



Council of the  
European Union

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**COVER NOTE**

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From:	Mr Günther OETTINGER, Member of the European Commission
date of receipt:	31 October 2017
To:	Mr Märt KIVINE, President of the Council of the European Union
Subject:	Proposal for transfer of appropriations No DEC 32/2017 within Section III - Commission - of the general budget for 2017

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Delegations will find attached Commission document DEC 32/2017.

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Encl.: DEC 32/2017



EUROPEAN COMMISSION

BRUSSELS, 31/10/2017

GENERAL BUDGET - 2017  
SECTION III - COMMISSION TITLE: 32

**TRANSFER OF APPROPRIATIONS N° DEC 32/2017**

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**FROM**

**CHAPTER - 3202** Conventional and renewable energy

ITEM - 32 02 01 04 Creating an environment more conducive to private investment for energy projects	Commitments	-77 291 975,00
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**TO**

**CHAPTER - 3204** Horizon 2020 -- Research and innovation related to energy

ITEM - 32 04 03 01 Making the transition to a reliable, sustainable and competitive energy system	Commitments	77 291 975,00
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**Introduction:**

This transfer concerns the reinforcement of the European Local Energy Assistance facility (ELENA), under Horizon 2020, with appropriations redeployed from the energy-strand of the Connecting Europe Facility (CEF Energy). This reinforcement of ELENA ultimately aims at unlocking public and private investments for energy efficiency and renewables in buildings, as a follow up to the 'Clean Energy for All Europeans' Communication of 30 November 2016 (COM(2016)860).

## **I. DECREASE**

### **I.1**

#### **a) Heading**

**32 02 01 04 - Creating an environment more conducive to private investment for energy projects**

#### **b) Figure at 18/10/2017**

	<b>Commitments</b>
1 Appropriation in budget (Initial Budget + AB)	77 291 975,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	77 291 975,00
4 Utilisation of final appropriation	0,00
<b>5 Amount not used/available (3-4)</b>	<b>77 291 975,00</b>
<b>6 Requirements up to year-end</b>	<b>0,00</b>
<b>7 Proposed decrease</b>	<b>77 291 975,00</b>
8 Decrease as percentage of appropriation in budget (7/1)	100,00 %
9 Decrease, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

#### **c) Receipts arising from recovery (carried over from previous year)**

	<b>Commitments</b>
1 Appropriations available at start of the year	0,00
2 Appropriations available on 18/10/2017	0,00
3 Rate of utilisation [(1-2)/1]	n/a

#### **d) Detailed grounds for the transfer**

The estimated needs for energy projects under the CEF Debt Instrument, the main financial instrument of the Connecting Europe Facility (CEF), are limited. The pipeline of potential projects for the CEF Debt Instrument has been reduced as a consequence of the success and sheer size of the European Fund for Strategic Investments (EFSI). As a consequence, a certain number of energy projects initially intended for the CEF Debt Instrument were indeed transferred to EFSI, due to the attractiveness of the new instrument for the market.

For those reasons, the proposed decrease of EUR 77,3 million is justified and possible without putting at risk the implementation of the energy-strand of CEF.

## **II. INCREASE**

### **II.1**

#### **a) Heading**

**32 04 03 01 - Making the transition to a reliable, sustainable and competitive energy system**

#### **b) Figure at 18/10/2017**

	<b>Commitments</b>
1 Appropriation in budget (Initial Budget + AB)	359 734 448,00
2 Transfers	0,00
3 Final appropriation for the year (1+2)	359 734 448,00
4 Utilisation of final appropriation	329 481 482,11
<b>5 Amount not used/available (3-4)</b>	<b>30 252 965,89</b>
<b>6 Requirements up to year-end</b>	<b>107 544 940,89</b>
<b>7 Proposed increase</b>	<b>77 291 975,00</b>
8 Increase as percentage of appropriation in budget (7/1)	21,49 %
9 Increase, as a percentage of the final appropriation for the year, in the sum of transfers referred to in Article 26(1)(b) of the Financial Regulation, calculated in accordance with Article 14 of the Rules of Application	n/a

#### **c) Receipts arising from recovery (carried over from previous year)**

	<b>Commitments</b>
1 Appropriations available at start of the year	4 811,52
2 Appropriations available on 18/10/2017	0,00
3 Rate of utilisation [(1-2)/1]	100,00 %

#### **d) Detailed grounds for the transfer**

As part of the 'Clean Energy for All Europeans' Communication adopted on 30 November 2016 [COM(2016) 860 final], the Commission highlighted the need to accelerate the renovation of buildings and to support the transition to a clean energy building stock. To that end, it launched the 'Smart Finance for Smart Buildings' initiative, which aims at unlocking public and private investments for energy efficiency and renewables in buildings.

In this context, the European Investment Bank (EIB) and the Commission are establishing the 'Smart Finance for Smart Buildings Guarantee Facility'. This facility, which will provide households with access to tailor-made loans for energy efficiency and renewables projects, rests on three pillars:

- 1) risk-sharing guarantees from the European Structural and Investment Funds (ESIF) and from the European Fund for Strategic Investments (EFSI);
- 2) lending by the EIB; and
- 3) technical assistance to unlock demand for energy refurbishment loans and ensure the take-up of the risk-sharing facility.

The proposed increase of EUR 77,3 million is needed to deliver on the technical assistance pillar of this initiative. The additional appropriations would be used to significantly reinforce the ELENA facility, implemented under a Delegation Agreement with the EIB and so far providing support to public entities, in order to expand support in priority to households in the preparation and implementation of their refurbishment projects (e.g. grants for energy audits and energy performance certificates). To a lesser extent, financial intermediaries and public entities would also receive support to further foster investments in energy efficiency (e.g. creation of "one-stop" shops for home renovation, development of informatics tool to estimate energy savings).