

The NER 300 funding programme

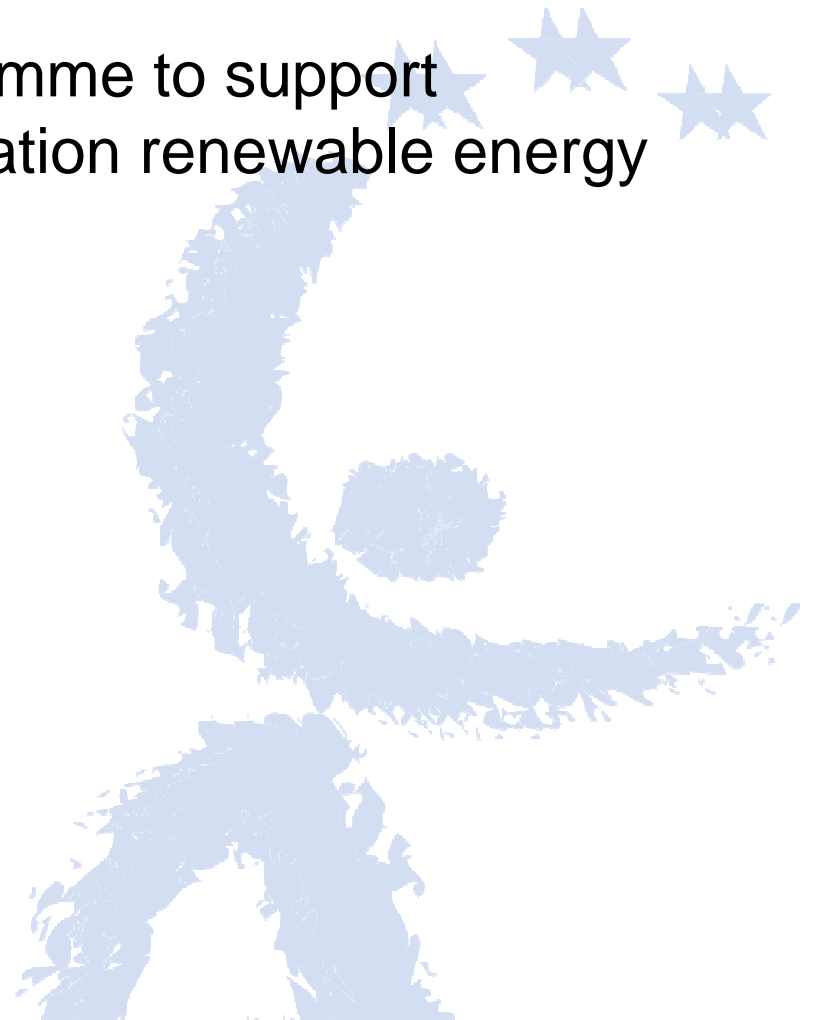
State of play

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- ★ NER300: a major funding programme to support demonstration projects for innovation renewable energy technologies and CCS
- ★ Principles and timing
- ★ Number of submitted projects
- ★ Conclusions



- ★ **NER 300:** 300 million allowances reserved in new entrants reserve (NER) of EU-ETS for the financing of commercial-scale CCS and innovative RES demonstration projects, Art. 10a(8) EU-Emissions Trading Directive
- ★ 300 million allowances (depending on carbon price, worth some €4-5 billion) will be distributed through two rounds of Call for proposals (200/ 100 million allowances)
- ★ Wide range of technologies: at least 8 CCS and at least 34 RES projects
- ★ Geographically balanced locations: 1 to 3 projects per MS

- ★ 50% of relevant costs will be funded, per project max.
15% of the total number of allowances
- ★ NER 300 aims to encourage private investors and Member States to invest in commercial-scale demonstration projects
- ★ NER 300 not part of EU budget – can be combined with other instruments, including EEPR and Structural and Cohesion Funds
- ★ Implementation at EU level, but with strong role for Member States, and with support from the European Investment Bank

