



Interreg



EUROPEAN UNION

Danube Transnational Programme

GREDEL

Danube Transnational Programme

Funding and financing of modernisation of inland vessels

Know-how transfer event on modernisation of Danube vessels fleet

Markus Eppich

Project co-funded by European Union Funds (ERDF, IPA)

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Funding and financing of modernisation of inland vessels – Agenda

European Funding Programmes

- Horizon EUROPE
- Innovation Fund
- LIFE Programme
- Connecting Europe Facility (CEF)

European Financing Programme

- Invest EU Programme

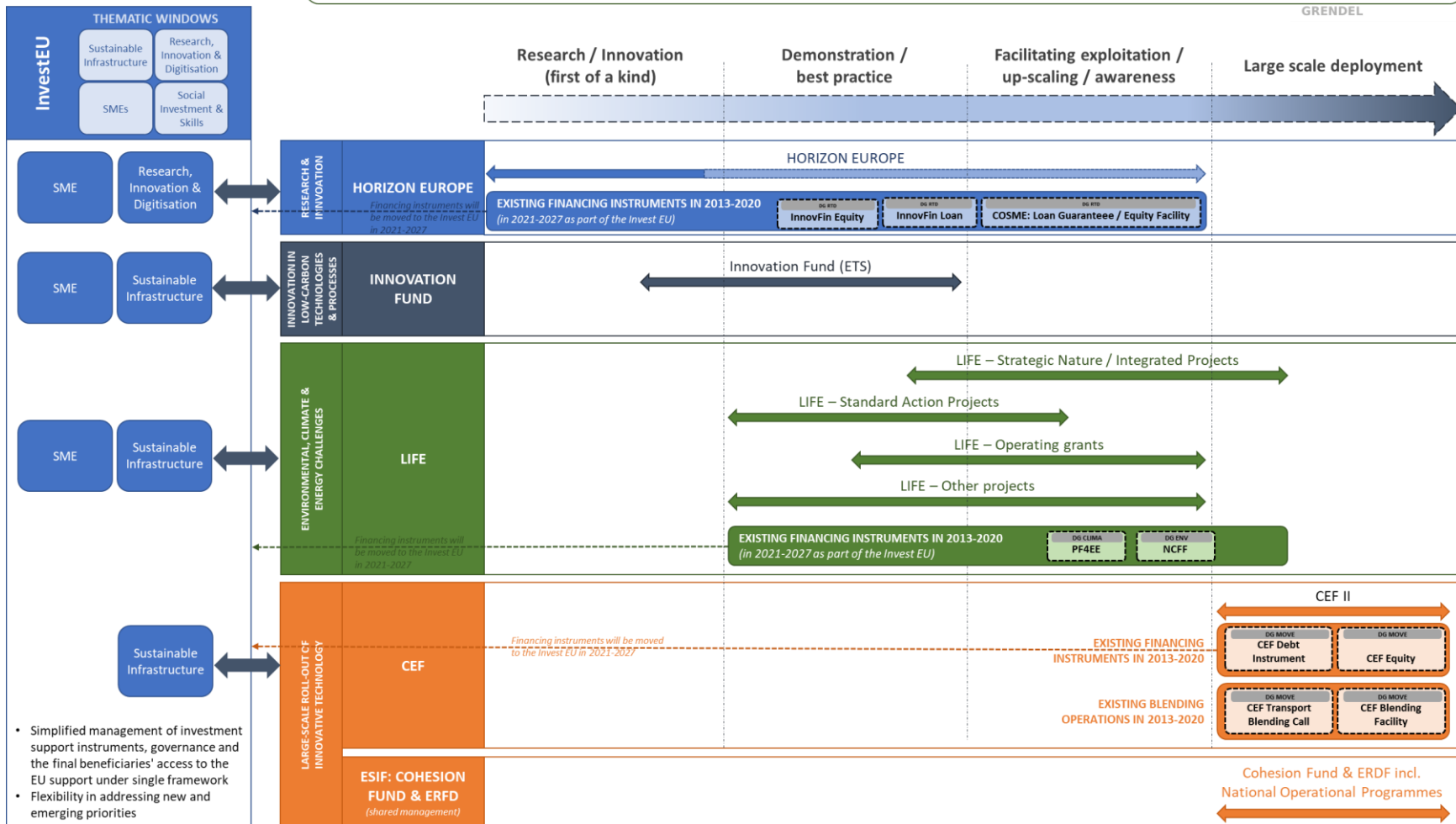
Blending and cumulation

Outlook on updates and further possibilities

PROGRAMMES AND STAGES TO SHIFT TO A GREENER EUROPE (2021-2027)



