



**INTELLIGENT
ENERGY
EUROPE**
FOR A SUSTAINABLE FUTURE



CALL FOR PROPOSALS 2013



**Call identifier:
CIP-IEE-2013**

CLOSING DATES:

Wednesday 8 May 2013, 17:00 (Brussels local time)

Except for the BUILD UP Skills Initiative which has a different deadline

Electronic submission only.

For further information:

http://ec.europa.eu/energy/intelligent/index_en.htm

CALL FOR PROPOSALS 2013 FOR ACTIONS UNDER THE PROGRAMME “INTELLIGENT ENERGY – EUROPE”

Call Identifier: CIP-IEE-2013

TABLE OF CONTENTS

1	THE INTELLIGENT ENERGY – EUROPE PROGRAMME	3
2	BUDGET, FUNDING RATES AND ELIGIBILITY OF COSTS	4
3	ELIGIBILITY CRITERIA	5
3.1	Which organisations and countries are eligible?	5
3.2	How many applicants are required?	6
3.3	Specific provisions for Build Up Skills and MLEI - Project Development Assistance	6
3.4	Themes and funding priorities	7
3.5	Submission	7
3.6	Exclusion Criteria	7
3.6.1	Exclusion from participation	7
3.6.2	Exclusion from award	7
3.7	Administrative and financial penalties	8
4	SELECTION CRITERIA	9
4.1	Financial capacity of applicants	9
4.2	Technical capacity of applicants	10
5	AWARD CRITERIA	10
6	GENERAL CONDITIONS FOR AWARDED GRANTS	12
7	SUBMISSION OF APPLICATIONS	12
8	ADDITIONAL INFORMATION	13
9	INDICATIVE TIMETABLE	13
10	PRIORITIES AND TYPES OF ACTION FOR 2013	14
10.1	SAVE: Energy efficiency (indicative budget: EUR 15.6 million)	14
10.1.1	SAVE – Consumers and products	15
10.1.2	SAVE – Businesses	16
10.1.3	SAVE – Energy efficiency services and obligations	17
10.2	ALTENER: New and renewable energy resources (indicative budget: EUR 12.6 million)	18
10.2.1	ALTENER – Electricity from renewable energy sources (RES-e)	19
10.2.2	ALTENER – Heating and cooling from renewable energy sources	20
10.2.3	ALTENER – Bioenergy	22
10.2.4	ALTENER – Renewable Energy Consumers	23
10.3	STEER: Energy in transport (indicative budget: EUR 9.6 million)	24
10.3.1	STEER – Energy-efficient transport	25
10.3.2	STEER – Clean and energy-efficient vehicles	26
10.4	Integrated Initiatives (indicative budget: EUR 27.2 million)	26
10.4.1	Energy efficiency and renewable energy use in buildings	26
10.4.2	BUILD UP Skills, the Sustainable Building Workforce Initiative- Training and Qualification in the field of energy efficiency and renewable energy – Pillar II	27
10.4.3	Local energy leadership	28
10.4.4	Mobilising Local Energy Investments (MLEI)	29

1 THE INTELLIGENT ENERGY – EUROPE PROGRAMME

The objective of the Intelligent Energy - Europe II Programme (“IEE II”) is to contribute to secure, sustainable and competitively priced energy for Europe, by providing for action¹:

- to foster energy efficiency and the rational use of energy resources;
- to promote new and renewable energy sources and to support energy diversification;
- to promote energy efficiency and the use of new and renewable energy sources in transport.

The Programme in particular contributes to the EU Energy 2020 Strategy² and facilitates the implementation of the Directive on energy efficiency³ and of the Directive on the promotion of the use of energy from renewable sources⁴.

Intelligent Energy – Europe builds on the experience gained from its predecessor, the first Intelligent Energy - Europe (2003-2006) Programme⁵. This Programme has become the main EU instrument to tackle non-technological barriers to the spread of efficient use of energy and greater use of new and renewable energy sources. From 2007, Intelligent Energy – Europe has been included in the overall Competitiveness and Innovation Framework Programme (CIP)⁶.

The Programme is managed by the Executive Agency for Competitiveness and Innovation under powers delegated by the European Commission.

In operational terms the Intelligent Energy - Europe Programme aims to⁷:

- a) provide the elements necessary for the improvement of sustainability, the development of the potential of cities and regions, as well as for the preparation of the legislative measures needed to attain the related strategic objectives; develop the means and instruments to follow up, monitor and evaluate the impact of the measures adopted by the European Union and its Member States in the fields addressed by that programme;
- b) boost investment across Member States in new and best performing technologies in the fields of energy efficiency, renewable energy sources and energy diversification, including in transport, by bridging the gap between the successful demonstration of innovative technologies and their effective, broad market uptake in order to attain leverage of public- and private-sector investment, promote key strategic technologies, bring down costs, increase market experience and contribute to reducing the financial risks and other perceived risks and barriers that hinder this type of investment;
- c) remove the non-technological barriers to efficient and intelligent patterns of energy production and consumption by promoting institutional capacity-building at, inter alia, local and regional level, by raising awareness, notably through the educational system, by encouraging exchanges of experience and know-how among the main players concerned, business and citizens in general and by stimulating the spread of best practices and best available technologies, notably by means of their promotion at EU level.

¹ Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013), OJ L 310/15, 9.11.2006, Article 37

² "Energy 2020 - A strategy for competitive, sustainable and secure energy" COM(2010) 639 final

³ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on Energy Efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC

⁴ Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC.

⁵ Decision 1230/2003/EC of the European Parliament and of the Council of 26.06.2003

⁶ Articles 37 to 45 of Decision No 1639/2006/EC of the European Parliament and of the Council of 24.10.2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013)

⁷ Article 38 of Decision No 1639/2006/EC of the European Parliament and of the Council of 24.10.2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013)

Intelligent Energy - Europe covers action in the following fields:

Energy efficiency and rational use of energy resources (SAVE), including:

- Improvement of energy efficiency and the rational use of energy, in particular in the building and industry sectors;
- Supporting the preparation and application of legislative measures.

New and renewable energy resources (ALTENER), including:

- Promoting new and renewable energy sources for centralised and decentralised production of electricity, heat and cooling, and thus supporting the diversification of energy sources;
- Integrating new and renewable energy sources into the local environment and the energy systems;
- Supporting the preparation and application of legislative measures.

Energy in transport (STEER) to promote energy efficiency and the use of new and renewable energy sources in transport, including:

- Supporting initiatives relating to all energy aspects of transport and the diversification of fuels;
- Promoting renewable fuels and energy efficiency in transport;
- Supporting the preparation and application of legislative measures.

Integrated initiatives combine several of the above specific fields or relating to certain EU priorities. They may include actions integrating energy efficiency and renewable energy sources in several sectors of the economy and/or combining various instruments, tools and actors within the same action or project.

Actions supported in the framework of the IEE II programme have a significant impact at European level, a high profile and the broadest possible relevance to European citizens and policies.

The above fields, objectives, and instruments are valid for the whole Programme duration, i.e. from 2007 to 2013. However each annual work programme sets a number of more specific, action-related objectives.

Those relative to the call for proposals 2013 have been set in the annual work programme 2013, adopted by the European Commission on 13 December 2012⁸. They are summarised hereafter.

It is expected that this call for proposals will result in about **55-60 projects** being supported.

For the priorities and types of action for this Call 2013, see chapter 10.

2 BUDGET, FUNDING RATES AND ELIGIBILITY OF COSTS

The indicative total amount available for this call is **EUR 65 million**. The European Commission, through the Executive Agency for Competitiveness and Innovation (EACI), plans to grant funds which are complementary to contributions made by the beneficiary, the national, regional or local authorities and/or other bodies. The sources of co-funding must be transparent and stated in such a way that they are clearly identifiable and accountable.

Accordingly, the amount granted will be **up to 75% of the total eligible costs**.

The EU contribution to reimburse eligible costs must not give rise to a profit. Contributions in kind are not eligible costs. One action may give rise to the award of only one grant from the EU budget to any one beneficiary. An action which receives financial support for the same purpose from other EU financial instruments will not receive funding from the IEE II Programme.

⁸ C(2012)9292

Eligible costs can be incurred only after signature of the grant agreement by all the parties, save in exceptional cases, and under no circumstances before submission of the application for a grant.

The maximum duration of a project is 36 months.

3 ELIGIBILITY CRITERIA

The eligibility criteria will be assessed by the Evaluation Committee. Failure to comply with these criteria will result in the proposal not being evaluated further.

3.1 Which organisations and countries are eligible?

All applicants must be legal entities, whether public or private, established in the territory of the EU Member States, Norway, Iceland, Liechtenstein, Croatia⁹, or the Former Yugoslav Republic of Macedonia.

A grant agreement with legal entities established in other countries will only be signed under the condition that the country has undertaken the necessary steps to join the IEE II programme. Up-to-date information on which countries are part of the programme is available on the programme website (see chapter 8).

The IEE II programme is also open to the Joint Research Centre of the European Commission (JRC). It is also open to international organisations – subject to the conditions set out above. They may, if necessary, receive funding. If one of the participants is the JRC or an international organisation, it is deemed to be established in a Member State or associated country other than any Member State or associated country in which another participant in the same action is established.

Local and regional energy agencies which were established with and are still beneficiaries of EU contributions from the IEE II Programme are eligible to participate in IEE II projects (a) if they provide evidence that their resources are sufficient to cover the additional activities and that those additional activities do not overlap with the work programme of their existing IEE II grant agreement or (b) if the submission deadline for the call for proposals lies at least 24 months after the starting date of their activities, as specified in the relevant grant agreement.

Applicants that do not have legal personality may apply for grants provided that the representatives of these applicants prove that they have the capacity to undertake legal obligations on behalf of the applicant and provided that they offer financial guarantees equivalent to those provided by legal entities.

“Legal entity” means any entity created under the national law of its place of establishment, EU law or international law, which has legal personality and which, acting under its own name, may exercise rights and be subject to obligations.

