



# The MFF's untapped potential to deliver on the Paris Climate Agreement

Lessons learnt from current climate mainstreaming

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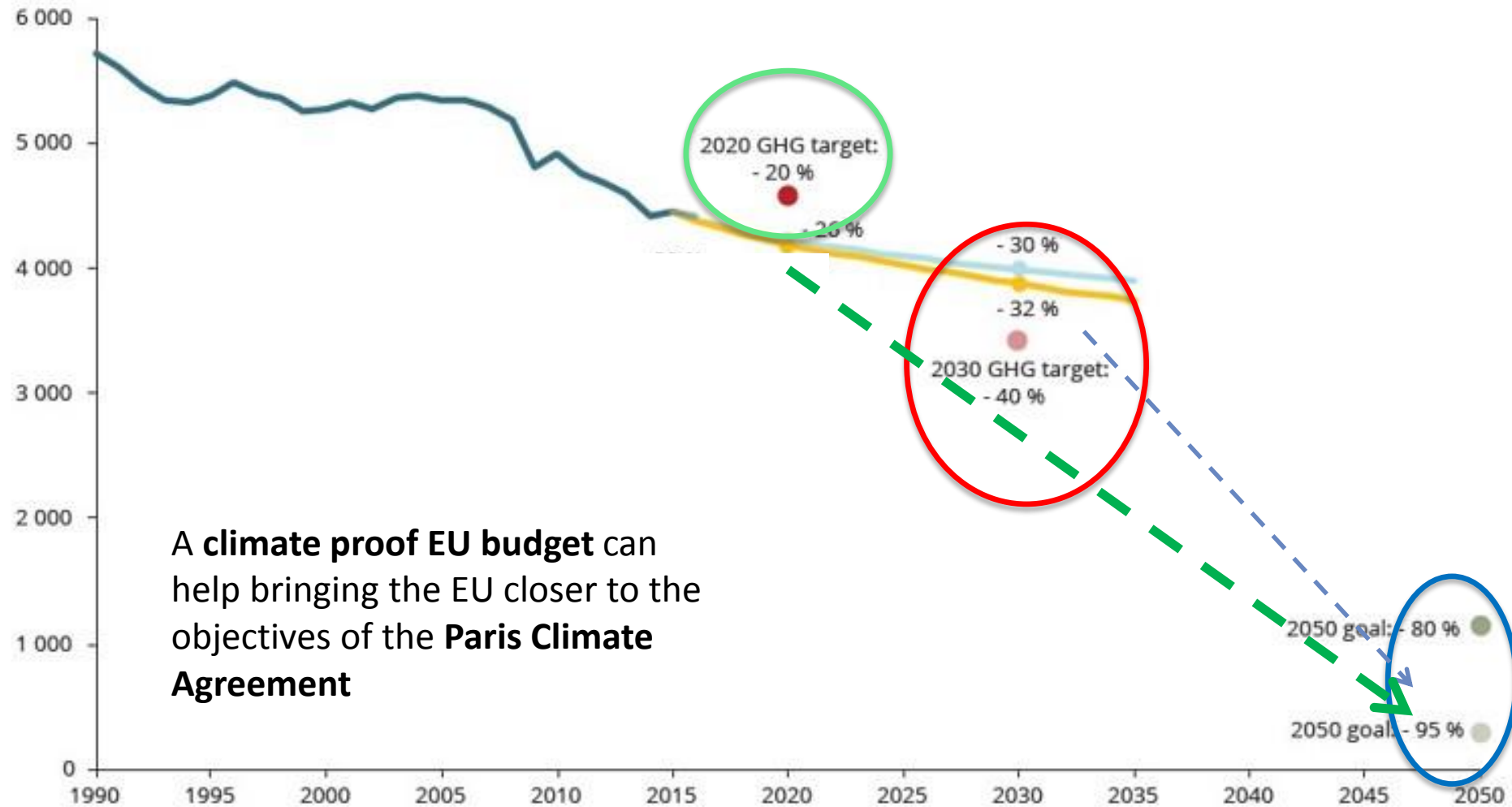
“Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development” Paris Agreement, Article 2