GRENDEL



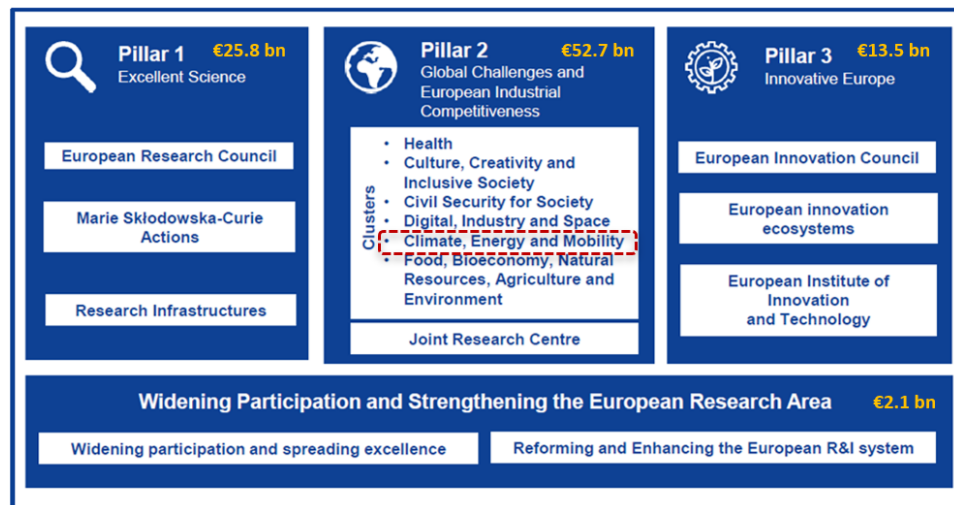
Horizon EUROPE

Direct management (INEA) □ Strategic R&I Plan (2021-2024 & 2025-2027) as basis for work programme and Co-programmed Partnership (updated regularly)

- Focus**
- Research and innovation activities
 - Tackle **climate change** (35% budgetary target)
 - Help to achieve **sustainable development goals**
 - Boost Union's **competitiveness and growth**

Budget €100 billion (incl. €3.5bn allocated to InvestEU & €2.4bn to Euratom)

Scope & Objectives (preliminary)



- Eligible actions & rates**
- Research & Innovation Action → 100%
 - Innovation Action → 70% (100% non-profit)
 - Innovation & Market Deployment Action → 70% (100% non-profit)

+ 25% flat rate indirect eligible costs

Entities All legal entity • at least 3 independent entities each in different MS or associated country

Third countries **Open** • Details set in work programmes & calls (CH ⇒ EFTA but not EEA therefore Association Agreement • RS ⇒ candidate country • UA & MD ⇒ ENP • BA potential candidate)

Form **Grants** (incl. operating grants) • Prizes • Procurements • **Blending** operations

Innovation Fund

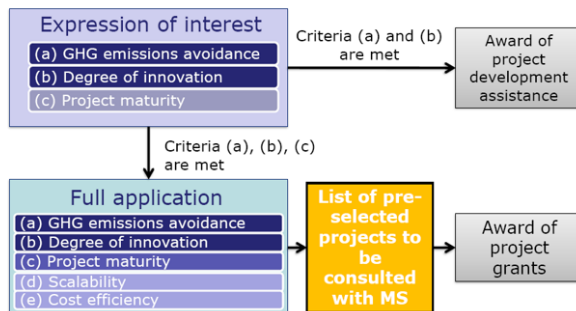
Direct management through executive agencies (INEA as implementing body) and indirect management entrusting budget implementation to EIB (details still open)

Focus Support projects **demonstrating highly innovative low carbon technologies, processes or products**, that are **sufficiently mature** and have a significant potential to **reduce GHG emissions**

- Established under the Directive 2003/87/EC on scheme for greenhouse gas emission allowance trading (EU ETS)
- Technology independent
- Demonstration in a **pre-commercial phase → driving technologies to the market**

