The NER 300 funding programme

State of play

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European Commission
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
Projects Evaluation

★ **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
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

<table>
<thead>
<tr>
<th>Description</th>
<th>Code</th>
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<tbody>
<tr>
<td>Lignocellulose to intermediate solid, liquid or slurry bioenergy carriers via pyrolysis with capacity 40 kt/y of the final product</td>
<td>BIOa</td>
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<tr>
<td>Lignocellulose to intermediate solid, liquid or slurry bioenergy carriers via torrefaction with capacity 40 kt/y of the final product</td>
<td>BIOb</td>
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<tr>
<td>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</td>
<td>BIOc</td>
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<tr>
<td>Lignocellulose to biofuels or bioliquids and/or to power including via directly heated gasification with capacity 15 Ml/y (million litres per year) of the final product or 100 GWh/y of electricity.</td>
<td>BIOd</td>
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<tr>
<td>Lignocellulosic raw material, e.g. black liquor and/or products from pyrolysis or torrefaction, via entrained flow gasification to any biofuels with capacity 40 Ml/y of the final product.</td>
<td>BIOe</td>
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<td>Lignocellulose to electricity with 48% efficiency based on lower heating value (50% moisture) with capacity 40 MWe or higher</td>
<td>BIOf</td>
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<tr>
<td>Lignocellulose to ethanol and higher alcohols via chemical and biological processes with capacity 40 Ml/y of the final product</td>
<td>BIOg</td>
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<tr>
<td>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 Ml/y (million litres per year) of the final product</td>
<td>BIOh</td>
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<tr>
<td>Algae and/or micro-organisms to biofuels or bioliquids via biological and/or chemical processes with capacity 40 Ml/y (million litres per year) of the final product.</td>
<td>BIOi</td>
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</tbody>
</table>
- 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
<table>
<thead>
<tr>
<th>Total number of renewables projects</th>
<th>65</th>
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<tbody>
<tr>
<td>Bioenergy</td>
<td>23</td>
</tr>
<tr>
<td>Concentrated solar power</td>
<td>9</td>
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<tr>
<td>Photovoltaics</td>
<td>4</td>
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<tr>
<td>Geothermal</td>
<td>3</td>
</tr>
<tr>
<td>Wind</td>
<td>15</td>
</tr>
<tr>
<td>Ocean</td>
<td>8</td>
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<tr>
<td>Distributed renewable management</td>
<td>3</td>
</tr>
</tbody>
</table>
Number of projects submitted per Member State on 9 May 2011

Number of Projects

- Austria
- Belgium
- Bulgaria
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- Netherlands
- Poland
- Portugal
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden
- United Kingdom

- RES projects
- CCS projects
Conclusions

★ 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!