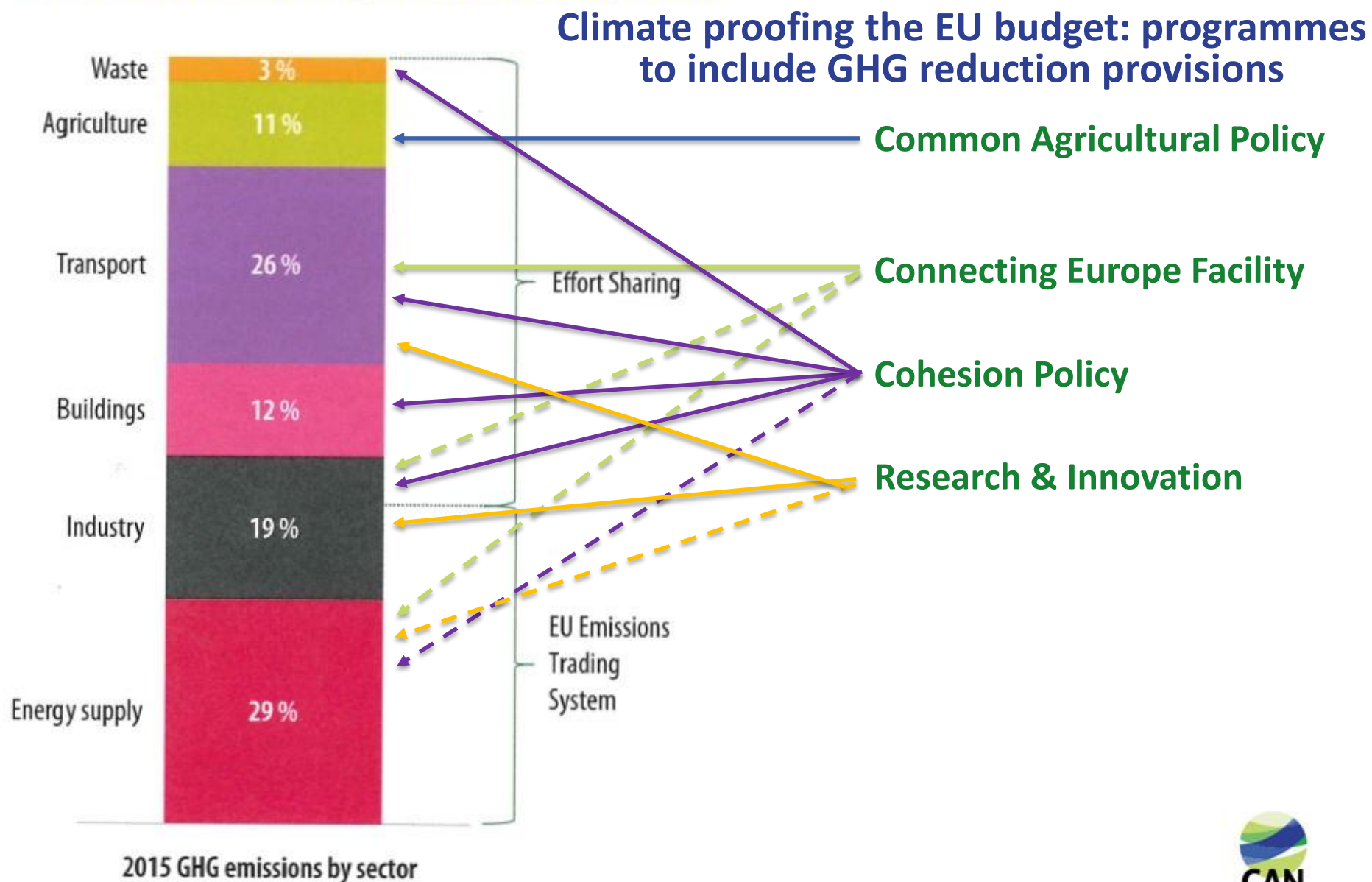
# MFF: putting EU on track to Paris

Figure ES.3 Greenhouse gas emission trends, projections and targets in the EU

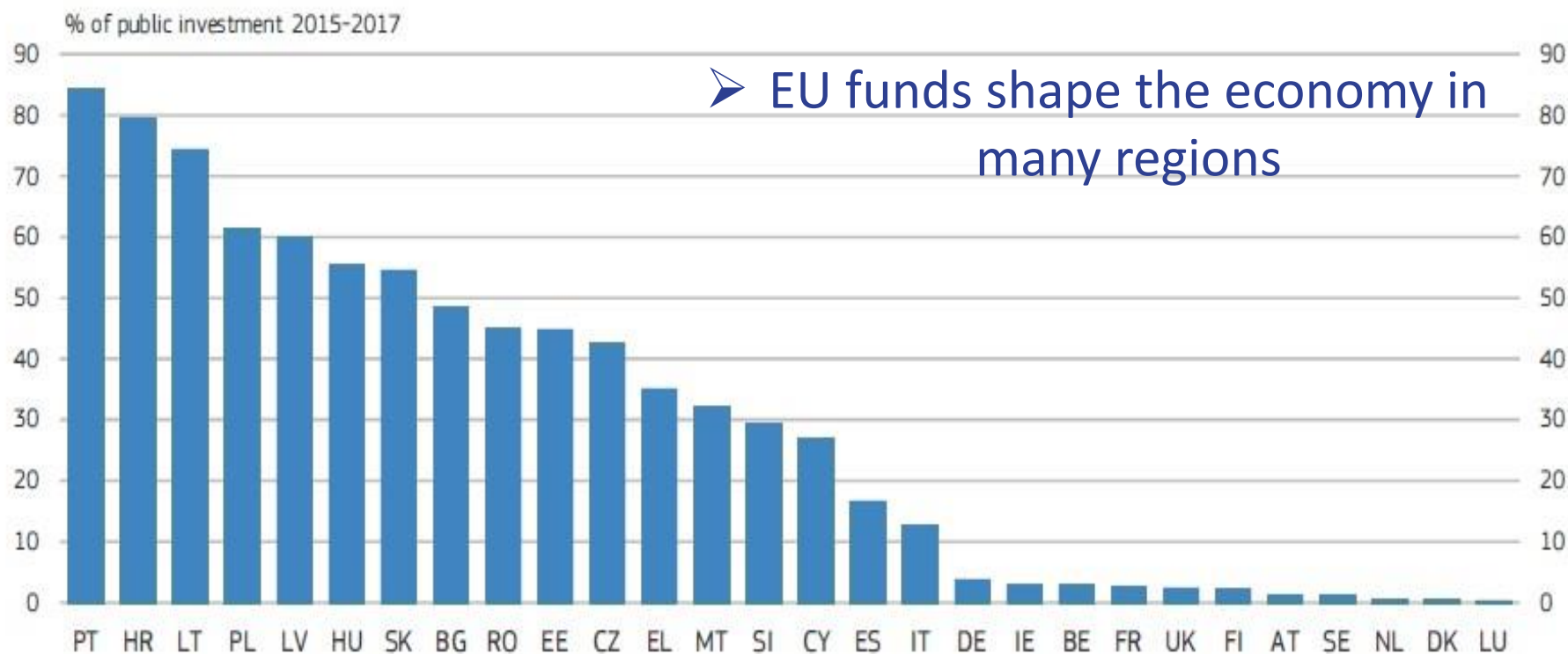
Million tonnes of CO<sub>2</sub> equivalent (MtCO<sub>2</sub>e)



