

BRIEFING No. 2

EU FUNDS 2014–2020

September 2013

Background

Czech Republic did allocate around 14 bln. CZK (>550 mil. euro) via Operational Programme Environment (OPE) in the current programme period to energy efficient renovation of public buildings (schools, hospitals, municipal offices etc.). It has been one of the most successful lines in OPE and whole EU Funds 2007–2013.

New programme period 2014–2020

Now the new OPs are being set-up. Czech government (Ministry for Regional Development) holds informal talks with European Commission (DG Regio) on Partnership Agreement and texts of the new Programme Documents. Once the European regulations on the EU Funds (namely Common Provisions Regulation, on European Regional Development Fund and on Cohesion Fund) are agreed in Brussels, agreements will be finalized in an official negotiation. At the same time, first drafts of Implementation Documents are being drafted on the national level.

Operational Programmes of our interest

EU Funds will not allow to finance physical persons thus support to energy efficiency in family houses should be covered from national sources (see Briefing No 1 on New Green Savings Programme). But both ERDF and CF will newly allow support of housing when it comes to energy efficiency and renewables. Then, our goal is to support energy efficiency in all the public, commercial and multi-apartment residential buildings out of the EU funds.

Czech government agreed to involve reducing energy consumption of buildings in the three following operational programmes:

- Integrated Regional Operational Programme (IROP):
 - managed by Ministry for Regional Development, to be financed from ERDF

Chance for Buildings is an alliance by leading trade associations that supports energy efficient construction. It brings together the **Czech Green Building Council**, **Passive House Center**, **Czech Mineral Insulation Manufacturer's Association** and the **Czech EPS Association**. It represents over 200 companies across the entire value chain of building construction and renovation. Chance for Buildings aspires to reap the crucial societal benefits of energy efficient buildings. We advocate for favourable policy and economic incentives, including proper implementation of relevant EU directives in the Czech Republic. www.sanceprobudovy.cz

Founding partners



Senior partner



Partner



- support of EE measures in multi-apartment buildings, incl. new build in passive standard
- Operational Programme Environment (OPE)
 - managed by Ministry of Environment, line on EE in buildings to be financed from CF
 - support of EE measures in public buildings, incl. highly efficient new build
- Operational Programme Entrepreneurship and Innovation for Competitiveness (OPEIC)
 - managed by Ministry of Industry and Trade, to be financed from CF
 - support of EE measures in commercial buildings (industry and services)
 - support of EE in industrial processes
 - support of innovation in industry that produces technologies and materials for EE
 - support of energy services (yet not clear how exactly)

Note: Discussion is still held within government whether EE measures in multi-apartment buildings will be included in IROP or possible in OPE. There are parliament elections in the end of October in Czech Republic and the probably winning party claims that it will still do some modifications to new OPs set-up. Though it's clear that these modifications should not have a major character as it would significantly delay talks with European Commission and thus also launch of new OPs.

Desired allocation = effective absorption capacity

Czech Republic will receive cca 20.5 bln. euro through the EU Funds in 2014–2020 that are available for all operational programmes. The estimated absorption capacity for supporting EE measures in buildings (excl. family houses) is estimated to appr. 75–80 bln. CZK (3+ bln. euro) until 2020. This would generate overall investment to energy efficient renovation of buildings in an order of 10–12 bln. euro. So far, no official proposals for allocation to individual OPs were published by the government. Informally quoted numbers are significantly lower than what could be effectively utilized.

Still.. current OPE

As Czech Republic has difficulties to disburse the whole allocation of EU Funds 2007–2013, the government recently suggested further 6.2 bln. CZK (250 mil. euro) could go to energy efficient renovation of public buildings in the current OPE. This is definitely the good news.

Further reading

Some official information is available at <http://www.strukturalni-fondy.cz/cs/Fondy-EU/Kohezni-politika-EU> but most of the relevant materials are not public yet (they have been discussed with different stake-holder groups though).

Chance for Buildings's recommendations and media information are available at <http://www.sanceprobudovy.cz/kategorie/evropske-fondy> (in Czech only).