



# High-level conference on clean energy financing:

Delivering the energy transition for jobs, growth and investment

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#CleanEnergyEU



**Speech by**

**Vice-President Maroš Šefčovič**

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President Tajani, Chairman Buzek,

Distinguished Ministers, Members of Parliament, Mayors,

Ladies and Gentlemen,

It is a pleasure to be here. Not only in order to present to you today but it's a pleasure for me to see the participation here at the highest level, from across institutions, from across the continent. The days when decarbonisation was a marginal topic are long gone. Nowadays, the transition to clean energy is at the top of Europe's political agenda. This conference is yet another strong reminder.

But beyond the symbolism and the nice words, the transition to clean energy requires wide-scale and well-coordinated collective action.

It obliges us to think and rethink the fundamentals of our modern economy. It requires us to challenge the way we've been producing and consuming energy, heating and cooling our houses, commuting and transporting, building and renovating, buying and selling. Yes, this revolution is not incremental, it is all-encompassing.

This is what makes the energy transition so promising. But it also makes it challenging: no single person, no single city, no single country or international organisation can make the energy transition happen. None of us alone can fight climate change. The transition will be made by the masses; by people, by cities, countries, and institutions – all moving in the same direction. That is why I am so glad to have such diverse participation here today.

Ladies and Gentlemen,

Our responsibility starts with us as individuals, as consumers, as tenants. It's about the choices we make about our modes of transport, the sources of our energy, or the efficiency measures we put in place. I am proud of the fact that Europeans are highly mobilised to fighting climate change, compared to other parts of the world where the effects of global warming are already more pronounced.

Such individuals are grouping together, forming **renewables energy communities and cooperatives**. When it comes to our topic of financing, they can benefit from cheaper conditions and reach alternative sources (like crowdfunding). Renewables communities help develop projects with local content, using local resources, local man- and brainpower and securing energy supply.

**Cities** are more than ever at the forefront of environment and climate action. Local actors and cities are also making significant progress on energy efficiency. They have a key role to play in aggregating smaller projects at a territory level and in mobilising the significant amount of investment needed. From our end, we are eager to stimulate this. Last year, we created a "One Stop Shop for **cities**", which centralizes all EU programmes, funds, and assistance available for cities – all in one place. We now want to go a step further. At this very moment, we are working, in close cooperation with the European Investment Bank, on an urban platform that should make it easier for cities to get access to both funding and technical assistance. This platform should be operational before the end of this year.

Of course our **Member States** are traditionally important players too. They can steer the direction of change, provide incentives and much more. For example, we will soon see how each Member State intends to translate our joint EU targets into a national climate and action plan, as part of our joint governance structure of the Energy Union.

In the Commission, we have always stressed the importance of rapidly delivering those plans, and we will continue to do that. After all, integrated national energy and climate plans will provide increased certainty to potential investors to take the necessary long-term investment decisions for the post-2020 timeframe. There is, in other words, a clear link with financing the energy transition.

That brings me to our responsibility at **European level**.

Last year, we proposed massive legislation as part of the Clean Energy for All European package. Our proposal was highly ambitious, literally redesigning our electricity market and bringing it to the 'Renewable Age'. We then followed suit by ensuring our mobility sector adapts to these changes as well, switching to zero or low carbon solutions. We presented a first legislative package on mobility in May and we will complete it with a second part tomorrow.

But our role is not summed up by proposing legislation. There is much we can do to facilitate, enable, and encourage progress. That includes financing.

Public funds are great to kick start such investments, to provide guidance and show the right direction. However, they are clearly insufficient. At the same time, private funds are not only available, but also looking for profitable investments. That is where we have a role in connecting the dots, creating the momentum and triggering the multiplier effect.

For example, together with last November's package, we put in place, together with the EIB and the European Investment Fund, the **Smart Finance for Smart Buildings Initiative**. The initiative allows us to use public funds more effectively. It will help aggregate bankable projects and it will lower the risk perception associated to smaller-scale projects by absorbing parts of the risk.

The Smart Finance for Smart Buildings Initiative will allow us to put in place **new financial instruments for home renovation**. The idea is to pool and blend together different sources of public financing – in particular from the European Structural and Investment Funds (ESIF)

*and* the European Fund for Strategic Investments (EFSI). This will add flexibility to the financing of energy efficiency and help create renewable financing platforms at national or multi-regional level. In the following weeks we will initiate **bilateral contacts with Member States** to discuss in detail how such financial solutions could be implemented to help European citizens improve their homes. I very much hope that such new financial platforms will help improve the leverage effect of public funds; leverage effect that is still marginal for instance in South East Europe.

I'd like us to do more and ensure that EU funding instruments and programmes cater for and support citizens to take full ownership in the energy transition.

Ladies and Gentlemen,

I have mentioned to you some of the legislation, regulation, and enabling actions we are putting in place. I have listed some of the ways in which we are attempting to empower consumers, assist cities, and cooperate with the Member States and sister institutions.

But now I'd like to turn the ball to you, to your courts, to your institutions.

I encourage the EIB to accelerate the pace and lower the thresholds of project sizes so that it can take even more financing applications.

I invite the European Parliament to prioritise and advance on the files of last year's clean energy package so that we soon have a robust legal framework in place to support our energy transition.

I call on the Estonian Presidency and the upcoming Bulgarian one to accelerate the process on their side.

I am pleading to all of you sitting here today, whichever institution or authority you represent – take ownership! Engage with us and join this unstoppable movement across all levels of European society.

Thank you very much.