## 2015 EU greenhouse gas emissions by sector

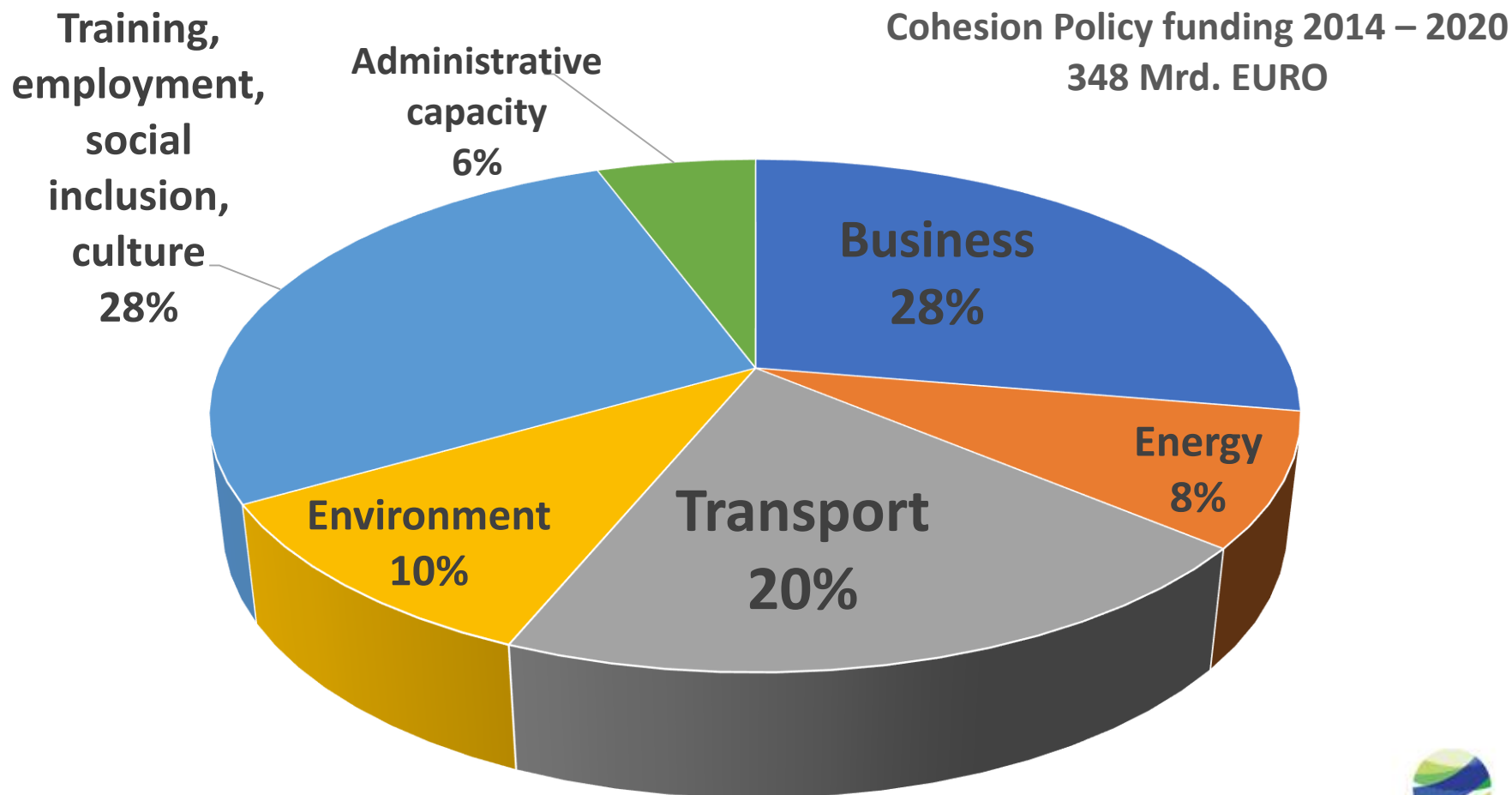


# Share of European Structural and Investment Funds in public investment 2015-2017 in %



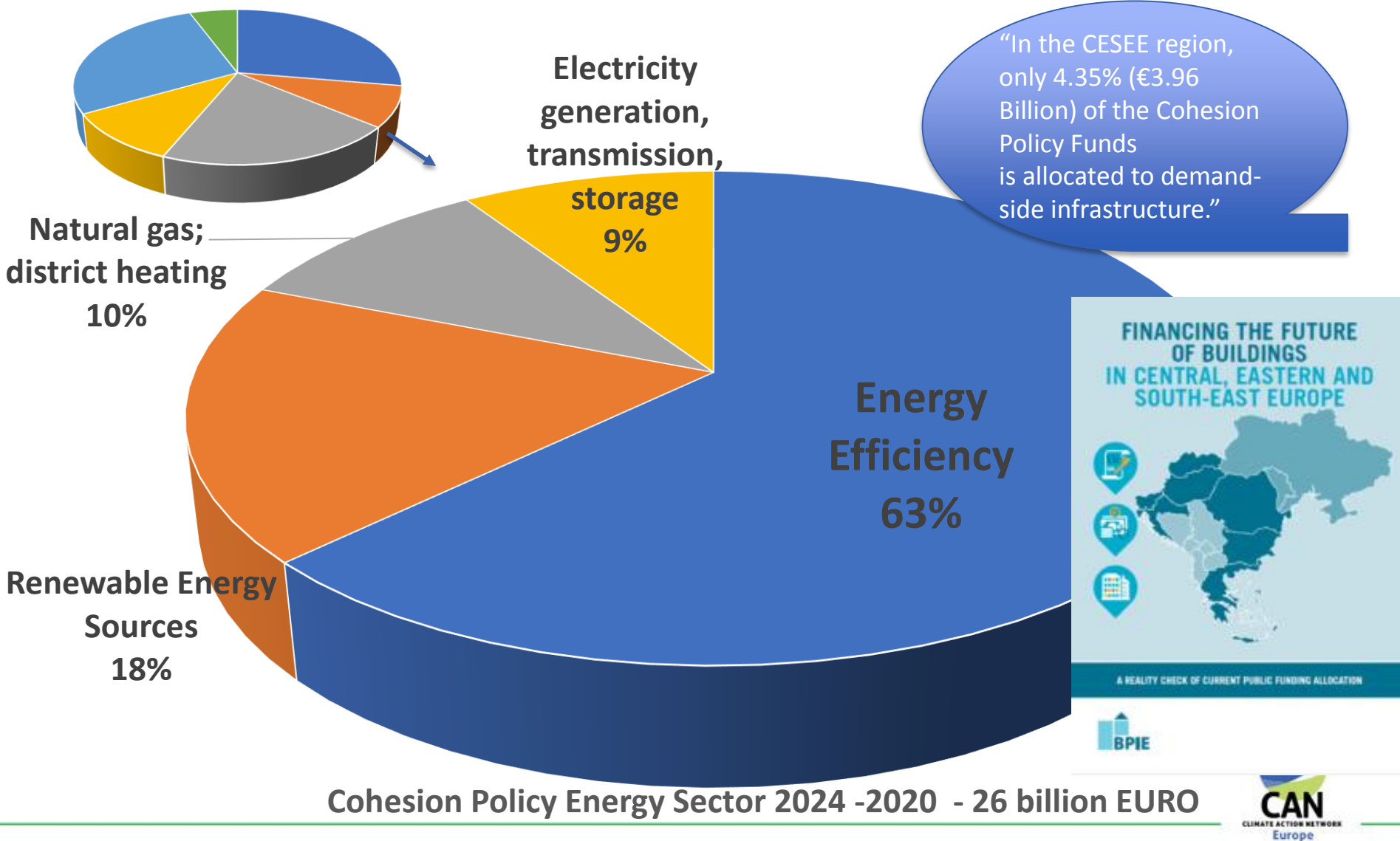