Several legal entities forming together one legal entity or 'sole beneficiary' which may, or may not, have been specifically established for carrying out the action (e.g. groupings, joint ventures). In this case, it will be necessary to check that the legal entities forming the 'sole beneficiary' fulfil the eligibility, exclusion and selection criteria and therefore, to require the appropriate supporting documents from the affiliated entities.

"International organisations" means legal entities arising from an association of States, other than the EU, established on the basis of a treaty or similar act, having common institutions and an international legal personality distinct from that of its Member States.

Natural persons are not eligible.

⁹Accession of Croatia to the EU is expected to take place on 1 July 2013.

3.2 How many applicants are required?

For the main call, applications must be submitted by a **team of at least three independent¹⁰ legal entities, each established in a different eligible country** (see section 3.1).

3.3 Specific provisions for Build Up Skills and MLEI - Project Development Assistance

a) Build Up Skills – Pillar II actions (see Call section 10.4.2)

- **How many applicants are required?**

Pillar II actions can be submitted either by a team of independent legal entities established in the same eligible country or by a team of independent legal entities from different eligible countries. A team must consist of at least two independent legal entities.

b) Mobilising Local Energy Investments - Project Development Assistance (PDA), (see Call section 10.4.4)

- **Specific eligibility criteria:**

1. Proposals must be submitted by one or more legal entities, each established in an eligible country.
2. Proposals must be coordinated by a local or regional public authority (municipality, city, province, region), **or** by another public body¹¹.
3. Grants for project development assistance within this priority must lead to investments with a minimum leverage factor of 15 (each Euro of project development assistance costs must lead to investments in renewable energy sources and/or energy efficiency measures of at least EUR 15).
4. Proposals must involve minimum project development assistance costs of EUR 400 000, leading to a minimum investment of EUR 6 000 000 in renewable energy sources and/or energy efficiency measures; or in justified cases¹² a minimum project development cost of EUR 200 000 leading to a minimum investment of EUR 3 000 000.

- **Other specific provisions:**

1. IEE II grants for project development assistance will only be paid in full if planned investments are launched or relevant investment contracts are signed before the end of the project period, up to 36 months from the signature of the contract. In the event of failure to deliver the planned investments, the EU contribution will have to be reimbursed by the beneficiary, although some costs may be eligible for support if adequately justified.
2. Performance indicators must include measurable results in terms of energy saved (toe), RES supply increased (toe), greenhouse gas emissions reduced (tCO₂e), investments mobilised (EUR), and if possible local jobs created.

¹⁰ Definition of independent: In case of two undertakings A and B; A may control not more than 50% of B, and vice versa; A and B may be controlled not more than 50% by a third undertaking C.

¹¹ ‘Public body’ means a body created by a public authority or a legal entity governed by private law with a public service mission, financed totally or to a large extent (i.e. more than 50%) by public sources, whose internal procedures and accounts are subject to control by a public authority and for whose liabilities a public authority will accept responsibility in the event that the public body ceases its activities.

¹² Projects targeting a geographical zone located totally in a "convergence region" under the definition of the European Region Development Funds. A map of these regions can be seen on: http://ec.europa.eu/regional_policy/atlas2007/index_en.htm

3.4 Themes and funding priorities

All priorities mentioned in **chapter 10** are open for submission of proposals.

Exceptionally, and if properly justified, proposals that meet the eligibility and selection criteria but do not directly respond to the priorities defined in the Call may also be considered.

3.5 Submission

Proposals must be submitted by the closing date and time (see chapter 7), using the online application system and the templates provided therein and must be complete.

3.6 Exclusion Criteria

3.6.1 Exclusion from participation

Applicants will be excluded from participating in the call for proposals procedure if they are in any of the following situations:

- a) They are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are the subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- b) They or persons having powers of representation, decision making or control over them have been convicted of an offence concerning their professional conduct by a judgment of a competent authority of a Member State which has the force of res judicata;
- c) They have been guilty of grave professional misconduct proven by any means which the contracting authority can justify including by decisions of the EIB and international organisations;
- d) They are not in compliance with their obligations relating to the payment of social security contributions or the payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the EACI or those of the country where the grant agreement is to be performed;
- e) They or persons having powers of representation, decision making or control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such an illegal activity is detrimental to the Union's financial interests;
- f) They are currently subject to an administrative penalty referred to in Article 109(1)¹³.

3.6.2 Exclusion from award

Applicants will not be granted financial assistance if, in the course of the grant award procedure, they:

- (a) Are subject to a conflict of interest;
- (b) Are guilty of misrepresenting information required by the contracting authority as a condition of participation in the grant award procedure or fail to supply this information;
- (c) Find themselves in one of the situations of exclusion, referred to in section 3.6.1.

The same exclusion criteria apply to affiliated entities.

Administrative and/or financial penalties may be imposed on applicants, or affiliated entities where

¹³ REGULATION (EU, EURATOM) No 966/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, published in the Official Journal on 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002. **Please note:** at the time of publication the financial regulation (published 25 October 2012) has yet to come into force, this is envisaged for 1 January 2013.

applicable, who are guilty of misrepresentation pursuant to 3.6.2 (b) above.

Applicants must sign a declaration on their honour certifying that they are not in one of the situations referred to in articles 106(1) and 107 to 109¹⁴, filling in the relevant form attached to the application form accompanying the call for proposals (see Section 8).

3.7 Administrative and financial penalties

Candidates who have made false declarations, have committed substantial errors, irregularities or fraud, may be subject to financial penalties representing 2% to 10% of the total estimated value of the contract being awarded. Contractors who have been found in serious breach of their contractual obligations may be subject to financial penalties representing 2% to 10% of the total value of the contract in question. The rate may be increased to 4% to 20% in the event of a repeat infringement within five years of the date on which the infringement is established as confirmed following an adversarial procedure with the contractor.

Without prejudice to the application of penalties laid down in the contract, candidates and contractors who have made false declarations, have made substantial errors or committed irregularities or fraud, or have been found in serious breach of their contractual obligations may also be excluded from all contracts and grants financed by the EU budget for a maximum of five years from the date on which the infringement is established as confirmed following and adversarial procedure with the contractor. That period may be extended to ten years in the event of a repeated offence within five years of the date referred to in the first subparagraph.

The Commission uses an internal information tool (Early Warning System, EWS) to flag identified risks related to beneficiaries of centrally managed contracts and grants with a view to protecting the EU's financial interests.

Furthermore, the Commission manages a Central Exclusion Database (CED) which registers all the entities that may be excluded from participation to any grant or procurement procedure allocating EU Funds, in accordance with the Financial Regulation applicable to the General Budget of the European Union. This Central Exclusion Database is accessible by all authorities entitled to allocate EU Funds.

Grant applicants and, if they are legal entities, persons who have powers of representation, decision-making or control over them, are informed that, should they be in one of the situations mentioned in:

- the Commission Decision of 16.12.2008 on the Early Warning System (EWS) for the use of authorising officers of the Commission and the executive agencies (OJ, L 344, 20.12.2008, p. 125), or
- the Commission Regulation of 17.12.2008 on the Central Exclusion Database – CED (OJ L 344, 20.12.2008, p. 12),

their personal details (name, given name if natural person, address, legal form, registration number and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered in the EWS only or both in the EWS and CED by the Accounting Officer of the Commission, and communicated to the persons and entities listed in the above-mentioned Decision and Regulation, in relation to the award or the execution of a procurement contract or a grant agreement or decision.

EWS and the CED are managed by the Accounting Officer of the Commission to whom legal entities may exercise their rights as laid down in the Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L8, 12.1.2001).

¹⁴ REGULATION (EU, EURATOM) No 966/2012 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL, published in the Official Journal on 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002. **Please note:** at the time of publication the financial regulation (published 25 October 2012) has yet to come into force, this is envisaged for 1 January 2013.

4 SELECTION CRITERIA

The applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out and to participate in its funding. The applicants must have the professional skills and qualifications required to complete the proposed action.

The selection criteria will be assessed by the Evaluation Committee. Failure to comply with these criteria will result in the proposal not being evaluated further. Applicants may be asked by the Executive Agency for Competitiveness and Innovation to provide additional proof or to clarify the supporting documents related to the selection criteria within a specific time limit.

4.1 Financial capacity of applicants

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out or the year for which the grant is awarded and to participate in its funding.

- The applicants' financial capacity will be assessed on the basis of the following supporting documents to be submitted with the application:
 - a declaration on their honour and;
 - the table provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.
- For grants for an action \geq EUR 750 000, in addition:
 - an audit report produced by an approved external auditor certifying the accounts for the last financial year available.
- In the event of an application grouping several applicants (consortium), the above thresholds apply by applicants.
- In the case of legal entities forming one applicant, as specified in section 3.1, the above requirements apply to those entities.

On the basis of the documents submitted, the EACI may:

- request further information;
- propose a grant agreement without pre-financing;
- propose a grant agreement with a pre-financing paid in instalments;
- propose a grant agreement with a pre-financing covered by a bank guarantee.

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the Member State of the European Union. When the beneficiary is established in a third country, the authorising officer responsible may agree that a bank or financial institution established in that third country may provide the guarantee if he considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

The guarantee may be replaced by a joint and several guarantee by a third party or by a joint guarantee of the beneficiaries of an action who are parties to the same grant agreement.

The guarantee shall be released as the pre-financing is gradually cleared against interim payments or payments of balances to the beneficiary, in accordance with the conditions laid down in the grant agreement.

4.2 Technical capacity of applicants

Applicants must have the technical capacity and operational capability to complete the action to be supported and should provide supporting documents. Guidance on the supporting documents required (e.g. CVs of those responsible for carrying out the action, description of projects and activities undertaken in the last three years, etc.) can be found in the Guide for Proposers.

5 AWARD CRITERIA

The Executive Agency for Competitiveness and Innovation will base its selection of actions solely on the basis of the proposals submitted. The actions will be evaluated against each award criterion which will carry equal weighting within the overall assessment. Within the general conclusions, the evaluation will provide a qualitative judgment on the overall value for money, comparing the outcomes based on the award criteria with the costs and efforts involved.

