



Ministry of Finance  
Republic of Latvia

# EU funding for Energy projects

24.01.2019.





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## EU Funds Contribution to Energy sector in programming period 2007-2013

140 projects have been implemented for the total EU funding of 99 775 717 EUR

EU funds of 92 402 736 EUR were paid to the beneficiaries

Enhanced energy efficiency in  
741 apartment buildings and 54  
social homes

149.8 km of heating networks  
and 286.7 MW of heat  
generation capacity were  
reconstructed

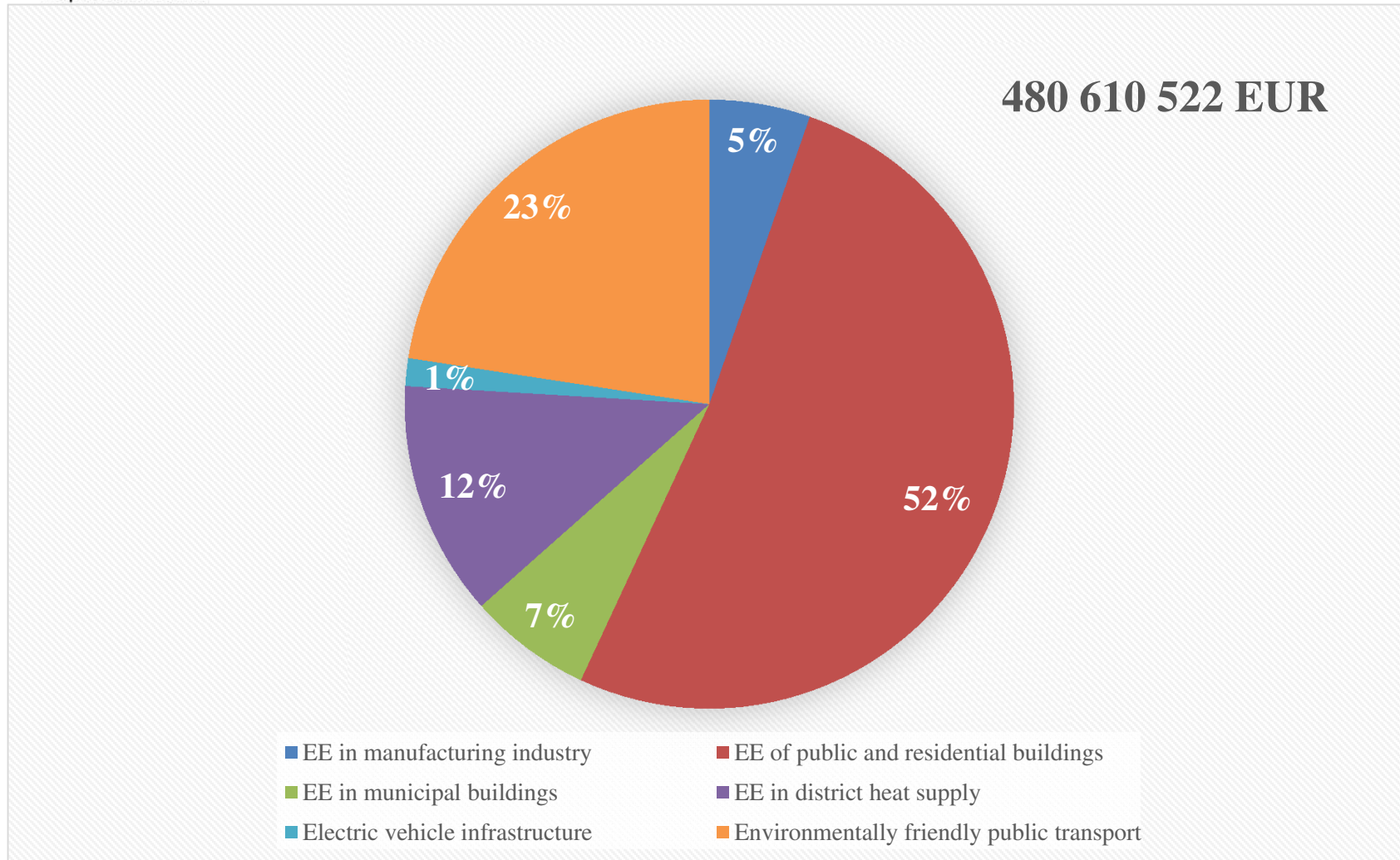
35.55 MW of CHP plants using  
renewable energy were  
installed