- ★ Eligibility: Technology categories and sub-categories, capacity thresholds, innovation (RES)
- ★ Due diligence: Financial and technical, aim to ensure that any Project receiving a funding commitment under NER 300 has a good prospect of proceeding to project completion and entry into operation
- ★ Ranking: Based on cost per unit performance, CCS projects together, RES projects in sub-categories
 - ↪ CCS Group: 8 highest ranked projects meeting portfolio requirements (representation of technology categories, storage options)
 - ↪ RES Group: Highest ranked project in each sub-category

Innovative renewable energy technologies

- ★ Renewable energy technologies must be innovative in nature, i.e. existing, proven technologies are not eligible.
- ★ 9 RES Project Categories:
 - ↪ Bio-energy
 - ↪ Concentrated solar power
 - ↪ Solar photovoltaic
 - ↪ Wind
 - ↪ Geothermal
 - ↪ Ocean (wave and tidal power, ocean thermal energy conversion)
 - ↪ Hydro-electric
 - ↪ Distributed renewables management (Smart Grids)

1. BIOENERGY

Lignocellulose to intermediate solid, liquid or slurry bioenergy carriers via pyrolysis with capacity 40 kt/y of the final product [BIOa]

Lignocellulose to intermediate solid, liquid or slurry bioenergy carriers via torrefaction with capacity 40 kt/y of the final product [BIOb]

Lignocellulose to Synthetic Natural Gas or synthesis gas and/or to power via gasification with capacity 40 million normal cubic metres per year (MNm³/y) of the final product or 100 GWh/y of electricity [BIOc]

Lignocellulose to biofuels or bioliquids and/or to power including via directly heated gasification with capacity 15 MI/y (million litres per year) of the final product or 100 GWh/y of electricity. [BIOd]

Lignocellulosic raw material, e.g. black liquor and /or products from pyrolysis or torrefaction, via entrained flow gasification to any biofuels with capacity 40 MI/y of the final product. [BIOe]

Lignocellulose to electricity with 48% efficiency based on lower heating value (50% moisture) with capacity 40 MWe or higher [BIOf]

Lignocellulose to ethanol and higher alcohols via chemical and biological processes with capacity 40 MI/y of the final product [BIOg]

Lignocellulose and/or household waste to biogas, biofuels or bioliquids via chemical and biological processes with capacity 6 MNm³/y (million normal cubic metres per year) of Methane or 10 MI/y (million litres per year) of the final product [BIOh]