If a proposal is to be classified as worth funding, the grand total of the marks for all the award criteria should be at least 70% of the maximum total score. In addition, a mark of over 50% will be required for each criterion. Proposals that pass these thresholds will be considered for funding. A ranking will be established by the Evaluation Committee and approved by the authorising officer.

Funding decisions will be made on the basis of this ranking and within the limits of the available budget. Proposals with an identical score next to the cut-off limit of the available budget will be sub-ranked, taking into account the indicative distribution of the 2013 budget by field, as indicated in the Work Programme 2013. A limited number of proposals may be placed on a reserve list, following the sub-ranking.

The following five criteria apply to project proposals:

- 1. Relevance of the proposed action (score 0-10), including:**
 - (a) Extent to which the proposed action is consistent with the IEE II Call priorities;
 - (b) Extent to which the proposed action responds to important user needs and market barriers;
 - (c) Extent to which the proposed action complements other related activities.
- 2. Quality of implementation methodology (score 0-10), including:**
 - (a) Suitability of the proposed approach and extent to which the proposed action engages the target groups and stakeholders;
 - (b) Clarity of the work packages, project planning and suitability of performance monitoring;
 - (c) Quality of communication plan for the uptake of solution(s).
- 3. Ambition and credibility of the impacts of the proposed action (score 0-10), including:**
 - (a) Services / outputs produced by the action (deliverables, hours of training, etc.);
 - (b) Impact within and beyond the project lifetime assessed with specific, measurable, accepted, realistic and time-dependent (SMART) indicators;
 - (c) Sustainability of the solutions offered by the proposed action beyond the project lifetime.
- 4. EU added value (score 0-10), including:**
 - (a) Evidence that collaboration / team working across national borders will lead to greater benefits than separate actions at national / local level in the same countries;
 - (b) Appropriate geographical focus of the proposed action including learning and exchanges among stakeholders;
 - (c) Transferability of the solutions offered by the proposed action.

5. Resources allocated to the proposed action (score 0-10), including:

- (a) Management and composition of the team, balance of skills, experience, and responsibilities;
- (b) Appropriate levels of hours per partner and per work package;
- (c) Justification of costs (sub-contracts, travel costs, and other specific costs) and co-financing.

Specific provision for the Build Up Skills - Pillar II:

The following four award criteria will carry equal weighting within the overall assessment:

1. Relevance of the proposed action (score 0-10), including:

- (a) Extent to which the proposed action is consistent with the objectives of the BUILD UP Skills Initiative;
- (b) Extent to which the proposed action builds on existing national training frameworks and initiatives and on national roadmaps.

2. Capability of the proposed action to mobilise the relevant market actors (score 0-10), including:

- (a) Extent to which the proposed action effectively engages the relevant market actors in the elaboration, implementation and promotion of an effective qualification scheme;
- (b) Ambition and credibility of the impacts of the proposed action.

3. Quality of implementation methodology (score 0-10), including:

- (a) Suitability of the proposed approach to successfully establish a lasting qualification scheme;
- (b) Clarity of the work plan (description of work packages and tasks, allocation of responsibilities, time schedules).

4. Consortium composition and resources allocated to the proposed action (score 0-10), including:

- (a) Extent to which the consortium includes essential skills, such as life-long learning, technical as well as communicating expertise;
- (b) Appropriate levels of hours per partner and per work package; justification of costs, and transparency of co-financing.

Specific provisions for the Integrated Initiative: Mobilising Local Energy Investments - Project Development Assistance

The following four award criteria will carry equal weighting within the overall assessment:

1. Relevance and EU added value of the proposed action (score 0-10), including:

- (a) Extent to which the proposed action is consistent with the call priorities;
- (b) Extent to which the proposed action offers innovative solutions to important user needs and market barriers;
- (c) Replication potential of the solutions (concept) offered at national and European level.

2. Quality of implementation methodology (score 0-10), including:

- (a) Appropriate level of maturity of the starting point from technical and financial perspectives;

- (b) Credibility of the proposed approach to deliver the investment within the project lifetime, clarity of the investment project(s)/programme(s), the financing scheme, the procurement process, and the engagement of the relevant stakeholders;
 - (c) Suitability of the proposed work packages, project planning and performance monitoring.
- 3. Ambition and impact of the proposed action (score 0-10) assessed with SMART indicators, including:**
- (a) Ambition of the proposed action in terms of investment and leverage factor;
 - (b) Ambition of the impacts in terms of renewable energy production and energy savings;
 - (c) Impacts on the local capacity to launch further energy investments after the end of the proposed action.
- 4. Resources allocated to the proposed action (score 0-10), including:**
- (a) Composition and experience of the team, provision of the relevant skills, appropriate share of responsibilities between partners and subcontractors;
 - (b) Appropriate levels of hours per partner and per work package, justification of subcontracting, justification of costs and transparency of co-financing.

6 GENERAL CONDITIONS FOR AWARDING GRANTS

In the event of a grant awarded by the EACI, a grant agreement drawn up in euro and detailing the conditions and level of funding, will be sent to the beneficiary, as well as the procedure in view to formalise the obligations of the parties.

The general conditions for awarding grants, particularly the definition of the eligible costs and the methods of payment, are set out in the draft grant agreement, available on the website of the IEE II programme (see chapter 8). The budget for the action attached to the application must have revenue and expenditure in balance and show clearly the costs which are eligible for financing from the EU budget.

Depending on the size and other risk factors of the action, the Executive Agency for Competitiveness and Innovation might request a financial guarantee of the beneficiary for pre-financing.

7 SUBMISSION OF APPLICATIONS

Applications must be submitted using the **on-line submission system** and **application forms** indicated on the IEE II programme website (see chapter 8).

Applications which fail to comply with this formal requirement will not be evaluated further. In particular, proposals arriving at the EACI by any other means will be regarded as "not submitted" and will not be evaluated.

The closing date for submission to the main IEE Call is Wednesday 8 May 2013, 17:00 (Brussels local time).

Exception: closing date for submission to the Build Up Skills – Pillar II Initiative is 28 November 2013, 17:00 (Brussels local time)¹⁵.

¹⁵Important note: Build up Skills "Pillar II" proposals is also open with a deadline 30th April 2013 17:00 Brussels local time (reference: Call for Proposals 2012)

Applications submitted after the closing date and time will NOT be taken into consideration.

Applicants are strongly advised to start their submission process well in time and not to leave it to the last hour in order to avoid the risk of a failed submission.

Should changes occur regarding formal requirements for submission of applications, they will be highlighted on the website of the programme. Applicants are therefore advised to check this website prior to submitting their application.

All information relating to grants awarded in the course of a financial year shall be published on the IEE II website no later than the 30 June of the year following the financial year in which the grants were awarded.

8 ADDITIONAL INFORMATION

Applicants should consult the website of the programme at: <http://ec.europa.eu/intelligentenergy>.

The IEE II website contains all information and forms in relation to this call for proposals, such as the IEE II annual work programme 2013, guides for applicants, application forms, and information about projects supported by the programme. Furthermore the website informs about information days which will be held during the duration of the call for proposals.

Any questions regarding this call for proposals should be sent to the Executive Agency for Competitiveness and Innovation (stating, if applicable, the technical field, as indicated in chapter 10) using the online enquiry form available on:

http://ec.europa.eu/energy/intelligent/contact/questions/index_en.htm

Data Protection: The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, the questions and any personal data requested are required to evaluate the application in accordance with the specifications of the call for proposal will be processed solely for that purpose by the EACI.

Details concerning the processing of personal data are available on the privacy statement at: http://ec.europa.eu/energy/intelligent/privacy/index_en.htm

9 INDICATIVE TIMETABLE

Closing date for submission of Main IEE Call applications:	8 May 2013, 17:00 Brussels local time
Estimated date of completion of the evaluation:	Early November 2013
Estimated date for the notification of applicant:	From mid November 2013
Estimated date for launch of negotiations for recommended proposals:	From mid November 2013
Estimated date for signature of contracts	From February 2014 onwards

Closing date for submission of applications to the Build Up Skills Initiative – Pillar II:	28 November 2013, 17:00 Brussels local time
Estimated date of completion of the evaluation:	End of February 2014
Estimated date for the notification of applicants:	From early March 2014
Estimated date for signature of contracts	From May 2014 onwards

Important note: Build up Skills "Pillar II" is also open with a deadline of the Call for Proposals 2012: 30th April 2013 17:00 (Brussels local time)

10 PRIORITIES AND TYPES OF ACTION FOR 2013

The 2013 priorities are summarised below.

In order to assess the impact of each project, the following main indicators will be used:

- Cumulative investments made by European stakeholders in sustainable energy triggered by the project (measurement unit: EUR).
- Renewable energy production triggered by the project (measurement unit: toe/year).
- Energy savings triggered by the project (measurement unit: toe/year).
- Reductions of greenhouse gas emissions triggered by the project (measurement unit: tCO₂e/year).

10.1 SAVE: Energy efficiency (indicative budget: EUR 15.6 million)

Energy efficiency is a cornerstone of European energy policy. It is by far the most effective way to improve the security of energy supply, to reduce carbon emissions and to foster competitiveness.

Activities funded under SAVE aim to tap the large potential for energy savings by improving energy efficiency and the rational use of energy resources, in particular in buildings, products and industry. Activities to promote energy efficiency in transport are covered separately under STEER.

Activities under SAVE facilitate implementation of the EU legislation relating to energy efficiency, support preparation of new legislative measures and influence energy behaviour, so that society uses less energy while enjoying the same or an even better quality of life.

Latest policy developments such as the Energy Efficiency Plan 2011¹⁶ and the recent Energy Efficiency Directive¹⁷ formed the basis for the proposed priorities.

In 2013 SAVE will cover the following three Key Actions:

- **Consumers and products**
- **Businesses**
- **Energy efficiency Services and Obligations**

Note: Energy efficiency in buildings is addressed under the integrated initiatives (see Sections 10.4.1 and 10.4.2).

Actions under SAVE should be complementary to energy efficiency actions under the Framework Programme for Research and Innovation, which focus on the development of energy technologies and systems as well as on the development of information and communication technologies (ICT).