Source: Eurostat, DG REGIO

# Climate action and Regional Development Funding – the untapped potential!



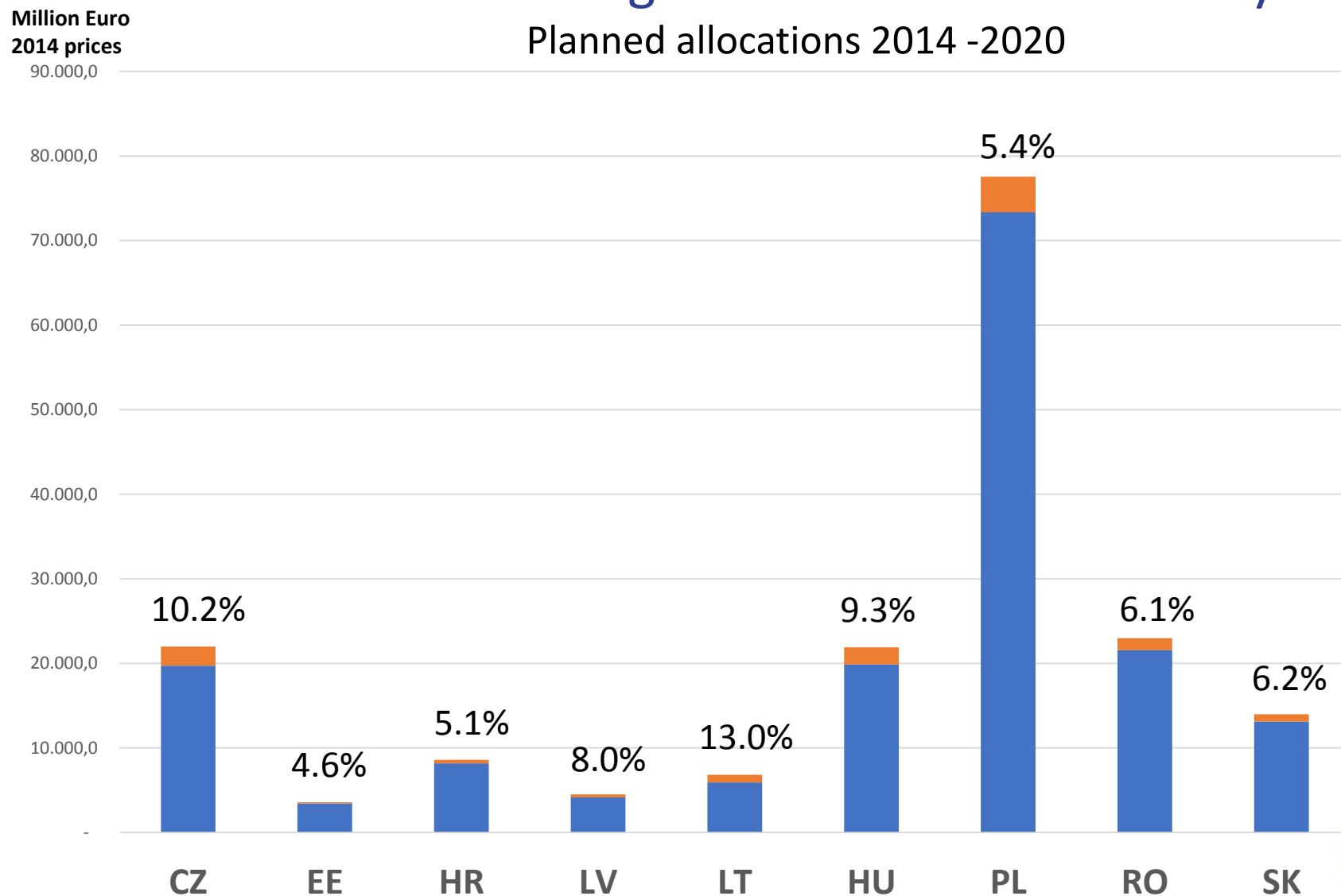
# The untapped potential in clean energy