Budget €10bn up to 2030 (in current carbon prices)

Award criteria & selection **Competitive** selection process via **open** calls launched by EC with **two stage** application process (as simplification)



Eligible actions & rates Innovation in

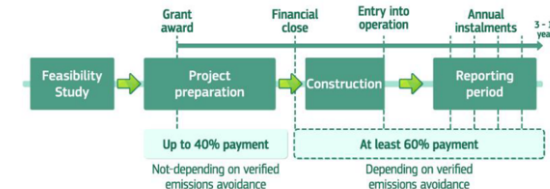
- Energy intensive industries
- Renewables
- Energy storage
- Carbon capture, use & storage

➔ Up to 60% (of CAPEX & OPEX for up to 10 years)

Open for waterborne transport – details under elaboration

Eligible costs

- additional costs** as a result of the application of the innovative technology related to reduction or avoidance of GHG emissions
- small-scale project shall be the total capital expenditure costs**



Entities To be detailed in work programme & calls

Third countries Info N/A ⇨ CH linked its GHG ETS to the EU ETS (as of 01. 2020)

Form **Grants • Blending** operations

LIFE Programme

Direct management (EASME) □ Multi-Annual Work Programmes (4+3 years) developed with the help of stakeholders consultations

- Focus**
- Only EU fund **entirely** dedicated to **environmental and climate** objectives
- shift towards a **sustainable, circular, energy-efficient, renewable energy-based, climate-neutral & resilient economy**
 - **quality of the environment**, including **air, water** and soil
 - halt and reverse biodiversity loss and to tackle the degradation of ecosystems

Budget

- €6.44bn (comparing to €5.45bn in the Commission proposal)

Scope & objectives

Specific objective	Sub-programme	Supported actions	Type of action				IWT
			Strategic nature projects	Strategic integrated projects	Technical assistance projects	Standard action projects	
Environment	Nature and Biodiversity	<ul style="list-style-type: none"> • Standard action projects - best practice in relation to nature and biodiversity • «Strategic Nature Projects» - implementation of EU nature rules, and biodiversity policy objectives 	X		X	X	-
	Circular Economy and Quality of Life	<ul style="list-style-type: none"> • Actions reaching major EU policy objectives such as the transition to a circular economy, and protecting and improving the air quality & water quality • «Strategic Integrated Projects» 		X	X	X	-
Climate Action	Climate Change Mitigation and Adaptation	Actions implementing energy and climate policy framework and meeting the Union's commitments under the Paris Agreement		X	X	X	X
	Clean Energy Transition	Actions building capacity, stimulating investments and supporting policy implementation in energy efficiency and small-scale renewables that contribute to climate mitigation and/or environmental objectives		X	X	X	X

- Eligible actions & rates**
- Action grants
- Strategic nature projects
 - Strategic integrated projects
 - **Standard action projects** **Up to 60%**
 - Technical assistance **Up to 95% (↓75%)**
- Operating grants **Up to 70%**

Projects financed under the LIFE Programme shall be of Union interest and shall promote the use of **green public procurement**

Entities All legal entities established in MS, created under Union law or any international organisation

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Third countries **Open** • Details set in work programmes & calls (CH ⇒ EFTA but not EEA = "other third countries" with evidence that activities to be carried out outside EU are necessary to achieve EU objectives • RS ⇒ candidate country • UA & MD ⇒ ENP • BA potential candidate)

Form **Grants** (at least 85% of LIFE) • Prizes • Procurements • **Blending** operations

Connecting Europe Facility (CEF)

Direct management (INEA) □ Multi-Annual Work Programmes by end-2020 with calls for first 3 years