¹⁶ COM(2011)109 final

¹⁷ Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on Energy Efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC

10.1.1 SAVE – Consumers and products

Explanatory Note:

As re-stated in the conclusions of the 4th meeting of the European Citizens' Energy Forum (October 2011), consumers should be at the centre of EU energy policy. Consumers have been targeted by some IEE projects in the past but the recent evaluation of the IEE II programme recommended intensifying efforts towards this group. The priorities under SAVE (demand side) complement that under ALTENER (supply side, see priority on Renewable Energy Consumers). The focus is on the last step of the 'Awareness, Interest, Desire, Action' (AIDA) framework, i.e. on concrete action as opposed to awareness, the latter having improved considerably in the last decade.

The first priority here is on the energy used by consumers at home which represents 28% of EU final energy consumption and is often unknown by the occupants themselves (e.g. less than half of them know how much electricity they use and pay for). This is in line with the European Consumer Agenda¹⁸ adopted on 22 May 2012 in which the Commission announced its intention to improve the information available to consumers on how to better manage their domestic energy consumption and encourage them to use technology, both existing and emerging, to their benefit. The emphasis is on the use of smart meters and/or the choice and use of household equipment which represent the largest savings potential. Actions may rely on organisations having an influence on households such as manufacturers, retailers and consumer organisations. The needs of vulnerable consumers should be taken into account as far as possible.

The second priority is linked to the former and focuses on the monitoring of compliance of products with the ecodesign, energy and tyre labelling requirements. Such monitoring is essential to ensure that these policies achieve their full energy savings potential. Market surveillance of products falls under the responsibility of Member States. Preliminary data collection on market surveillance activities of Member States shows that activities are diverse and that they may not be sufficient to achieve the full energy savings potential expected from legislation. There is a need for a joint action to strengthen market surveillance. This action is addressed to national authorities or bodies appointed by them. As monitoring has already started, the national actors involved in monitoring of the directives are identified. Only these national actors will be targeted.

Finally, on the eve of the next programming period, there will be a call for strategic initiatives giving prospective information in the sector of home energy-related products (e.g. market and consumption trends, new products and needs, energy efficiency vs. energy sufficiency).

Consumers and products – Priorities for 2013

- Actions guiding consumers to save energy at home by changing their behaviour, reaping the benefits of smart meters, and/or purchasing and using efficient energy-related products. The emphasis should be on practices and products representing a large savings potential, e.g. those related to space/water heating and cooling which account for about 80% of households' energy consumption or those related to electronic equipment which represent a growing share of domestic electricity use. Priority will be given to projects engaging consumers, using market segmentation and focusing on the last step of the Awareness – Interest – Desire – Action framework. Mere awareness raising activities will not be supported. Projects should support EU policies on products, result in tangible actions from households, and generate estimable impacts in terms of savings. Projects should take into account, when appropriate, the needs of vulnerable consumers. They may involve intermediaries such as manufacturers, retailers and consumer organisations but should remain free of commercial interest.
- Joint action supporting the market surveillance of Directive 2009/125/EC on Ecodesign requirements for energy-related products, Directive 2010/30/EU on labelling and product information

¹⁸ COM(2012)225 final

for energy-related products and Regulation (EC) No. 1222/2009 on Labelling of tyres. The joint action will cover the following aspects of administrative cross border cooperation activities related to surveillance and enforcement of European Union ecodesign and labelling requirements for energy-related products and tyres:

- Product testing;
- Market surveillance operations;
- Exchange of expertise and development and exchange of best practices related to product testing and market surveillance.

In particular, the joint action will cover the execution of joint or coordinated activities, the exchange of information, development of common methods, protocols and checklists, and database development work.

The joint action is only opened to those bodies mandated by their government for market surveillance activities related to the above mentioned Directives.

- Strategic initiatives feeding in to the debate on the efficiency of energy-related products by 2020 and beyond (in particular products with labels providing the public with new types of information), monitoring and forecasting market/needs developments, identifying innovations and their energy impact, while complementing the eco-design studies.

10.1.2 SAVE – Businesses

Explanatory note:

In an age of high and volatile energy costs, realising the energy savings potential in businesses is an effective way to increase their competitiveness and to reconcile economic growth and environmental protection.

The priority focuses on small and medium-sized enterprises (SMEs) in all sectors of the economy, including industry, retail and services. SMEs are the backbone of the European economy. Amounting to nearly 21 million in the EU, they provide around 90 million jobs. A recent Eurobarometer survey¹⁹ showed that, in comparison with large companies, SMEs are considerably less likely to save energy (64% vs. 82%) and to have an environmental management system in place (25% vs. 48%). About half of the SMEs mention financial incentives (e.g. tax rebates, grants and loans) as the most effective policy measure to promote energy efficiency, while around a quarter of them name the 'simplification of administrative procedures for obtaining permission to construct cogeneration capacity' and 'increasing information on energy service contracts and options to save energy'. Other measures called for by SMEs include 'advice about the use of an energy management system' (15%); 'affordable energy audits' (12%) and 'benchmarking tools' (12%).

Priority will be given to actions responding to these needs and relying on large multipliers (e.g. networks, professional associations, trade unions). They may also take a wide approach by looking at the efficiency of SMEs in the context of the whole production and supply chain.

Businesses — Proposed Priorities 2013:

Actions for increasing the energy efficiency of businesses, in particular small and medium size enterprises, relying preferably on large multipliers (e.g. networks, professional associations, trade unions).

Projects should ensure a strong commitment of business leaders and achieve a critical mass. The

¹⁹ Flash Eurobarometer 342 survey 'SMEs towards resource efficiency & green markets' (March 2012)

expected energy savings should be quantified and significant. Every Euro of EU spending is expected to lead to energy savings of several hundreds of kWh per year.

10.1.3 SAVE – Energy efficiency services and obligations

Explanatory note:

The new Energy Efficiency Directive contains provisions to boost the energy services market. Energy service in the meaning of the Directive is the physical benefit, utility or good derived from a combination of energy with energy efficient technology or with action, which may include the operations, maintenance and control necessary to deliver the service, which is delivered on the basis of a contract and in normal circumstances has proven to result in verifiable and measurable or estimable energy efficiency improvement or primary energy savings.

The first funding priority here concerns cases where the contractual arrangement between the beneficiary and the service provider foresees that the payment for the investment made by the provider is in relation to a contractually agreed level of energy efficiency improvement or other agreed energy performance criterion, such as financial savings. This is referred to as Energy Performance Contracting (EPC) and is an important tool in the refurbishment of buildings and in the energy efficiency upgrading of public infrastructures. The market for EPC in Europe is not developed to its full potential and there is a need to remove the barriers that are hindering its development such as the lack of transparency, the lack of trust towards the supply side including the lack of model documents and efficient procurement procedures, the lack of market and project facilitators, the difficulty to access financing or the inadequacy of some legal provisions and administrative practices in the public sector.

If energy performance contracts are to be used more widely for reaching the EU 20% energy efficiency objective, a major development of the supply and demand side must occur during the next coming years. As a result, actions launched in 2013 should strengthen the activities already funded under the Call 2012 and further support and facilitate this market transition. More specifically, this year's priorities will aim at increasing transparency and trust in the EPC market as this remains necessary, at promoting market access for small and medium sized enterprises, at supporting actions replicating innovative measures that have only been piloted in a few countries so far, or at addressing specific issues that have been flagged by market actors.

The second and third funding priorities are mainly addressing the energy supply industry. About 30% of the EU's primary energy consumption is consumed by the energy sector, mainly for transforming energy into electricity and heat and for distributing it. As the European Commission's Energy Efficiency Plan 2011 pointed out, important savings can be achieved by this sector, not only by having it increase its own energy performance (e.g. effective recovery of heat losses), but also by having it manage its customers' energy use (e.g. demand-side management measures, obligation schemes). A particular focus is given on energy efficiency obligations as this is a key aspect of the new Energy Efficiency Directive (Article 7).

Finally, for the longer term, a last funding priority calls for wider and more forward-looking activities investigating solutions to further promote the uptake of energy efficiency services and other solutions across several sectors of the economy.

Energy efficiency services and obligations — Proposed Priorities 2013:

- Actions for the uptake of guaranteed energy services in the form of energy performance contracts (EPC), e.g. :
 - Actions increasing transparency and trust in the EPC market throughout e.g. capacity building, model documents or market facilitators.
 - Actions optimising and promoting the development of facilitation structures that ease the procurement of EPC, e.g. replication of the Re:Fit UK model.
 - Actions promoting the participation of SMEs in the energy services market; e.g. by having

clusters of SMEs combine their skills and offer EPC contracts to e.g. municipalities.

- Actions supporting the development of insurance schemes for guaranteed energy performance.
- Actions enabling Member States to share information and experience on the development and implementation of energy efficiency obligation schemes or alternative policy measures in the meaning of the new Energy Efficiency Directive.
- Actions for the analysis and/or replication of other energy-efficiency measures by actors of the energy supply chain, e.g. demand-side management measures, customer-driven smart meter roll-out, waste heat recovery, etc. Projects should preferably involve consumer representatives and/or public authorities in addition to energy companies.
- Strategic initiatives informing the debate on the development of energy services and other energy efficiency solutions, taking a forward looking approach to the horizon 2020 and beyond. Projects should cover several sectors and may offer a platform for the consultation of the most relevant stakeholders. They will be expected to feed the development of energy efficiency strategies, policies and programmes, at all levels of governance, by addressing issues such as: policy scenarios; gap analysis; surveys; energy use trends; monitoring, reporting and/or benchmarking of energy efficiency progress and policies; expert recommendations; contribution of smart meters and other innovations; etc.

10.2 ALTENER: New and renewable energy resources (indicative budget: EUR 12.6 million)

Renewable energy sources (RES) can provide a wide range of sustainable energy services, they can be produced locally within the EU, delivering secure supplies of electricity, heating and cooling and energy for transport without additional greenhouse gas emissions or negative effects on climate change. RES are becoming more competitive. Policies supporting use of RES are making manufacture and supply of RE technologies and production of bioenergy sources (solid, gaseous and liquid) more attractive as business opportunities.