Cohesion Policy 2014 - 2020



# Share of energy efficiency, renewables, electricity distribution and storage on total Cohesion Policy Funding

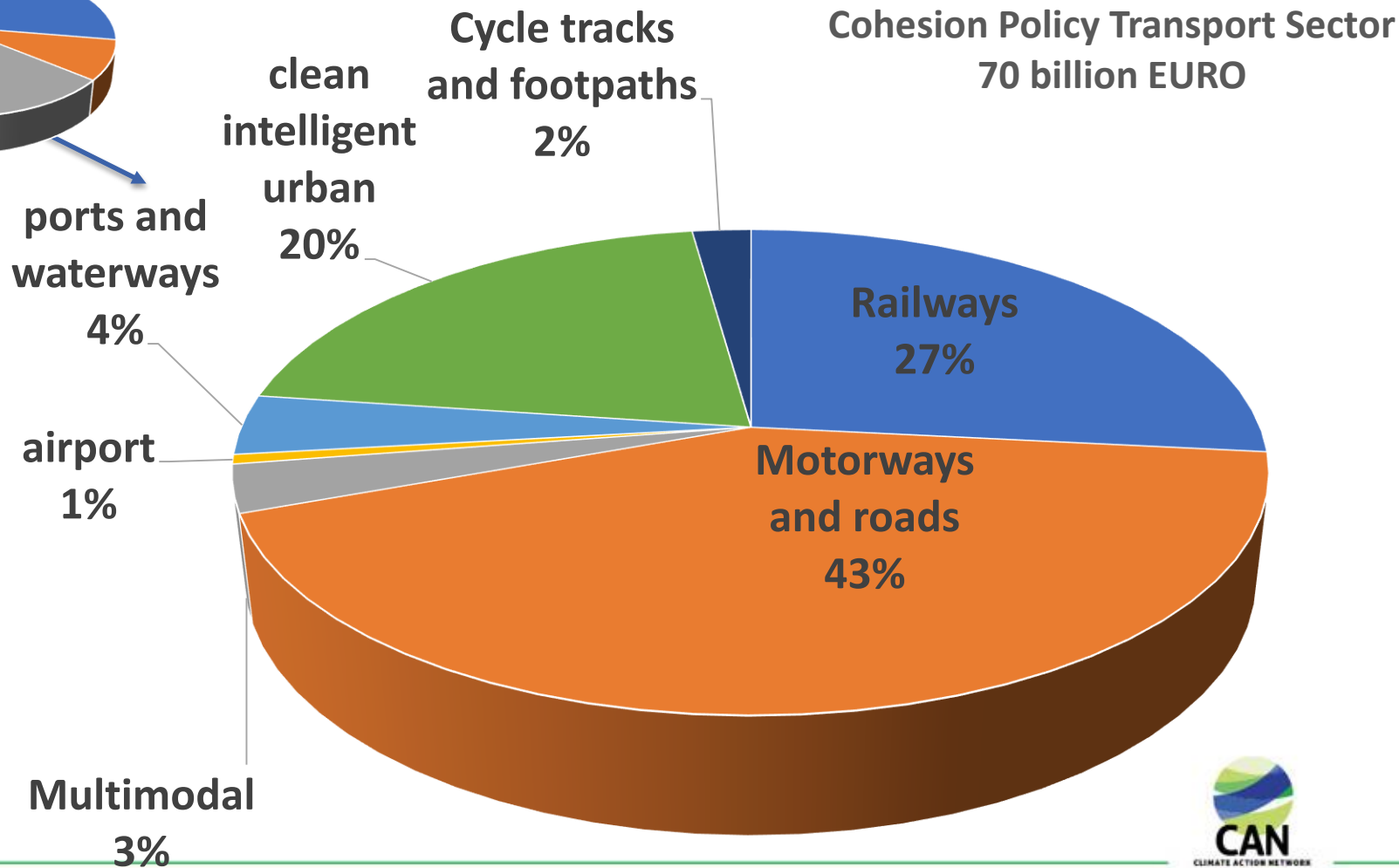
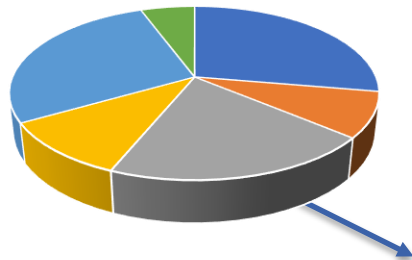
Planned allocations 2014 -2020