As a result, heat losses in  
reconstructed heating networks  
decreased from 20% to 14.95%

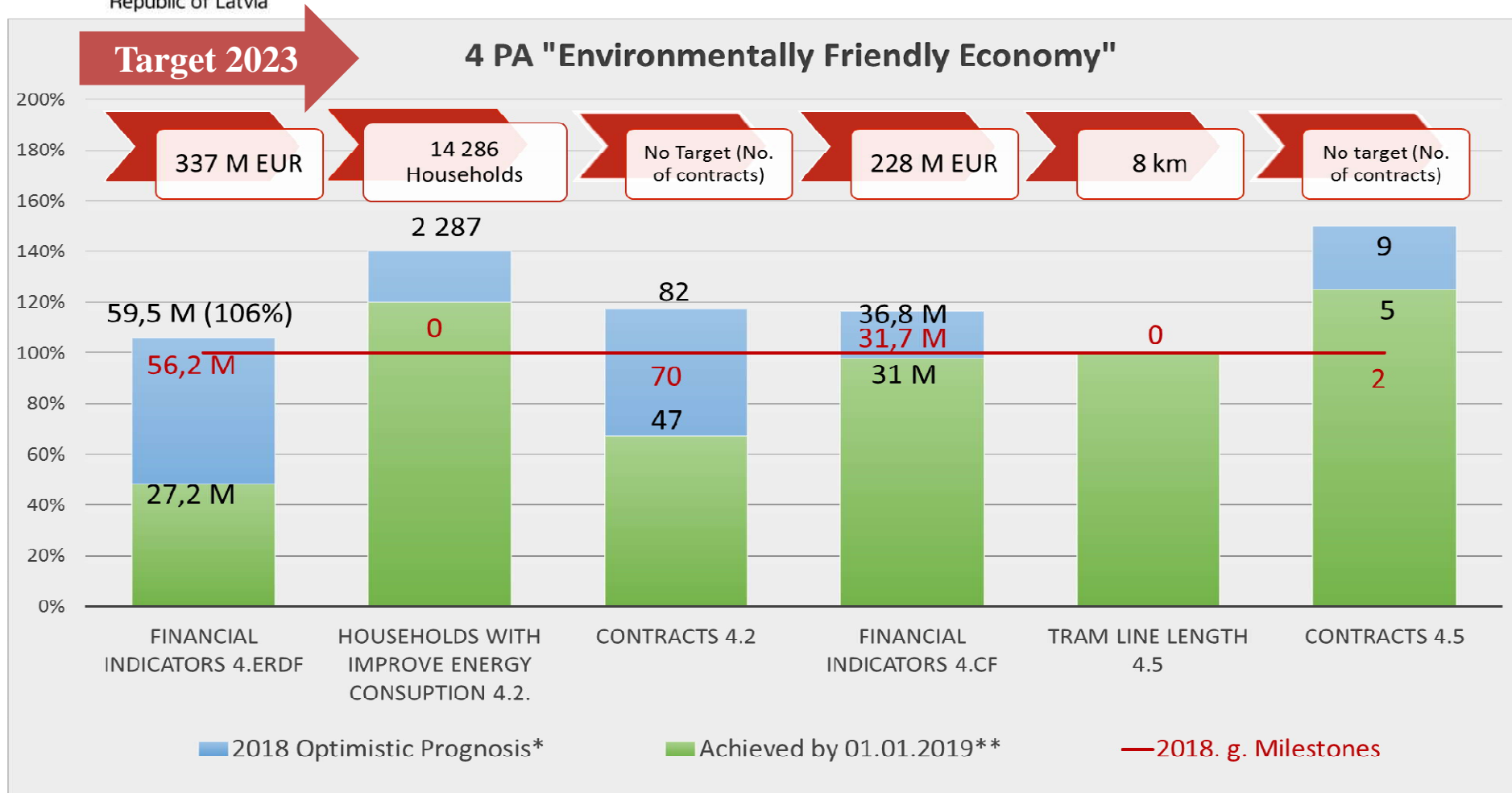


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# EU Funds Contribution to Energy sector in programming period 2014-2020