Focus	<p>Large-scale roll-out and deployment of innovative technologies and solutions in the fields of transport (on TEN-T network)</p> <ul style="list-style-type: none"> • focus shifts to decarbonisation and making transport connected, sustainable, inclusive, safe and secure (60% of total programme budget to climate actions) 	Eligible actions & rates	<p>Studies Up to 50%</p> <p>Works Up to 30% (to max. 50% in case of actions supporting telematic application systems, inland waterways or new technologies & innovation)</p> <p>Cohesion envelope → increase of rates up to max. rates applicable to Cohesion Fund Synergetic projects → further increase by 10%</p>
Budget	€42.3bn ← EC&EP proposal; decreased in 12/2019		
Scope & objectives	<p>TRANSPORT</p> <ul style="list-style-type: none"> • actions implementing core & comprehensive network • actions supporting telematic application systems (RIS) • actions supporting sustainable freight transport services (aiming to stimulate resource and carbon efficiency in particular in the file of steaming, systems and operations planning) • actions supporting new technologies and innovation (decarbonisation, transition to innovative and sustainable technologies, energy efficiency, alternative propulsion systems, incl. corresponding infrastructure, measures to reduce external costs, improve resilience to climate change, telematic application within/between transport modes) <p>SYNERGIES</p> <p>If a lock co-funded via CEF-transport includes renewable energy generation items (not eligible under CEF Energy), then such items can also be co-funded under a CEF Transport if synergetic elements does not exceed 20% of the total eligible costs of the action</p>	Eligible costs	Equipment, facilities and infrastructure which is treated as capital expenditure by the beneficiary may be eligible up to its entirety BUT limits & caps in case of mobile equipment (i.e. vessels)
		Entities	All legal entities established in MS
		Third countries	Open with pre-requisite that involvement is indispensable for achievement of objectives (CH ⇒ EFTA but not EEA therefore participation only with EU/EEA • RS ⇒ candidate country • UA & MD ⇒ ENP • BA potential candidate)
		Form	Grants • Procurements • Blending operations

InvestEU Programme - single investment support instrument

The InvestEU Programme is based on four main pillars:

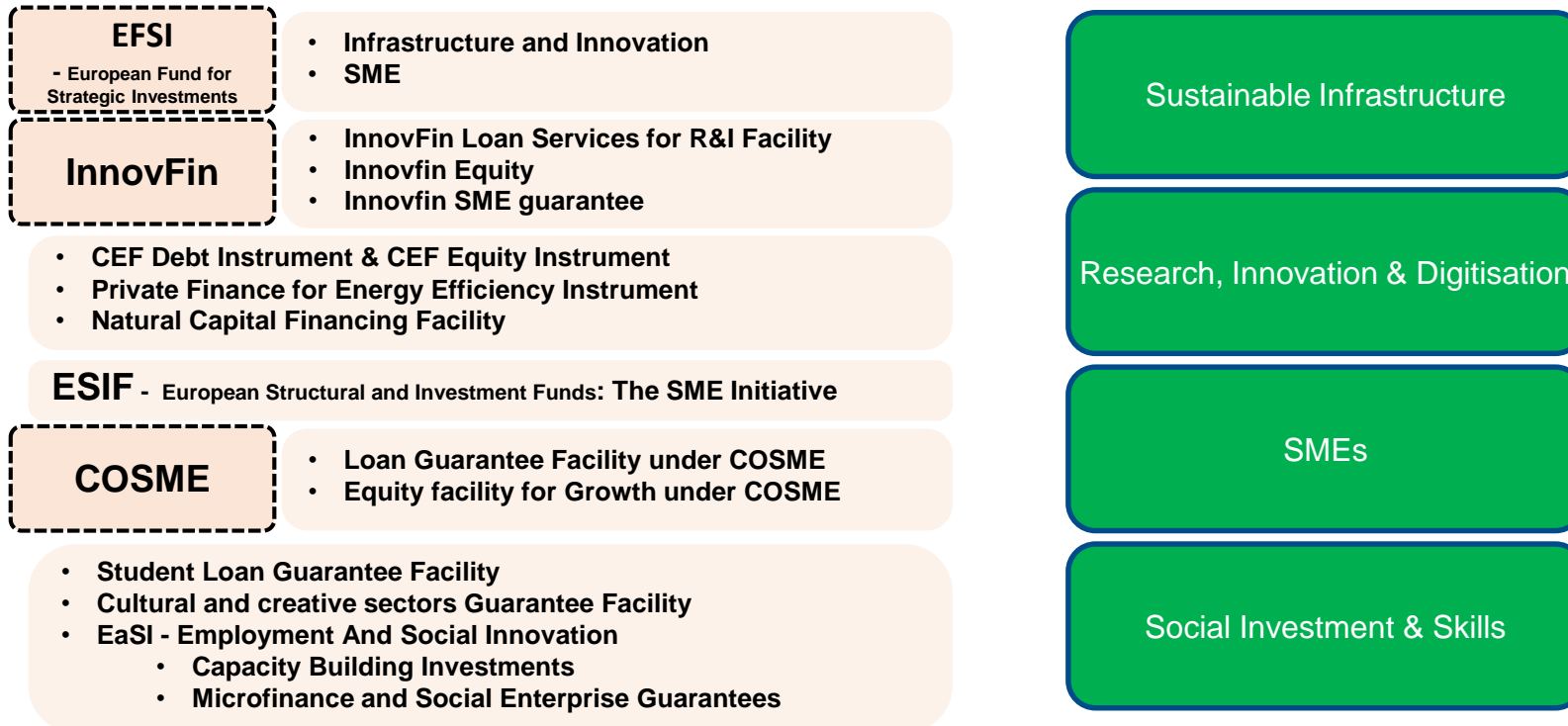
- InvestEU Fund
- InvestEU Advisory Hub
- InvestEU Portal
- Blending operations