# The untapped potential in clean transport

Cohesion Policy 2014 - 2020



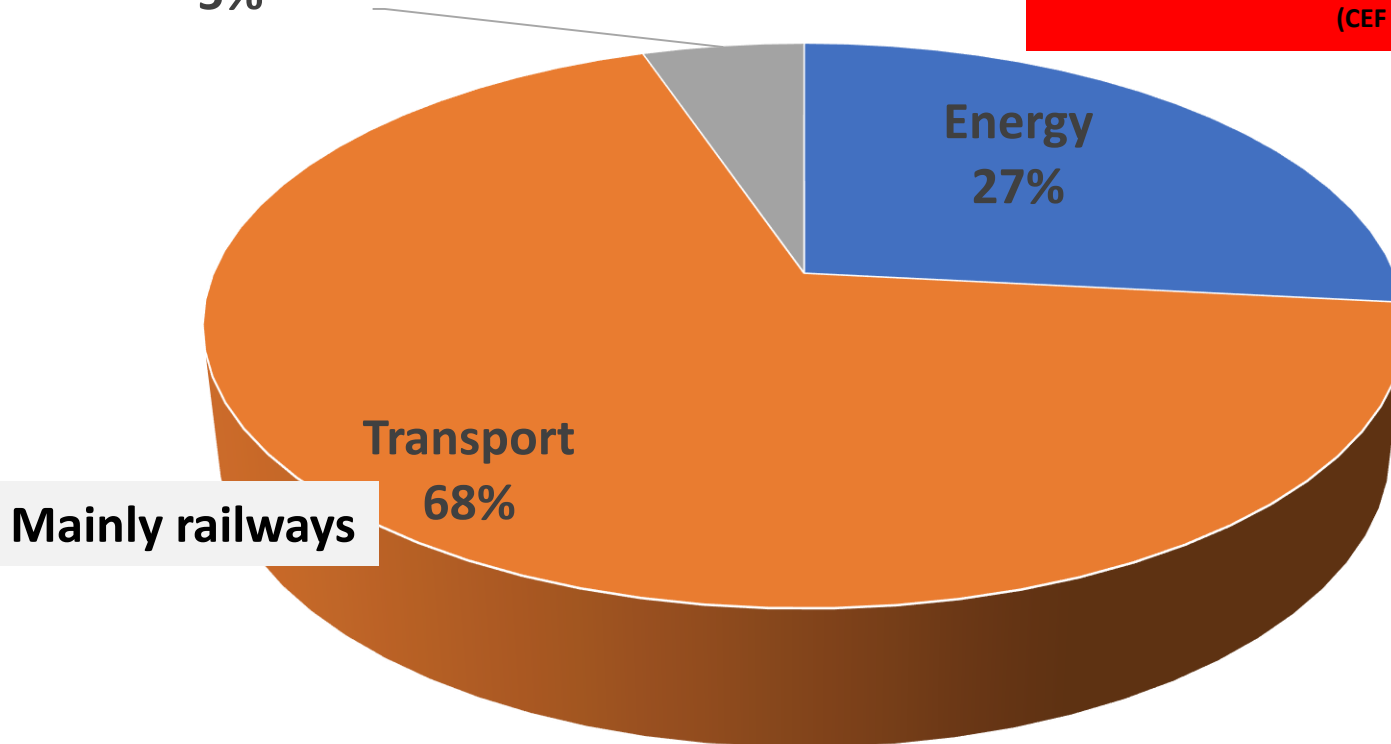
# The bias of TEN-E&T

The Connecting Europe Facility 2014 -2020

22 bn EURO

Information and  
Communications  
Technology (ICT)  
5%

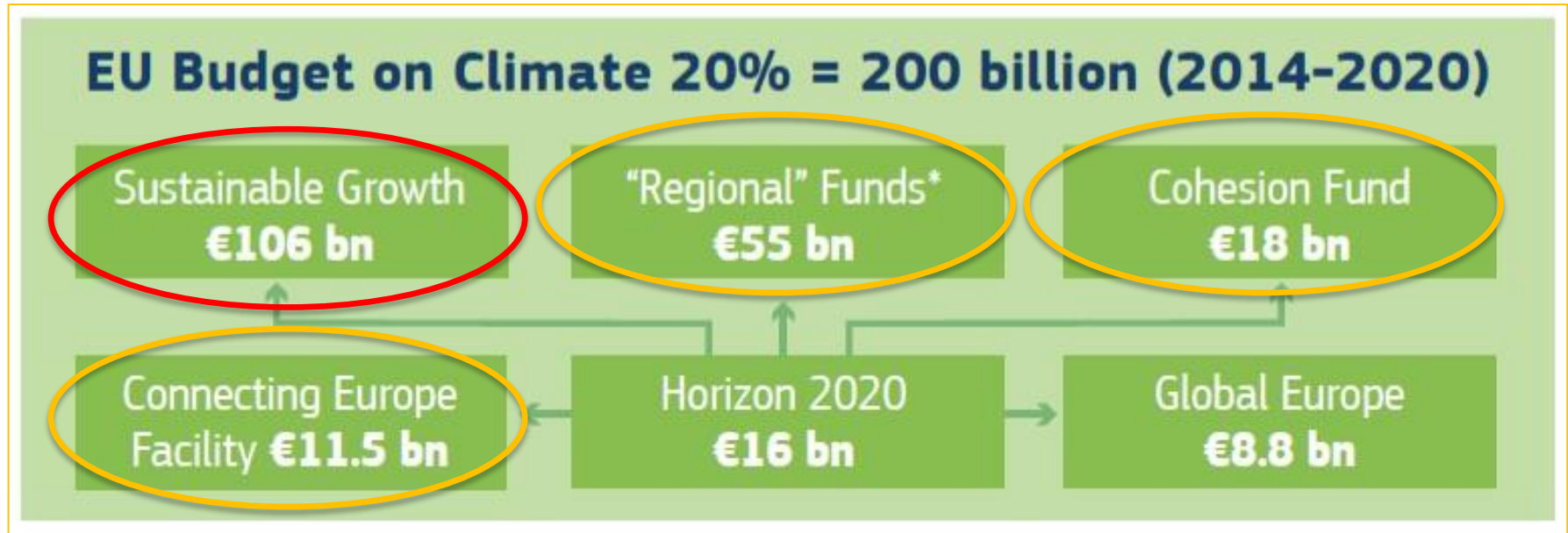
**Twice as much for gas pipelines  
than electricity interconnections**  
(CEF call 1-5)