The RES Directive (2009) sets an overall binding target of a 20 % share of renewable energy sources in energy consumption by 2020 with binding national targets in line with the overall EU target of 20 % and a 10 % binding minimum target for renewable fuels in transport to be achieved by each Member State. Details of how these targets will be achieved in each Member State are given in National Renewable Energy Action Plans (NREAPs).

The RES Directive makes recommendations for specific actions to be taken by the public and private sectors across the EU and puts in place a number of legal obligations, which require the Member States to implement policies and support measures aiming to increase use of renewable energy sources at national, regional and local levels.

Grid infrastructure development will be a key factor for further deployment of renewable energy plants in Europe, both small and large-scale, onshore and offshore. Apart from a strong increase in small decentralised production, large-scale projects making use of renewable resources — wind energy mainly in the northern seas, solar mainly in the south, hydro mainly in the centre and the north — will be needed. The Commission Communication on the new energy infrastructure priorities for 2020 and beyond addresses the needs for future grid development options, and identifies many of the necessary actions.

ALTENER focuses on non-technological actions contributing to the implementation of the RES Directive and on accelerating the growth of renewable energy markets to meet the EU 2020 target.

ALTENER projects may include one or more of the following Key Actions:

- **Electricity from renewable energy sources (RES-e)**
- **Heating and cooling from renewable energy sources**

- **Bioenergy**
- **Renewable Energy Consumers**

Actions under ALTENER should be complementary to renewable energy - related actions under the Framework Programme for Research and Innovation.

Note: Energy efficiency in buildings is also addressed under the integrated initiatives (see Sections 10.4.1 and 10.4.2).

10.2.1 ALTENER – Electricity from renewable energy sources (RES-e)

Explanatory note:

The past years have seen significant acceleration in the establishment and implementation of a comprehensive EU energy policy, with a special focus on increasing the contribution of the electricity produced from renewable energy sources (RES), which will have an important role to play in securing diversified energy supplies and in combating climate change, and increasing the competitiveness of the EU.

The legal framework established by the Renewable Energy Directive (2009/28/EC) set out for the first time binding targets for all Member States in order to achieve the overall 20% renewable energy target for the EU by 2020. The EU legislation for renewable energy also addresses the issues of administrative hindrances to the development of renewables and their integration into the grids. The Communication on Energy infrastructure (COM/2010/677) highlighted that urgent action is necessary to prepare the grid for the integration of significant volumes of electricity produced from renewable sources, facilitating grid balancing, flexibility and distributed generation.

At the same time, the decisions being taken today are already shaping the energy system of 2050. The 'Energy Roadmap 2050' shows that in all scenarios electricity will have to play a much greater role than now. The share of RES in electricity consumption reaches 64 % in a high energy efficiency scenario and 97% in a high renewables scenario that includes significant electricity storage to accommodate varying RES supply even at times of low demand.

To achieve such ambitious European contributions from RES-E, there are several key challenges which need to be further addressed. First, the grid development is a key factor for any further deployment of renewable energy production, both large and small scale. One of the greatest challenges regarding the grid infrastructure is to connect the offshore potentials, mainly wind, foreseen in the Northern Seas of Europe, through developing the electricity network both off- and onshore. At the same time, multiple, flexible, smaller scale distributed forms of electricity generation need different grid and market design rules. Then, the approval and licensing procedures, which often lead to long delays before access is given to the grid, must be made more efficient in order to meet the requirements of both the RES Directive and of the related environmental legislation. A common approach across the EU specifically for off-shore spatial planning could help to reduce such delays. Furthermore, experience shows that acceptance by the local communities, in particular through an early involvement of the stakeholders in the decision process, plays a crucial role in the authorisation of new RES-E projects.

Given the complexity of the challenges outlined above, and the need for reliable data and analyses, which can be used by the responsible decision makers, further strategic actions are needed to support the European electricity market, and to facilitate the implementation of policy initiatives and legislation across the renewable energy sectors. Strategic activities are also needed to feed the debate on the post 2020 horizon.

Taking into account all these aspects, the 2013 priorities under RES-E will be focussed on grid issues (non-technological actions enabling the integration of renewable electricity into the grid), streamlining the administrative procedures, enhancing the public acceptance, and on strategic actions supporting the implementation of 2020 objectives and their follow up in the future towards 2030 and 2050. For all RES-E actions, it is expected that consortia will actively involve and/or engage the relevant market actors in the field, which are committed to adopting/implementing the results of the project.

Electricity from renewable energy sources (RES-E) — Proposed Priorities 2013:

- Grid issues:
 - Actions facilitating dialogues and exchanges of best practice on transmission and intermediate voltage grids and electricity market-related measures which aim to enhance flexibility and deliver large-scale integration of electricity produced from renewable energy sources across the EU.
 - Actions addressing market barriers and promoting best practices for increasing the deployment of small scale of renewable electricity generation connected to distribution grids (including smart solutions, demand response and electricity storage (volume and time)), taking into account the most economic and environmental solutions.
- Actions to speed up and streamline permitting procedures, making planning regimes and authorisation more transparent and faster while respecting existing environmental legislation. Consortia should engage proactively with the relevant authorities and stakeholders from an early stage of the process.
- Actions to enhance public acceptance both for the RES-E generators and the necessary grid extension, by applying innovative mechanisms and schemes for public involvement, cooperation and compensation, based on concrete examples with significant replication potential, which can later be used as case studies and as a basis for promoting best practices.
- Strategic initiatives: contributing to the implementation of policy, legislation and regulation across the renewable energy sectors as well as informing the debate on the post 2020 horizon (e.g. dialogues for adapting support schemes and setting up adequate solutions for aggregation and market integration of RES electricity, deployment or RES electricity in a cross-border and transnational context, options for cost-optimization of the overall system and effective regulations and payment regimes for small scale distributed generation with renewable energy, etc).

Note: For all the actions, the consortia should involve and/or engage the relevant market actors in the field committed to adopting/implementing the results.

10.2.2 ALTENER – Heating and cooling from renewable energy sources

Explanatory note:

Renewable heating and cooling is expected to contribute almost half of the 2020 renewable energy target according to the National Renewable Energy Action Plans, an increase of around 65% in RES H/C production compared to 2010. However the uptake of RES H/C to date has been slow.

Due to the local nature of heating and cooling and the large variety of actors in the decision making process, optimised governance structures from national towards regional and local policies and schemes are fundamental to encourage and promote the adoption of RES H/C. Action should contribute to bridging the gap between EU policy and effective decision making at the regional and local levels.

Article 22 (1) of the RES directive requires MS to indicate geographical locations suitable for exploitation of energy from renewable sources in land-use planning and for the establishment of district heating and cooling. In addition, Article 10 of the recently adopted Energy Efficiency Directive calls on Member States to carry out assessments of their national heating and cooling potentials including estimations of heating and cooling demand and of the potential for combined heat and power and district heating and cooling. Strategic actions this year should support the development of national heating and cooling plans that include proposals for a high penetration of RES H/C by 2020 aiming towards a full decarbonisation by 2050. Plans should be in line with the requirements of the EED and will be expected to provide robust data on demand and supply sources and to identify areas of priority for intervention. Actions proposed should provide exchange of best practice for developing/consolidating local and regional plans in view of helping Member States to prepare their national plans. Plans which are driven by the demand for heating

and cooling should be developed. These should optimise the utilisation of locally available residual and waste sources of heat, cooling and RES through the use of district heating & cooling networks in areas of sufficient heat and cooling demand. Means of monitoring the proposed plans should be incorporated.

Support schemes are expected to accelerate the growth of RES H/C markets, as they have done for RES electricity. They should encourage investments in RES H/C in general and also in district heating infrastructure. The unregulated nature of the heat market across the majority of MS and the location-specific nature of heat management should be addressed in strategic actions which lead to the development and deployment of incentives and support schemes for RES H/C.

In contrast to electricity, the heat market across the majority of the MS is underdeveloped, and end consumers have little trust in heat as a commodity. Bearing this in mind, this key action will support successful organisational, managerial and financial approaches that aim to facilitate the large scale adoption of RES H/C. Article 13(3) of the RES Directive requires MS to encourage the use of renewable energy sources in district heating and cooling systems. Therefore, activities aiming to facilitate the initiation of new district heating networks using RES in combination with the energy efficient refurbishment of existing buildings and activities aiming to enable the modernisation and retrofitting of RES in old existing district heating networks, including the adoption of sound end use management practices, will be welcomed.

Article 13(4) of the RES Directive requires MS to introduce RES H/C in their building regulations and codes. This key action will support regional and local authorities with advanced renewable energy plans that seek to introduce regulations in support of the integration of RES H/C.

This key action will also support proposals that aim to facilitate implementation of EU policy by promoting the labelling of heating and cooling products that use RES.

RES Heating and Cooling - Priorities for 2013

- Housing associations and owners of large building stocks adopting approaches which enable the large scale uptake of RES heating and cooling systems, together with the energy efficient retrofitting of existing buildings. This could include the initiation of new district heating and cooling networks using RES, and the modernisation and retrofitting of RES in existing networks combined with sound end use management practices. The opportunities provided by Energy Performance Certificates should be taken into account.
- Regional and local authorities aiming to optimise the integration of RES H/C through the introduction of incentives and codes and/or obligations affecting the spatial planning of residential, commercial and industrial areas. Actions should deliver effective and innovative guidance / coaching / handholding support for planning officers in regional and local authorities. The relevant public authorities should endorse the measures proposed, and implement them during the course of the action.
- Actions supporting the implementation of EU labelling of RES H/C products. These actions should address those responsible for issuing and administering the labelling scheme as well as the end consumers.
- Strategic actions
 - Cross border collaborations on the development of national heating and cooling plans which will lead to the decarbonisation of MS heat supplies by 2050. Plans should include robust data on demands and supplies, identify areas of priority for intervention, and establish monitoring mechanisms. National plans should take into account local and regional plans, such as SEAPs, and or similar energy and climate plans. Actions may include the exchange of best practices. Proposals should be supported by the relevant public authorities and address the endorsement of national heating and cooling plans at national, regional and local levels.
 - Initiatives aiming to analyse, monitor and streamline existing national support and incentive schemes and to develop new schemes for RES heating and cooling systems.

