

CEF-Energy and the Slovak Republic

Energy infrastructure in Europe

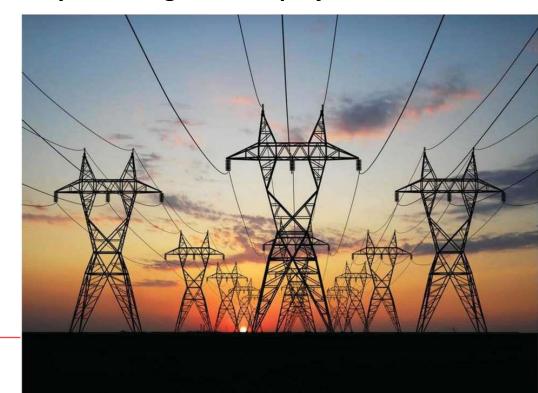
- The EU's energy infrastructure is aging and in its current state is not suited to match future demand for energy and to ensure security of supply.
- Furthermore, under current market and regulatory conditions some energy projects are not commercially viable and would normally be constructed by infrastructure developers.





What is CEF-Energy

- CEF-Energy is designed to address factors behind the investment gap in the energy sector.
- It is a EU financial instrument set by **Regulation (EU) No 1316/2013** establishing the Connecting Europe Facility (CEF) **to help project promoters to access the necessary financing for their projects**.
- A total budget of €5.35
 billion is available for energy projects for the 2014-2020 period.
- A proposed budget for the next MFF (2021-2027 period) is €8.65 billion



Who can apply for CEF-Energy funding

- Only projects with status of Projects of Common Interest (PCIs) are eligible to apply for support from CEF-Energy
- Projects of Common Interest are established by the TEN-E Regulation (Regulation (EU) No 347/2013 on guidelines for trans-European energy infrastructure)
- Areas covered in PCIs: electricity, gas, oil and carbon dioxide
- Commission is empowered to adopt delegated acts in order to establish the EU list of Projects of Common Interest, which is updated every two years
- The Third list of PCIs was approved in November 2017 and is valid from 2017 to 2019
- It contains 173 projects 106 in electricity transmission and storage, 4
 in smart grid deployment, 53 in gas, 6 in oil and 4 in cross-border carbon
 dioxide network



Criteria for Projects of Common Interest

- Criteria for PCIs are set in Art. 4 of the TEN-E Regulation
- PCIs have to, inter alia:
 - involve at least two Member States by directly crossing the border of two or more Member States;
 - improve market integration and competitiveness, e.g. through lifting the isolation of at least one Member State and reducing energy infrastructure bottlenecks;
 - o improve **sustainability**, e.g. through the integration of renewable energy into the grid and development of smart energy networks;
 - improve security of supply, e.g. through appropriate connections and diversification of supply sources, supplying counterparts and routes.



How to apply for CEF-Energy funding

- Regular calls for proposals are published by Innovation & Networks
 Executive Agency (INEA), usually two times per year
- Applications are then evaluated by INEA and the Commission
- The amount of funding shall not exceed 50 % of the eligible cost of studies and/or works
- In exceptional cases, the funding rates may be increased to a maximum of 75 %



PCIs in the Slovak Republic

- Slovakia has 8 PCIs on the Third PCI list:
 - Two electricity interconnections Slovakia-Hungary
 - Smart-grid project ACON between Slovakia and the Czech Republic
 - Gas interconnection Slovakia-Poland
 - Increase of the transmission capacity at the Slovakia-Hungary gas interconnection (two projects)
 - Project Eastring gas pipeline from Bulgaria via Romania and Hungary to Slovakia
 - Bratislava-Schwechat oil pipeline between Slovakia and Austria



PCIs in the Slovak Republic

- Successful applications for funding in Slovakia:
 - Slovak-Polish gas interconnection grant for studies €4.6 million in 2014 (50% co-financing)
 - Two Slovak-Hungarian electricity interconnections in total grants for studies €1.5 million in 2015 (50% co-financing)
 - Slovak-Polish gas interconnection grant for works €107.7 million in 2016 (40% co-financing)
 - Eastring project grant for studies €1 million in 2016 (50% co-financing)
- Ministry of Economy of the Slovak Republic actively supports project promoters in submissions of PCI proposals and CEF-Energy applications





Thank you for your attention

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