# Still Fossil Fuel Subsidies in the MFF

Budget Mechanism	Scope	Period/year for which data is available	Euro millions
European Regional Development Fund (ERDF)	Natural-gas transport and storage infrastructure	2014-2020*	930
Connecting Europe Facility (CEF)	Studies and works for natural-gas interconnections	2014-2016	1113
Horizon 2020	Shale gas research	2015	11.5
<b>TOTAL EU budget</b>			<b>2055</b>

# Climate action in the MFF – a look behind the scenes



- ✓ 106 bn. EUR: GAP (30% 'greening' of pillar 1, environment, Rural Development)
- ✓ 40 bn. EUR: Rail infrastructure
- What's left for energy efficiency, renewables and sustainable mobility?

# Climate action in the MFF

→ beware of 'greenwashing'

How much climate action is new and sustainable?

→ Fossil Fuels

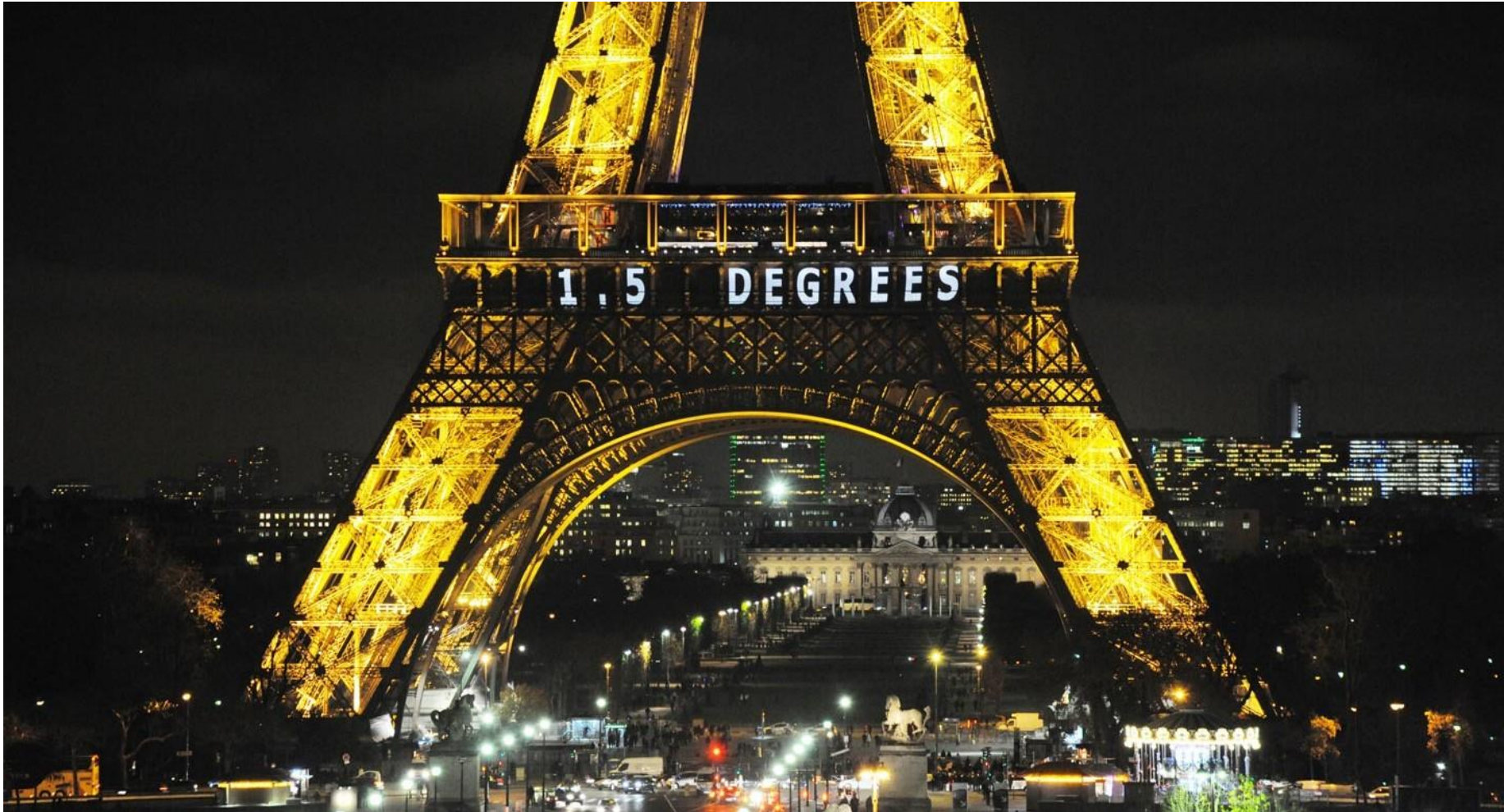
'Dead-end gas infrastructure'