10.2.3 ALTENER – Bioenergy

Explanatory note:

The Bioenergy Key Action provides a framework for proposals addressing this prominent and complex sector. Following the approach of previous Calls, it focuses on the most sustainable feedstocks, defined broadly, and on minimising the environmental impacts of bioenergy production while maximising efficiency of use.

Strategic initiatives should focus on further supporting the development of renewable energy strategies beyond 2020, taking into consideration the evolutions of and interactions between the different involved sectors (agriculture, forestry, food, energy, buildings, industry, road transport, maritime transport, aviation, etc.). They should help ensuring that the most efficient use is made of the available bio-resources at EU and global level, and that the most efficient conversion technologies are used for energy production. They could also address sustainability issues in relation to the post-2020 period; these could be both issues already covered by Directive 2009/28/EC and other issues such as e.g. air, water and soil requirements.

The Key Action will also support actions to further expand sustainable supply and to trigger increases in demand for solid biomass (for heating and CHP), and biogas/biomethane (for CHP, transport and grid injection). Each action should focus on one type of bioenergy only (solid or gas, depending on the proposed activity) with the active involvement of relevant stakeholders (e.g. farmers' and foresters' associations, local authorities, waste management companies, food and beverage industry associations). These actions should be innovative in nature and designed to achieve impacts which will be visible at EU level. They should always address the relevant supply and value chains, integrating also the demand side when appropriate; they should not address the demand side only²⁰.

In line with the approach of Directive 2009/28/EC and in consideration of the need to minimise land use change impacts, only the most sustainable local supply chains for solid and gaseous bio-resources will be supported. For solid biomass, care should be taken in ensuring that synergies with other agricultural and forest uses are exploited and encouraged. For biogas, the focus will be on production from waste and agricultural residues. In both cases, the most efficient conversion technologies should be promoted ensuring at the same time that synergies with alternative biomass use are maximised. Exclusive electricity production will not be supported.

Actions promoting local supplies of liquid biofuels are not a priority. Instead, the focus in relation to liquid biofuels this year is on the strategic initiatives, which are outlined above, addressing liquid biofuels used in different sectors of transport together with the other bioenergy sectors.

Bioenergy – Priorities 2013

- **Strategic actions:** Supporting the development of strategies in the bioenergy field beyond 2020, taking into account the interactions between the different supply chains and markets, including food, feed, industrial and energy production. These actions should focus on the most sustainable and efficient use of available bioenergy resources and the most efficient conversion technologies. Sustainability issues could be addressed in these proposals, including those environmental impacts beyond the RES Directive (e.g. air, water and soil requirements).
- Actions triggering and accompanying the concrete implementation of local supply chains of the most sustainable solid bioenergy resources. These should exploit synergies with other agricultural and forest land uses and with other uses of the available bio-resources (e.g. food, feed, fibre and other bio-based products). The most efficient energy conversion processes (heat, CHP) should be promoted; exclusive electricity production will not be supported. Forestry and agricultural practices that encourage sustainable mobilisation of biomass while also contributing to other goals

²⁰ Actions aimed exclusively at promoting renewable heating, electricity or transport without a specific focus on the bio-energy supply side should be submitted under the respective key actions

(e.g. thinning or pruning that can help to reduce the risk of forest fires) could be explored and promoted.

- Actions to increase sustainable biogas and bio methane production from agricultural residues and waste (in particular from the food and beverage industry, sewage, wastewater and municipal waste) and their use for CHP, grid injection and/or as transport fuel ensuring at the same time that synergies with alternative material uses are maximised.

10.2.4 ALTENER – Renewable Energy Consumers

Explanatory note:

IEE has shaped a number of successful initiatives for increasing the knowledge of consumers, which is needed to build consumer confidence in and to stimulate the growth of EU markets for high quality renewable energy products and services. Although general awareness of the existence of renewable energies has improved considerably in the last years, there is still a long way to go to achieve the EU's 2020 targets for renewable energy. This was confirmed by the evaluation of the IEE II programme²¹ finalised during 2011 which concluded that market barriers have shifted from a lack of awareness of solutions to a lack of understanding of how to realise such solutions in practice.

In line with the above findings, the aim is to support activities which will help consumers to take informed decisions when contributing to an investment in renewable energy products and services. The needs of vulnerable consumers should be taken into account as far as possible.

This key action will push forward recent trends in consumer / citizen focused initiatives which help consumers and "consumer-producers" to make cost-effective renewable energy decisions and visible commitments. This Key Action also calls for innovative communication approaches (using either replications of successful initiatives or pilot initiatives) to raise the level of consumer knowledge so that they can make more informed decisions. Market segmentation and the tailoring of activities to specific segments of consumer groups are deemed essential. Projects must be action focused – pure awareness raising will not be funded.

Renewable Energy Consumers – Priorities for 2013

- Actions that apply innovative and high impact initiatives involving consumers/citizens participation in community renewable energy projects (such as RES consumer cooperatives, community-owned projects, shared ownership schemes, specific financial/bank products for citizens-owned RES projects etc.). Consortia should include project developers working with public authorities, citizens groups, consumer organisations etc., which are committed to adopting/implementing the results of the work.
- Innovative and targeted international communication activities aiming to help specific consumer groups to understand how to implement renewable energy solutions in practice and to thereby encourage spending on local renewable energy services. Projects must address specific target groups of the small scale renewable energy market, using rigorous market segmentation. Actions must be impact focused, raising the capacity of consumers to take informed investment decisions. Pure awareness raising activities will not be supported. Consortia must be led by multipliers such as consumers associations having direct access to consumer groups and include/involve/engage the relevant market actors.

²¹ http://ec.europa.eu/cip/files/docs/2011_iee2_programme_en.pdf

10.3 STEER: Energy in transport (indicative budget: EUR 9.6 million)

Transport is the fastest growing sector in terms of energy use. It is therefore essential to tap the potential for energy-efficiency gains in this sector. Transport plays a central role in the European economy and accounts for almost 20% of total gross energy consumption in Europe. 98% of the energy consumed in this sector is fossil fuel. Investments in the economically recovering new Member States in particular offer significant opportunities to promote a shift towards low-carbon transport and a new, more sustainable mobility culture.

STEER supports projects which promote, build on and/or implement the existing EU policy and legislative frameworks for energy efficiency and renewable or alternative fuels in transport. The European Commission's recent White Paper 'Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system'²² sets out its vision of a future transport system, which reaches the 60% GHG emission reduction target and facilitates clean urban transport and commuting.

STEER takes into account the recommendations made in the Transport White Paper, in the EU Energy Efficiency Plan, in the Green Paper 'Towards a new culture for urban mobility', in the Action Plan on Urban Mobility²³, in the Freight Transport Logistics Action Plan²⁴, and in the Strategy on Clean and Energy-Efficient Vehicles²⁵.

In addition, STEER considers relevant legislation such as the Directive on the promotion of clean and energy-efficient road transport vehicles and the regulatory framework setting emission performance standards for new passenger cars²⁶ and new light commercial vehicles²⁷. Projects should build on tried-and-tested strategies and technologies and aim to achieve energy savings by removing the non-technological market barriers to wider application thereof.

Priority will be given to projects which go beyond raising the awareness of individual citizens, households and decision-makers and actually achieve measurable changes in behaviour. Projects should deliver and apply existing knowledge in a convincing and motivating way to the relevant target groups. They must contribute to wider dissemination and use of proven, transferable strategies and technologies.

Transport of goods and people are both addressed. However, action aiming specifically to shift freight from road to short-sea shipping, rail and inland waterways, which can be supported by the Marco Polo II Programme²⁸, will not be funded. Furthermore, actions under STEER should be complementary to transport related actions under the Framework Programme for Research and Innovation.

In 2013 STEER will cover the two following Key Actions:

- **Energy-efficient transport**
- **Clean and energy-efficient vehicles**

Note: The Key Action on Capacity-building and learning on energy aspects of transport is closed.

²² COM(2011) 144.

²³ COM(2009) 490.

²⁴ COM(2007) 607.

²⁵ COM(2010) 186.

²⁶ Regulation (EC) 443/2009.

²⁷ Regulation (EU) No 510/2011.

²⁸ Regulation (EC) No 1692/2006 of the European Parliament and of the Council of 24 October 2006 establishing the second Marco Polo programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system (Marco Polo II) and repealing Regulation (EC) No 1382/2003.

10.3.1 STEER – Energy-efficient transport

Explanatory note:

Integrated solutions are needed to curb current trends in the transport sector. In line with the Transport White Paper and the first priority of the Action Plan on Urban Mobility, this Key Action will support local authorities in developing Sustainable Urban Mobility Plans covering freight and passenger transport in urban and peri-urban areas, placing particular emphasis to the reduction of transport energy use.

Approaches to changing the behaviour of specific target groups have been applied successfully in transport. Behaviour change approaches were developed in response to situations where people have not changed their behaviour despite the fact that appropriate infrastructure and/or services were provided which would allow them to adjust old patterns of behaviour. This key action will support actions that apply such proven approaches to change the behaviour of specific target groups.

More actions are needed to help achieve the Transport White Paper objective²⁹ of achieving near-‘zero-emission urban logistics’ in major urban centres by 2030. This will require innovative solutions on all aspects of urban logistics (e.g. consolidation centres, size of vehicles in old centres, regulatory limitations, delivery windows, exploiting unused potential of transport by river).^{30,31}

Given the often long lead-times for the delivery of transport solutions, actors will have to plan well in advance to ensure climate and energy-related goals for the year 2030 as presented in Transport White Paper. This key action will provide strategic inputs to help policy-makers at all governance levels take informed decisions for the achievements of the long-term goals.

