



EUROPEAN COMMISSION

PRESS RELEASE

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Climate action: Commission awards EUR 1.2 billion to kick-start 23 innovative renewable energy projects

The European Commission today awarded over €1.2 billion funding to 23 highly innovative renewable energy demonstration projects under the first call for proposals for the so-called NER300 funding programme. Projects will be co-financed with revenues obtained from the sale of 200 million emission allowances from the new entrants' reserve (NER) of the EU Emissions Trading System.

The projects cover a wide range of renewable technologies - bioenergy (including advanced biofuels), concentrated solar power, geothermal power, wind, ocean energy and distributed renewable management (smart grids).

Climate Action Commissioner Connie Hedegaard said: *"This year Christmas has come early - today's Decision is a major milestone in EU climate policy. The NER300 programme is in effect a 'Robin Hood' mechanism that makes polluters pay for large-scale demonstration of new low-carbon technologies. The €1.2 billion of grants – paid by the polluters - will leverage a further €2 billion of private investment in the 23 selected low-carbon demonstration projects. This will help the EU keep its frontrunner position on renewables and create jobs here and now, in the EU."*

Once up and running, these projects will collectively increase annual renewable energy production in Europe by some 10 TWh, an energy amount corresponding to the annual fuel consumption of more than a million passenger cars. More importantly, the aim is to successfully demonstrate technologies that will subsequently help scale-up production from renewable sources across the EU substantially.

Collectively, the award winning projects will engage several thousands of full-time workers during the construction phase (next 3-4 years). Once operational, about a thousand full-time workers will be engaged for the next 15-20 years to keep the installations running. Positive growth and employment effects are also intended along the supply chain feeding the sector.

NER300 funding will provide up to 50% of the 'relevant costs' of the project, a term in essence meaning the additional costs compared to existing, proven technologies; the rest will be covered by private investment and/or additional national funding. NER300 funding will be made available on an annual basis, based on proven performance (the amount of green energy produced) and the meeting of knowledge-sharing requirements.

Unfortunately, no carbon capture and storage (CCS) project could be awarded funding under today's Decision. The €275 million envisaged for CCS projects in the first call remains available to fund projects under the second phase of the NER300 programme.

The Commission will proceed swiftly with the implementation of the second call for proposals, covering unused funds from the first call as well as the revenues of the remaining 100 million allowances in the new entrants' reserve.

The NER300 funding programme is implemented by the European Commission with the collaboration of the European Investment Bank (EIB) both in the project selection, the sale of 300 million carbon allowances from the EU Emissions Trading System, and the management of revenues.

For more information, visit:

http://ec.europa.eu/clima/policies/lowcarbon/ner300/index_en.htm

http://ec.europa.eu/clima/funding/ner300/index_en.htm

See also [MEMO/12/999](#) (questions & answers)

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