The InvestEU Programme shall:

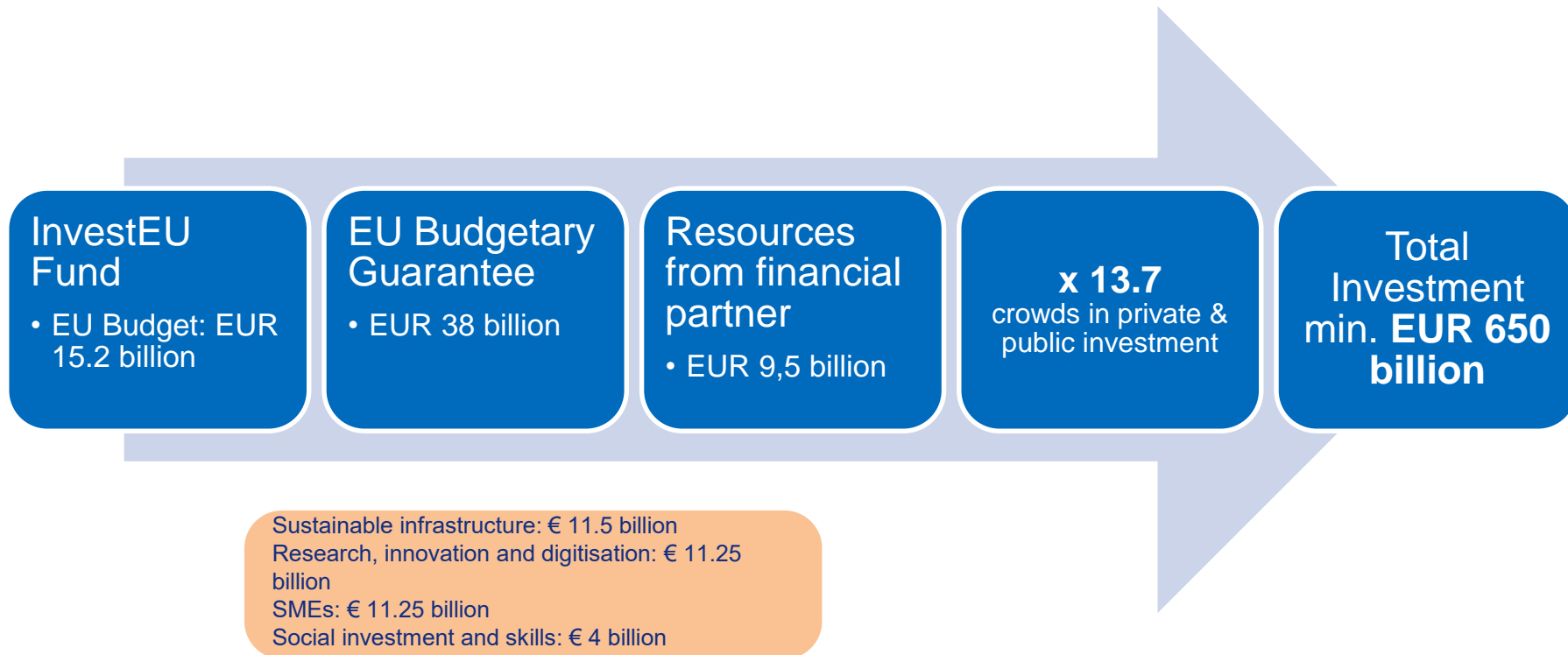
- trigger **at least EUR 650 billion** on additional investment
- Be a single scheme, a policy instrument and a delivery tool
- Act demand-driven in order to attracting private investment