Energy Efficient Transport — Priorities 2013:

- Actions that significantly increase the number of cities and regions preparing Sustainable Urban Mobility Plans by establishing subject-related networks, facilitating mutual learning, sharing of experiences and best practice, providing technical advice and/or offering training. The actions should build on the European Commission's draft 'Guidelines on Developing and Implementing Sustainable Urban Mobility Plans'. [Note: No EU funding will be available to implement these plans.]
- Actions that apply proven behavioural change approaches to support the transition from a primarily car based personal mobility in cities to a mobility based on walking, cycling, public transport and/or new forms of car use and ownership. Applicants should include in their proposal evidence of the effectiveness of their chosen approach, with quantification of the expected impacts.
- Actions that help move towards near zero emissions logistics in urban centres. These may cover activities such as: supporting mutual learning, shifting freight journeys to more energy efficient modes, adopting strategies to enhance the efficiency of urban logistics and/or of the distribution infrastructure, introducing innovative vehicles and transport modes including the application of Intelligent Transport Systems (ITS), re-organising freight traffic.
- Strategic initiatives informing the debate on how to achieve the climate and energy-related goals of the 2011 White Paper on Transport, namely to halve the use of ‘conventionally-fuelled’ cars in urban transport and achieve essentially CO₂-free city logistics in major urban centres by 2030. Actions may include: analysis of the roles and responsibilities of the involved actors; monitoring the uptake of urban mobility related technologies, policies and/or plans; identification of the necessary priorities for action; assessment of the effectiveness of local measures; etc.

²⁹ COM(2011) 144 final, p.9.

³⁰ SEC(2011) 391 final, p. 94.

³¹ Excluding actions that can be supported under the EU Marco Polo programme.

10.3.2 STEER – Clean and energy-efficient vehicles

Explanatory note:

The Transport White Paper seeks to significantly reduce transport CO₂ emissions with the long term objective of halving the use of conventionally fuelled vehicles³² in urban transport by 2030 and phasing them out in cities by 2050, and of achieving essentially CO₂ free city logistics in major urban centres by 2030. The White Paper also announces a sustainable alternative fuels strategy with the objective to substitute oil as energy source for transport in the long term. To achieve these goals, strategies and actions that facilitate this transition will need to be developed and implemented.

Clean and energy-efficient vehicles — Priorities 2013:

Actions that support policies and initiatives to increase the number of non-conventionally fuelled (including electric) passengers and/or goods vehicles in urban areas. The actions should engage in particular market players that operate large fleets of vehicles in urban areas and may foresee capacity building activities.

10.4 Integrated Initiatives (indicative budget: EUR 27.2 million)

Action combining several of the specific fields (SAVE, ALTENER and STEER) or relating to certain EU priorities may include:

- (a) Integrating energy efficiency and renewable energy sources in several sectors of the economy;
- (b) Combining various instruments, tools and actors within the same action or project.

For the work programme 2013, the following four integrated initiatives are proposed:

- **Energy efficiency and renewable energy use in buildings**
- **BUILD UP Skills, the Sustainable Building Workforce Initiative - Training and Qualification in the field of energy efficiency and renewable energy (Pillar II)**
- **Local energy leadership**
- **Mobilising Local Energy Investments**

10.4.1 Energy efficiency and renewable energy use in buildings

Explanatory note:

Due to EU legislation a major transformation must occur in the building sector during the next few years, in which the role of the public sector is reinforced by even earlier deadlines. In particular, there is a need to support the refurbishment of the existing stock, either through step-by-step renovation or major renovations. Actions launched in 2013 should support and facilitate this transition.

Training activities have a major role to play in the next few years. Amongst those working in the construction industry, there is a need to support those professionals who have already spent several years working in the sector. Continuous development programmes and top up training need to be in place to allow intermediate and senior professionals to keep up to date with the market progression. This is not only an issue at technical level, but also at management level, providing assistance to the decision making process. Recognition and accreditation of the training will be key aspects for the success of such projects. The collaboration and sponsorship by professional bodies would provide the necessary legitimacy.

³² The term 'conventionally fuelled' refers to vehicles using non-hybrid, internal combustion engines (ICE)

Furthermore the period 2013-2015 is important for monitoring the market transformation towards Nearly Zero-Energy Buildings (NZEB). Such an evaluation process should consider the role of each of the parties, how have they been adapting to the new conditions and how the market itself is developing. The effects on the property market, in terms of added value to the property, are equally important. These evaluations should help to adequately plan the strategy for the period 2015-2020, identifying which elements of the sector require support and proposing specific solutions.

Energy efficiency & renewable energy use in buildings — Priorities 2013:

- **Energy Performance Certification as a driver for step-by-step renovation:** capturing the market. Actions bringing about increased uptake of the recommendations for energy efficiency and renewable energies of energy performance certificates. The actions should result in increased demand on the market for step-by-step renovation.
- **Transforming the existing building stock:** actions which result in accelerated rates of refurbishment of existing buildings towards Nearly Zero-Energy Buildings. This could include actions assisting public or private sectors, bringing together industry elements to provide packaged solutions, promoting frontrunners, financing mechanisms, etc.
- **Continuous professional development:** actions supporting the construction and renovation of NZEB by initiating a wide-scale roll out of accessible and recognised continuous professional development courses for professionals in the design and management of constructions. This could include professionals such as architects, engineers, specialists, developers, procurers, municipality employees, etc, who occupy positions directly involved in the decision making process and are not covered by the BUILD UP Skills Initiative.
- **Tracking market transition:** actions monitoring energy performance certificates and their quality and actions monitoring the market transition towards NZEB and integration of energy efficiency and renewable energies. The latter should evaluate the entire value chain, develop dialogue between the actors and address those actors not yet fully engaged/integrated in the new business as usual (e.g. real estate). This type of actions should provide clear feedback on how to accelerate the market uptake of NZEB. Proposals responding to this priority could include actions related to market monitoring on new/renovated NZEB, market trends, added value in property, public acceptance, etc.

10.4.2 BUILD UP Skills, the Sustainable Building Workforce Initiative- Training and Qualification in the field of energy efficiency and renewable energy – Pillar II

Explanatory note:

The large contribution expected from the building sector to the 2020 objectives is a major challenge to the construction sector and to industry as a whole, which needs to be ready to deliver renovations offering a high energy performance as well as new (nearly zero-energy) buildings. This calls for a major effort to increase the number of qualified workers on the market along with measures that facilitate decision-making for building-owners. The substantial need for training and certification is also acknowledged by the RES Directive³³, Article 14(3) which places an obligation on the Member States to make provision for training and certification of installers.

With BUILD UP Skills, IEE aims to unite forces to increase the number of qualified workers in the building workforce in Europe. BUILD UP Skills will contribute to the objectives of the two flagship initiatives of the Commission's 'Europe 2020' strategy³⁴ — 'Resource-efficient Europe' and 'An Agenda

³³ Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC.

³⁴ COM(2010) 2020 of 3.3.2010: 'Europe 2020 — A strategy for smart, sustainable and inclusive growth', Communication from the Commission.

for new skills and jobs' as well as the Energy Efficiency Plan³⁵. It will also enhance interactions with the existing structures and funding instruments like the Lifelong Learning Programme and the European Social Fund, the latter in particular for the support of concrete qualification and training schemes.

Scope and timeframe of the Initiative:

The Initiative focuses on continuing the education and training of craftsmen and other on-site workers in the field of energy efficiency and renewable energy in buildings after initial education and training or after they have entered working life, including qualification of the unemployed workforce.

The Initiative has two main pillars:

- I. *National qualification platforms and roadmaps to 2020: The first pillar — 'National qualification platforms and roadmaps to 2020' — aims to trigger processes to gather all relevant stakeholders in a country and should result in a strategy and roadmap, e.g. on quantified needs, measures, priorities, accreditation, etc. A maximum of one action per country has been funded, lasting for a maximum duration of 18 months.*
- II. *Qualification and training schemes: The second pillar — 'Qualification schemes' —invites proposals for introducing new or upgrading existing qualification schemes. These should be based on an established roadmap to 2020.*

It is complemented by targeted Europe-wide support activities.

The Initiative is carried out under the 2011-2013 IEE Work Programmes. Pillar I was covered by Work Programmes 2011-2012. Pillar II was first opened in 2012, with a deadline in 2013 to allow the taking into account of results from Pillar I. Work Programme 2013 will be the 2nd opening for support to the implementation of national roadmap's recommendations by providing support to the setting-up/upgrading of large-scale qualification and training schemes for the targeted building professionals.

BUILD UP Skills – Pillar II Priorities 2013:

Support activities to newly establish or upgrade large-scale qualification and training schemes based on the roadmap recommendations (of Pillar I or equivalent). Actions could include development of materials, training of the trainers, coordination activities for the set-up/upgrading and operation of large-scale training schemes (including establishing voluntary agreements, accreditation and certification mechanisms, financing arrangements using ESF funding) as well as promotional/communication activities.

10.4.3 Local energy leadership

Explanatory note:

In previous years the IEE programme has supported a large number of municipalities to develop comprehensive Sustainable Energy Actions Plans (SEAP) through capacity building and exchanges of good practices between frontrunner and learning communities.

Thousands of municipalities have already joined the European Commission's Covenant of Mayors initiative³⁶ and have committed to deliver a Sustainable Energy Action Plan that meets and exceeds the European Union's energy and climate objectives by 2020.

This year's priorities aim to continue strengthening the capacity of local and regional public authorities with a focus on accelerating the implementation of Sustainable Energy Action Plans and contributing towards the EU energy policy targets.

³⁵ COM(2011) 0109 of 8.3.2011 "Energy Efficiency Plan 2011", Communication from the Commission

³⁶ www.eumayors.eu

The technical capacity of public authorities will be reinforced by sharing good practices from front-running communities across Europe and by addressing already identified barriers that are preventing a speedy delivery, e.g. access to energy data for targeted delivery of actions.

Particular attention will also be focused on the use of instruments such as Energy Management Systems and Green Public Procurement that can substantially support the implementation of actions in local sustainable energy plans.