## 4.PA Energy efficiency – risk to loose ERDF performance reserve – 17,5 M.EUR. However, prognosis based on the data of financial beneficiaries indicates, that ERDF financial indicator can be achieved up to 106% of its target.



EC Rules: ERDF and CF one indicator can be  $\geq 75\%$ , other must be  $\geq 85\%$ .

\*Prognosis on 11.01.2019., based on financial benefeceries data .

\*\* Data on 18.01.2019.



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## Specific objectives for the ERDF and the Cohesion Fund for programming period 2021-2027

'a greener, low-carbon Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate adaptation and risk prevention and management ('PO 2') by:

promoting energy efficiency measures;

promoting renewable energy;

developing smart energy systems, grids and storage at local level;

promoting climate change adaptation, risk prevention and disaster resilience;

promoting sustainable water management;

promoting the transition to a circular economy;

enhancing biodiversity, green infrastructure in the urban environment, and reducing pollution;



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## Thematic enabling conditions applicable to CF\*, ERDF\*\*

Strategic policy framework to support energy efficiency activities - renovation of residential and non-residential buildings

A national long term renovation strategy to support renovation of the national stock of residential and non-residential buildings

a. Entails indicative milestones for 2030, 2040 and targets for 2050

b. Provides an indicative outline of budgetary resources

c. Defines effective mechanisms for promoting investments

Energy efficiency improvement measures to achieve required energy savings

2019.02.01.

\* Cohesion Fund

\*\* European Regional Development Fund



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## Thematic enabling conditions applicable to CF\*, ERDF\*\*

National Energy and  
Climate Plan

1. All elements required by the template

2. An indicative outline of envisaged financing resources  
and mechanisms for promoting low-carbon energy

Measures for Effective  
promotion of the use of  
renewable energy  
resources

1. Compliance with the 2020 national renewables binding  
target and with this baseline up to 2030

2. An increase in the share of renewables in the heating  
and cooling sector by 1 % per year up to 2030



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## Common result indicators for the ERDF and the Cohesion Fund - Article 7(1)

### Greener Europe (PO2)

- RCR 26 - Annual final energy consumption
- RCR 27 - Households with improved energy performance of their dwellings
- RCR 28 - Buildings with improved energy classification
- RCR 29 - Estimated greenhouse gas emissions
- RCR 30 - Enterprises with improved energy performance
- RCR 31 - Total renewable energy produced
- RCR 32 - Renewable energy: Capacity connected to the grid (operational)





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## **Greener Europe (PO2)**

- RCR 33 - Users connected to smart grids
- RCR 34 - Roll-out of projects for smart grids
- RCR 50 - Population benefiting from measures for air quality
- RCR 95 - Population having access to new or upgraded green infrastructure in urban areas
- RCR 51 - Population benefiting from measures for noise reduction
- RCR 52 - Rehabilitated land used for green areas, social housing, economic or community activities