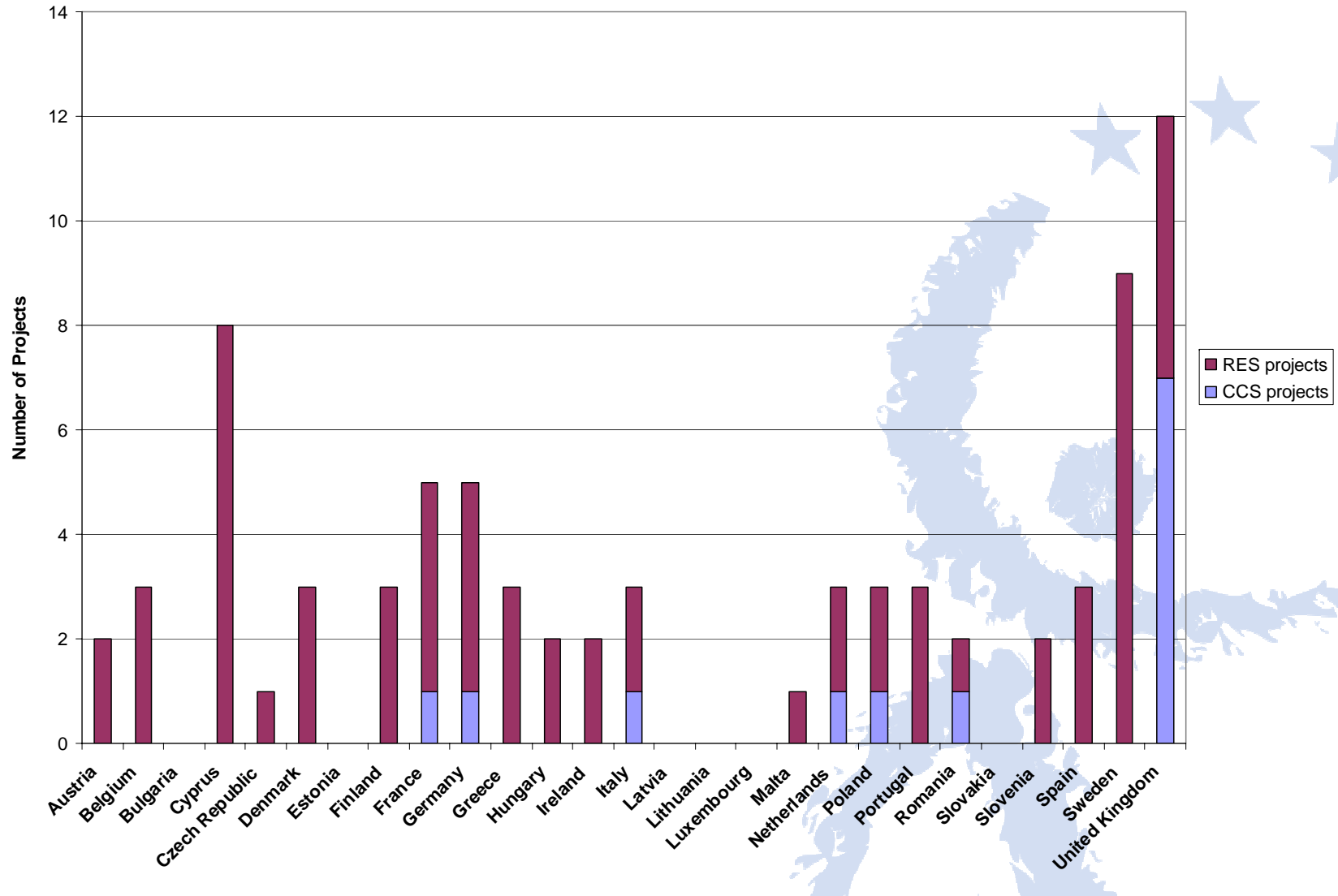
Algae and /or micro-organisms to biofuels or bioliquids via biological and/or chemical processes with capacity 40 MI/y (million litres per year) of the final product. [BIOi]

- ★ Launch of first Call for proposals on 9 Nov 2010
- ★ Project Sponsor phase completed on 9 Feb 2011 with submission of project proposals to Member States
- ★ Member States had until 9 May 2011 to check eligibility of projects and submit those eligible projects they wished to support to EIB for further assessment
- ★ EIB now has until 9 Feb 2012 to carry out financial and technical due diligence assessment, rank the projects and make recommendations for award decisions
- ★ Award decisions for the first tranche envisaged for the second half of 2012

Number of submitted RES projects on 9 May 2011

Total number of renewables projects	65
<i>Bioenergy</i>	23
<i>Concentrated solar power</i>	9
<i>Photovoltaics</i>	4
<i>Geothermal</i>	3
<i>Wind</i>	15
<i>Ocean</i>	8
<i>Distributed renewable management</i>	3

Number of projects submitted per Member State on 9 May 2011



- ★ NER 300 funding programme under the EU ETS is worldwide unprecedented in scope and magnitude (covering innovative RES and CCS demonstration projects, €4-5 billion)
- ★ Implementation at EU level ensures highest possible quality of demonstration projects in terms of technological and geographical balance
- ★ Commercial-scale demonstration projects will help to support the deployment of innovative renewable energies incl. biofuels
- ★ Strong interest in NER 300 funding underlines the need to work further on providing public support (e.g. EU next Multiannual Financial Framework)

★ **NER 300 website:**

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

★ **NER 300 mailbox:**

CLIMA-NER300@ec.europa.eu

Thank you for your attention!