Local Energy Leadership – Priorities 2013:

- *Integration of SEAP's and Energy Management Systems (EMS)*
This priority targets local and regional public authorities willing to integrate EMS into their SEAP, yet to be elaborated or finalised. Actions must result in approved SEAP's and operational EMS following ISO 50001 or other recognised standards for all targeted public authorities. Innovative approaches for certifying groups of small municipalities/developing joint SEAP's are also to be supported. In addition, proposals should demonstrate and document the synergies and advantages of a joint elaboration of SEAP and EMS and include effective dissemination to other public authorities across Europe. Implementation of SEAP actions leading to measurable energy savings and/or increased renewable energy sources supply should be delivered by the end of the proposed actions.
- *Best practice exchange on the implementation of SEAP's*
Actions accelerating the implementation of existing SEAP's or similar plans through tutoring approaches (e.g. staff exchanges, coaching, peer reviews) between leading and less experienced local/regional public authorities; and/or benchmarking to compare authorities between each other. Proposals must demonstrate how they build long-term capacity in learning authorities by e.g. setting up structures for the effective delivery of SEAP's including the identification and preparation of bankable sustainable energy projects. As a result proposals must include the implementation of SEAP actions leading to measurable energy savings and/or increased renewable energy sources supply in all targeted authorities.
- *Accessing energy data for SEAP implementation*
Actions that are facilitating public authorities access to energy data for better implementation and monitoring of SEAP's. Proposals should include effective collaboration between public authorities and statistical offices with energy data providers (system operators, metering companies, energy service companies, etc.) leading to regular and structured sharing of energy data that assists public authorities in their targeted delivery of SEAP actions. The replication of the collaboration models must be demonstrated by the end of the action.
- *Energy-efficient public spending*
Actions to support municipalities and more specifically central purchasing organisations (bodies procuring goods for a large number of public authorities) consider energy efficiency criteria, together with other environmental criteria possibly assessed using life-cycle analysis, while procuring energy-related products, including vehicles.

10.4.4 Mobilising Local Energy Investments (MLEI)

Introduction

As part of the ELENA family of Project Development Assistance facilities set up by the European Commission in the frame of the Intelligent Energy Programme since 2009, the integrated initiative Mobilising Local Energy Investment equally aims at bridging the gap between sustainable energy plans

and real investment. The technical assistance facility 'Mobilising Local Energy Investment (MLEI)' was first opened in the call 2011. In addition to the project development assistance, two further priorities bridging towards investment in other, complementary ways are proposed.

The key action comprises three priorities:

- **Project development assistance** (NOTE: specific eligibility and award criteria, and other specific provisions for applicants apply. Applicants will use specific application forms)
- **Replication of successful financing schemes**
- **Capacity building for Managing Authorities**

10.4.4.1 MLEI-PDA (Project development assistance)

Explanatory note:

The implementation of the investments foreseen in Sustainable Energy Action Plans (SEAP's) often proves to be difficult, as local authorities often lack the technical capacity to convert their plans into bankable projects. MLEI-PDA is targeted to help small and medium sized local and regional authorities to develop single or 'bundled' sustainable energy projects that are of relevance for territorial development.

This priority is complementary to the Project Development Assistance facilities of ELENA and is implemented by the Executive Agency for Competitiveness and Innovation (EACI). It offers assistance to public authorities to design and launch small and medium sized investment projects in IEE eligible countries as part of the annual IEE Call for proposals. In contrast to the main funding areas of IEE, and in order to optimise funding for this specific need, MLEI-PDA is open for proposals from one authority of one country.

The investments should create EU added value by demonstrating ambitions beyond "business as usual" in the foreseen energy measures, and/or in the scale of the programme in the involved territory. Actions demonstrating a high degree of organisational innovation such as bundling of small projects to 'bankable' sizes interesting for banks and/or third-party financiers are of particular interest to this priority. Proposed actions under MLEI PDA should offer a high replication potential to other regions or cities across Europe.

In practice, MLEI-PDA will fund activities necessary to prepare and mobilise finance for public investment programmes, such as feasibility studies, financial engineering, business plans, procurement procedures - in short, all actions necessary up to the launch of the investment.

Actions demonstrating a high degree of organisational innovation such as bundling of small projects to 'bankable' sizes, which are interesting for banks and/or third-party financiers, will be prioritised.

Sectors covered by the project development assistance are:

- Energy efficiency and renewable energy sources in existing buildings;
- District heating/cooling, focussing on the development of new networks running to a large extent on RES, or on the integration of RES into existing networks as well as their energy-efficient refurbishment; (note: projects must at the same time address the need to reduce energy consumption in the buildings which are connected to these networks);
- Energy efficient street-lighting;
- Clean urban transport.

Within a maximum of 36 months, projects must produce tangible evidence of launching the investments in the form of signed contracts or calls for tenders which are launched unconditionally.

MLEI – Project Development Assistance (PDA) – Priorities 2013

MLEI-PDA to individual or groupings of local authorities (municipalities, cities, provinces, regions) or public bodies³⁷, that are located in a clearly defined single geographical area, to prepare, mobilise financing for and launch small to medium sized investments in sustainable energy projects within their geographical area.

Proposals must demonstrate EU added value through innovation in their organisational approach to mobilise the necessary funding for sustainable energy projects (e.g. bundling or third-party financing), and/or through ambitions beyond business-as-usual.

Furthermore, proposals must:

1. Result in the launch of tangible investments which produce quantified results in terms of energy saved, RES supply increased, GHG reduced, before the end of the project duration.
2. Address investment projects which have been prioritised in Sustainable Energy Action Plans, or similar energy/climate plans.
3. Include a learning process and capacity building for relevant stakeholders at local/regional level where the investments are launched.
4. Provide letters of support from the public authority owner(s) if the proposals are submitted by a public body.

Note: Specific eligibility, award criteria and other specific provisions apply for this priority (see Call section 3.3 and 5)

10.4.4.2 Replication of successful innovative financing schemes

Explanatory note:

Meeting the European energy and climate policy objectives by 2020 will require the mobilisation of substantial investment at local level into energy efficiency and renewable energy sources. It is clear that the objectives cannot be met through traditional public financing (e.g. grants and/or direct investment), but a stronger engagement of private investors with innovative financing solutions is needed.

Successful financing schemes have been implemented by local authorities across Europe. Such schemes aim, among others, at using revenues generated by energy investments to repay upfront investment costs; leveraging private investment and combining it with public funding; applying financial engineering in order to minimise financing costs; developing third-party financing. Examples of innovative financing schemes are the setting up of soft loans, guarantee funds, third-party financing operators, energy investment funds, Pay As You Save schemes, etc.

To complement the direct Project Development Assistance, the IEE programme will support public authorities in setting up / replicating innovative financing schemes - enabling large-scale investments in sustainable energy projects on their territories in the future. The aim is to multiply the number of successfully implemented innovative financing schemes by making it possible for several local/regional authorities across Europe to share experiences and to work together. Schemes should be concretely prepared and operational at the end of the action with a long-term, sustainable mission; general assessments of schemes or awareness raising will not be supported.

³⁷ See Call Section 3.3. on the definition of public bodies

Replication of successful innovative financing schemes - Priorities 2013:

Replication of successful innovative financing schemes by local and regional authorities across the EU to accelerate the uptake of proven, but innovative financing solutions involving project developers, ESCO's and the financial sector. Actions should be proposed by several local/regional authorities across Europe committed to share experiences and to work together.

At the end of the proposed actions, sustainable financing schemes must be created and fully operational. Schemes should have a sustainable, long-term mission to generate large-scale investments in energy efficiency and/or renewable energy sources. Proposals must provide a clear description of the proven financing schemes to be replicated; however, innovative schemes may be proposed where justified.

The targeted local and regional authorities must be included in the consortia.

Note: Proposals submitted under this priority will be subject to the standard IEE II eligibility and award criteria (see Call section 3 and 5).

10.4.4.3 Capacity building for Managing Authorities

Explanatory note:

The proposed European Regional Development Fund (ERDF) Regulation for 2014-2020 envisages thematic concentration of ERDF funding for the thematic objective on supporting the shift towards the low-carbon economy in all sectors. Based on the overall amounts put forward by the Commission for the multi-annual financial framework for 2014-2020, a significant budget for investment in sustainable energy measures and projects is envisaged. The detailed management of programmes which receive support from the Structural Funds is the responsibility of the Member States. For every programme, Member States designate a "managing authority"³⁸ at national, regional or another level which will inform potential beneficiaries, select the projects and generally monitor implementation.

The experience from the current programming period, 2007-2013, has shown that Member States are using the planned ERDF and Cohesion Fund allocations for EE/RES measures to different extents, but there is scope for helping some Managing Authorities to fully mobilise all available resources.

The new ERDF regulation³⁹ proposes a mechanism whereby 20% of dedicated resources in more developed and transition regions and 6% in less developed regions should be focused on energy efficiency and renewables. In addition, allocations from the Cohesion Fund⁴⁰ could also be made to sustainable energy investments.

Proposals should focus on supporting a number of pioneering Managing Authorities (MA) that are setting an example for others, by showing how the ERDF and Cohesion Fund allocations for energy efficiency and renewables can most effectively be spent. A strong emphasis will be given to the replication potential of such best practices, which would help other MA's to follow the lead.

³⁸ Ref. the list of the Managing Authorities: http://ec.europa.eu/regional_policy/manage/authority/authority_en.cfm

³⁹ COM(2011) 614 final

⁴⁰ COM (2011) 612 final

Capacity building for 'Managing Authorities' - Priorities 2013:

Actions building capacity of Managing Authorities (MA) and supporting them in pioneering the setting up of effective processes for an optimal use of the ERDF and Cohesion Fund allocations on energy efficiency and renewable energy sources. Proposals must include MA in the consortium and provide endorsement from the relevant national body responsible for Structural and Cohesion Funds. The capacity building may comprise effective training for MA staff; setting up adequate procedures; and support throughout the process from development of procedures to their implementation. Proposals must include professional documentation and communication across Europe of the best practice processes used by the pioneering MA's.

Note: Proposals submitted under this priority will be subject to the standard IEE II eligibility and award criteria (see Call section 3 and 5).