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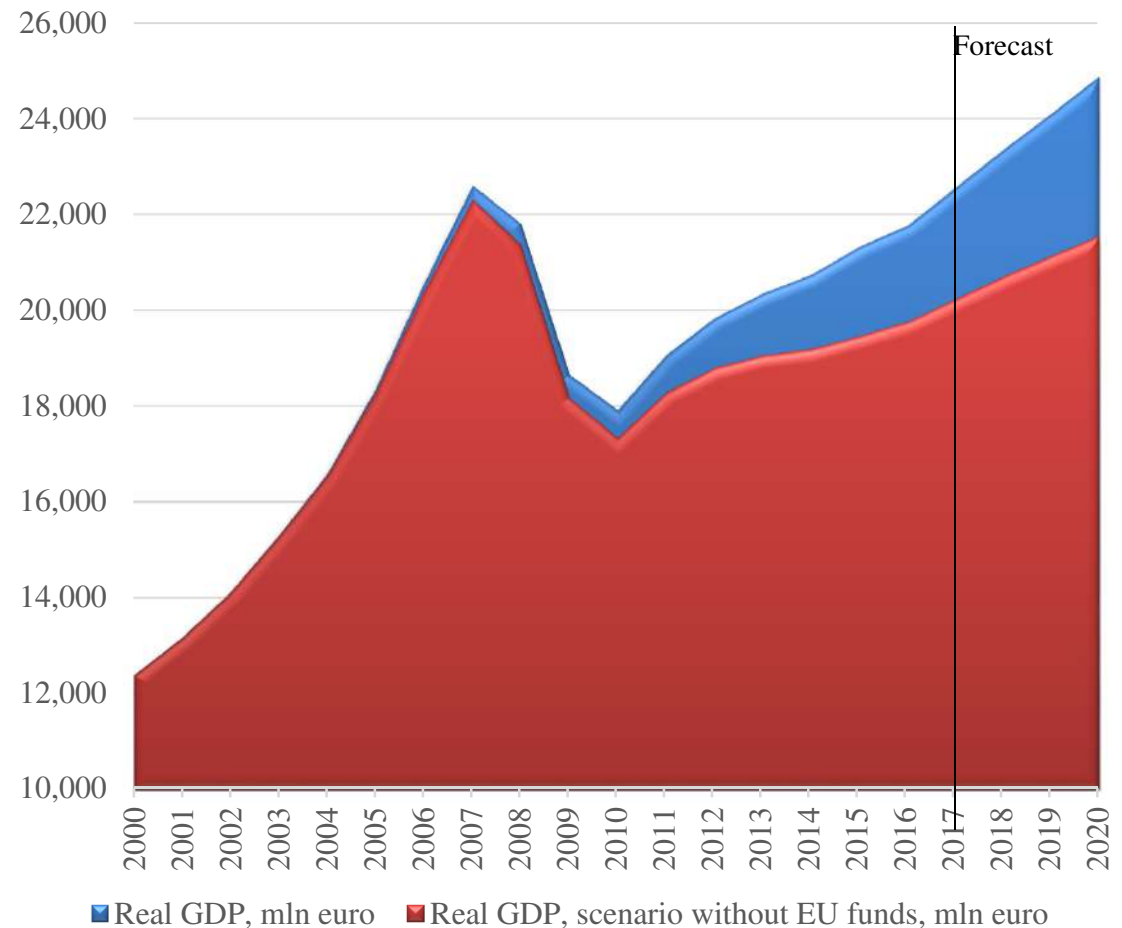
# Programming framework



# Cohesion policy has a significant impact on convergence

- LV has closed the gap in GDP per head by 21 % to EU average (46%-67%, 2004-2017)
- Despite overall convergence disparities remain at national level (Riga 107 %, Latgale 32 % of EU average)
- Since 2004 Cohesion policy contributed additional 7,3 % to Latvia's GDP\*
- Cumulative impact on employment - around 20 thousand people (2,9 %, 2007-2017)\*

