and approaches due to barriers, including a risk-avoidant culture, a lack of knowledge and expertise, and limited personnel and financial resources.

In collaboration with the SMEPlus, SME POWER and RESINDUSTRY projects, the Policy Learning Platform is organising an e-workshop on 'Championing sustainable energy in SMEs', to be held on 24 June from 14:00-17:00 (tentative), to explore what public authorities can do to support SMEs in their transition.