→ Huge untapped potential

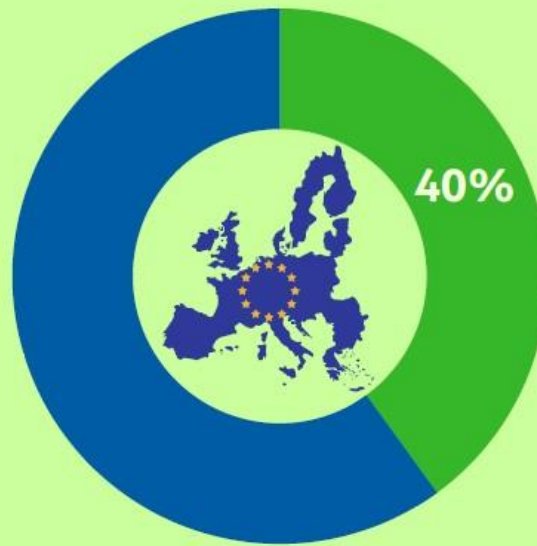
... above all in key sectors and less developed regions



# Climate action post-2020 ...



**... the way towards Paris**



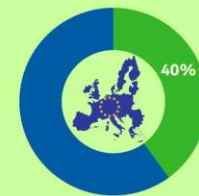
**40% CLIMATE ACTION**  
spending  
target

## Climate action in the MFF ... A SET OF CONDITIONALITIES

Improve climate action performance

Increase earmarking for EE, RES and SMART  
elec. distribution; RDI; low-carbon mobility

Improve climate tracking and mainstreaming  
methodologies: better performance measuring



40% CLIMATE ACTION  
spending  
target





**CLIMATE PROOF**  
the entire  
budget

## Climate action in the MFF ... A SET OF CONDITIONALITIES

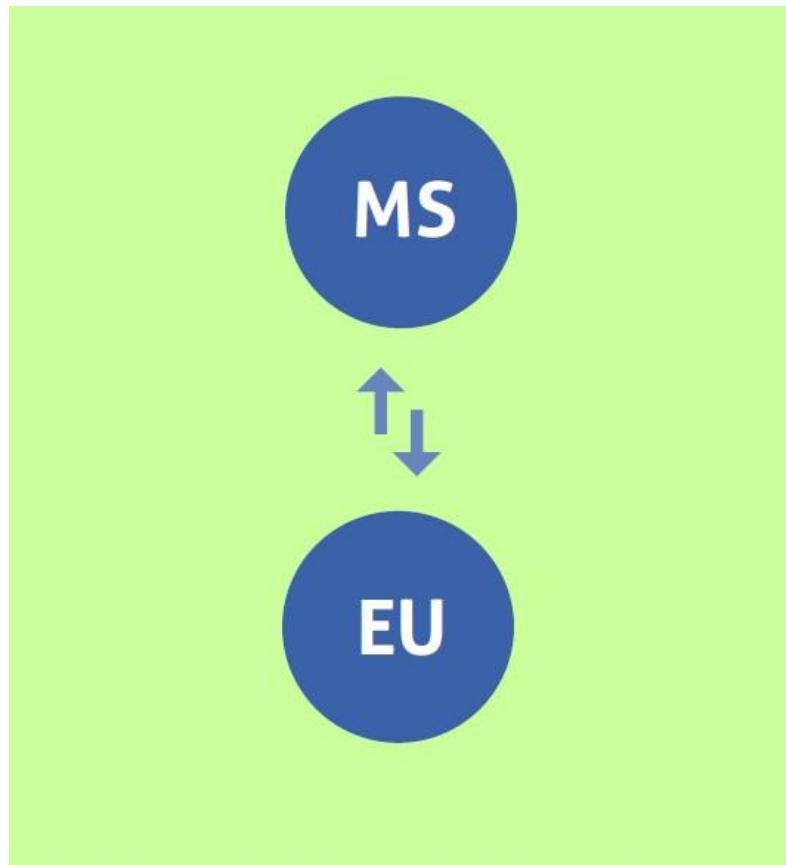
Stop financing fossil fuels and  
resource/carbon intensive projects

No more gas investments  
CAP reform

Align transport sector investments to GHG  
reduction + electrification strategies;  
Industrial decarbonisation strategies



CLIMATE PROOF  
the entire  
budget



## **VERTICAL COHERENCE**

**between national  
& EU investments**

## Climate action in the MFF ... A SET OF CONDITIONALITIES

Take systematic approach towards transformative investments

Anchor EU funds investment plans into 2030 National Energy and Climate Plans

- Condition EU budget to 2030 framework
- Performance reserve
- Incentives for higher ambitions



VERTICAL COHERENCE  
between national  
& EU investments

EU budget for climate action important:

→ transformative investments in key sectors

Agriculture, transport, energy, urban living, circular economy

→ and in key recipient regions

→ A significant (untapped) potential for climate action can be released built on existing structures

Earmarking, incentive schemes, conditionalities, strategic and operational link to 2030 National Energy and Climate Plans



Thank you for your attention!



**Climate Action Network (CAN) Europe is Europe's largest coalition working on climate and energy issues. With over 130 member organisations in more than 30 European countries - representing over 44 million citizens - CAN Europe works to prevent dangerous climate change and promote sustainable climate and energy policy in Europe.**