The EU funds investments cumulative impact on Latvian GDP



\*Source: Ministry of Finance, results of macroeconomic modelling



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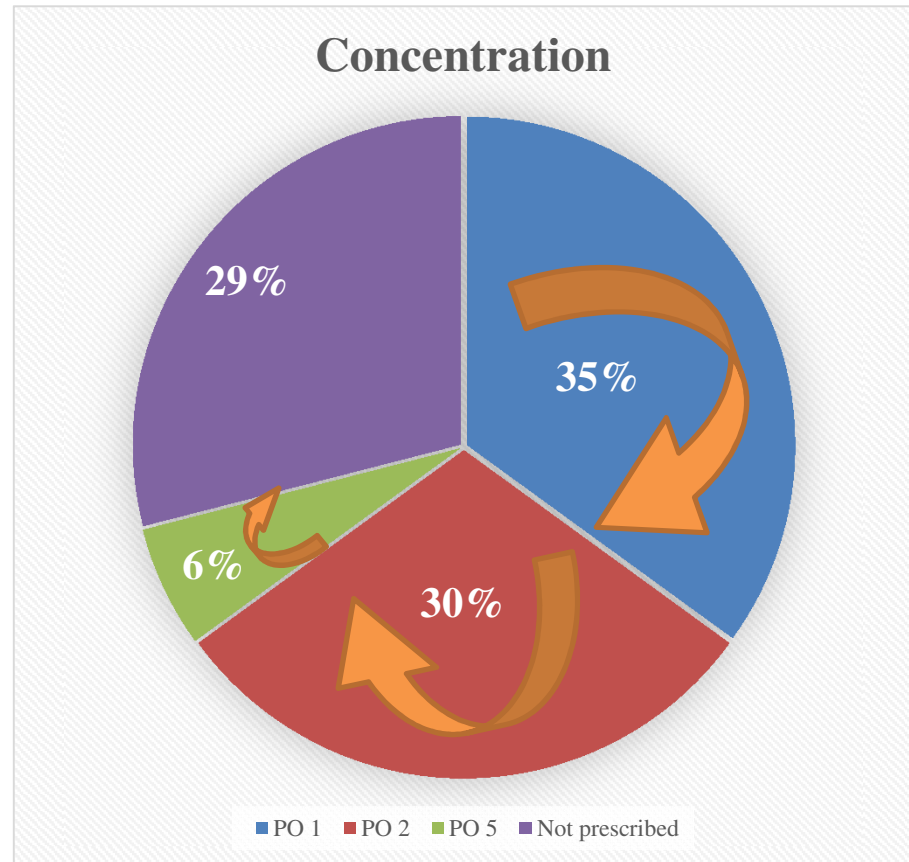
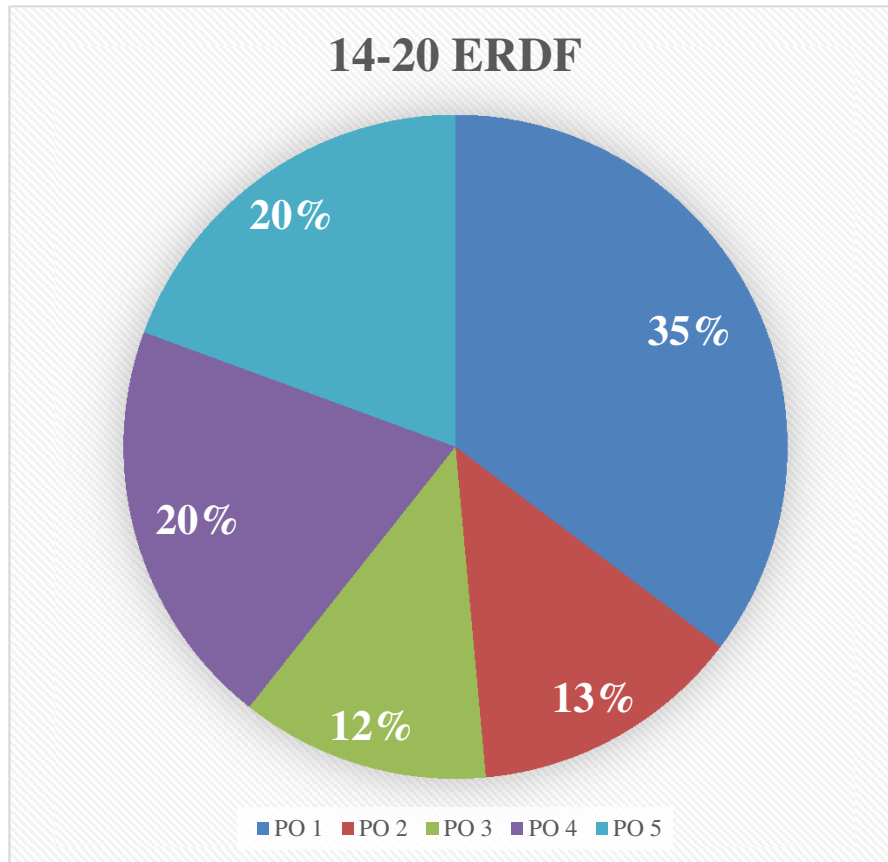
## What is the amount of funding originally offered to Latvia in 2021-2027?