Simplification process and correspondence

Existing instruments towards proposed InvestEU Windows



InvestEU – how it shall work



Blending of funding and financing possibilities and cumulation of products

Blending operations are the combination of

- **grants** (as described within RQ F1, e.g. CEF, Horizon Europe)
- **with non-grant resources** (such as loans, equity, guarantees from financial institutions, commercial loans as well as private investments)
- The InvestEU Programme will be complementary to direct grant financing as well as to European Structural and Investment Funds

Blending can **leverage** the development impact of public money, increase the **impact** and has the principle of **return** for private investors

An action may be financed jointly from separate budget lines by different authorising officers responsible based on simple procedures;

- In no circumstances shall the same costs be financed twice
- Projects shall never be fully financed by a grant
- Co-financing shall be provided from different sources



Outlook on updates and further possibilities

The European GREEN DEAL

On 27 May the European Commission issued a new proposal for the upcoming **Multiannual Financial Framework MFF 2021 - 2027**

- EU seven-year budget of **€ 1.1 trillion**
- **Next Generation EU of € 750 billion**
- Concerning not only the new health programme, but also programmes like CEF, Horizon Europe, InvestEU, etc.

Green Deal Call - To deliver tangible and visible results

- Horizon 2020 will support additional Green Deal related **research and innovation** with a call worth close **to €1 billion**; - via:
- pilot applications, **demonstration projects** and innovative products
- innovation for better governance of the green and digital transition
- social and value chain innovation

Outlook on updates and further possibilities

The COVID-19 pandemic

Due to the worldwide COVID-19 pandemic situation, several European countries are issuing financial support towards their economies, via grants, financial guarantees and also blending facilities. None of them have been implemented explicitly in order to modernise the inland fleet; however, investments into sustainable projects, especially in the fields of transportation are highly welcome in most of the countries.

Summary on funding and financing options

for the modernization of inland vessels 1/3

Horizon Europe

- **70% - 100%** (R&I costs – depreciation)
- Finances only **research and innovation activities**

Innovation fund

- **up to 60% of CAPEX & OPEX up to 10 years** (additional costs or CAPEX for small-scale projects)
- Supports highly **innovative low-carbon technologies** & projects to reach the market once they have successfully passed the research phase; supports later stages of technological development **closer to commercialisation**
- Focuses on **closing the financial gap** right before bringing an innovative project or technology to the market

Summary on funding and financing options

for the modernization of inland vessels 2/3

Programme for Environment and Climate Action (LIFE)

- **up to 60%** of eligible costs
- **Catalyst for implementing EU enviro, climate & energy policies** → actions pursue the environmental or climate objectives
- Uptake of R&I results from Horizon and deployment on larger scale where it addresses enviro, climate or energy transition policies

Connecting Europe Facility (CEF)

- **up to 50%** (capital expenditure its entirety but limits on mobile equipment)
- Large-scale roll-out and deployment of core and comprehensive network infrastructure and innovative new technologies and solutions (transport, energy and digital physical infrastructure)

Summary on funding and financing options

for the modernization of inland vessels 3/3

InvestEU Programme

- **Complementary to grant financing (Horizon Europa, CEF, etc.)**
- Financial support activities in the areas of sustainable infrastructure, research, innovation and digitization, support for SMEs and in the fields of social investment and skills
- Single financial scheme, attracting private investment to close the financial gaps for green investments



Danube Transnational Programme

GRENDEL

Markus Eppich

Project Manager

Management GmbH
Grünbergstraße 15, Stiege 1, 5th floor
1120 Vienna, Austria

M +43 699 1011 3470

E eppich@prodanube.eu **W** www.prodanube.eu

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GRENDEL “Green and efficient Danube fleet”

Towards modernisation & greening of Danube inland waterborne sector and strengthening its competitiveness

www.interreg-danube.eu/grendel