Member State	2021-27 allocation (billions, 2018 prices)	Change from current period (%)	Aid intensity (EUR/head)	Change from current period (%)
BG	8.9	8	178	15
RO	27.2	8	196	17
HR	8.8	-6	298	0
LV	4.3	-13	308	0
HU	17.9	-24	260	-22
EL	19.2	8	254	12
PL	64.4	-23	239	-24
LT	5.6	-24	278	-12
EE	2.9	-24	317	-22
PT	21.2	-7	292	-5
SK	11.8	-22	310	-22
CY	0.9	2	147	-5
SI	3.1	-9	213	-11
CZ	17.8	-24	242	-25
ES	34.0	5	105	3
MT	0.6	-24	197	-28
IT	38.6	6	91	5
FR	16.0	-5	34	-9
FI	1.6	5	42	2
BE	2.4	0	31	-5
SE	2.1	0	31	-6
DE	15.7	-21	27	-20
DK	0.6	0	14	-3
AT	1.3	0	21	-4
NL	1.4	0	12	-3
IE	1.1	-13	33	-17
LU	0.1	0	16	-14
EU27	331	-9.9	106	-11



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## Thematic concentration requirements for ERDF – a major roadblock for 21-27 investment and policy planning!





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# Cohesion policy – the main priorities and structural challenges for Latvia

## Productivity/ Innovation

- Productivity up by 16%; still only 68 % of EU average

## Sustainable and competitive transport system

- 2nd worst road quality in EU
- 48 % of regional roads in bad condition

## Sustainable use of resources (energy efficiency)

- Residential energy consumption 2<sup>nd</sup> highest in EU
- Energy - one of RIS3 priorities

## Social convergence, healthy and competitive labour force

- 2nd highest patient (out of pocket) payments for healthcare in EU
- 28.5 % of people live at risk of poverty and social exclusion

## Qualitative and effective education system

- 40% on students in vocational education (behind 50% target)
- 43 % of enterprises are affected by labour shortages (Citadele index)

## Depopulation and balanced territorial development

- Low GDP convergence outside the capital region (32%-49% of EU average)
- Population loss in external border regions reduced by 24 % (15% overall)





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**Thank you for your attention!**

More information:

[www.esfondi.lv](http://www.esfondi.lv)

[www.fm.gov.lv](http://www.fm.gov.lv)

The screenshot shows the website of the Ministry of Finance of Latvia, featuring information about EU funds. The header includes the Latvian national emblem and the text "NACIONĀLAIS ATĪSTĪBAS PLĀNS 2014-2020" and "EIROPAS SAVIENĪBAS struktūrfondi un kohēzijas fondi". The main navigation bar lists "Jaunumi", "Esošie projekti", "ES fondi 2014-2020", "Izstrādātie projekti", "Kohēzijas politika", "Mērķi", "Kontakti", and "Citas programmas".

The main content area features a large graphic of the European Union flag with the text "Eiropa veido mūsu nākotni" and "Eiropa veido mūsu nākotni". Below this, there are sections for "Jaunumi" (News), "Izstrādātie projekti" (Projects being developed), and "Informatīvie pasākumi" (Informational activities).

The "Jaunumi" section lists several news items from May 2016, including the signing of a cooperation agreement between the Ministry of Finance and the Ministry of Education and Science, and the signing of a cooperation agreement between the Ministry of Finance and the Ministry of Health.

The "Izstrādātie projekti" section lists several projects, including the "Latvian Energy Efficiency Project" and the "Latvian Energy Efficiency Project".

The "Informatīvie pasākumi" section includes a calendar for May 2016, showing the dates of various informational activities.

