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Facts and News - GREECE

1. Background

Greece has adopted an ambitious National Energy and Climate Plan (NECP) at the end of 2019, which stresses Greece's priorities and development potential in terms of energy and climate change tackling. The revised NECP has undergone public consultation, debate in the Greek Parliament and finally (2020) became national legislation.

The main priorities set in the new NECP are:

1. **Decarbonisation**, i.e. the ending of Greece reliance on lignite by 2028, with the withdrawal of lignite-fire power stations of the Greek Public Power Corporation, and improvement of the power system (interconnection of islands with the mainland grid, reinforcement of countrie's interconnections etc.).
2. **Increase the share of Renewable Energy Sources** (RES) in gross final energy consumption to a minimum of 35%, with the corresponding share in electricity consumption expected to exceed 60% within the next decade.
3. A target set for more than **42% reduction** over 1990 **Greenhouse Gas (GHG) Emissions** and more than 56% over 2005 emissions by 2030 in order to achieve a climate-neutral economy by 2050.
4. With regard to **improving energy efficiency**, there is a quantitative objective for final energy consumption in 2030 to be lower than that recorded in 2017 (minimum 38% qualitative energy efficiency improvement achieved in final energy consumption, in accordance with a specific EU methodology, compared to the corresponding core EU objective of 32.5%).
5. **Energy saving initiatives**, i.e. public and private funding programmes for the renovation of public buildings, industrial facilities and residences.

In order to ensure the implementation of NECP and to reach the relevant targets a number of legal and financial instruments have been introduced. Some of these instruments include investments in RES, Energy Efficiency, for the purchase of electric cars, etc.

In more details, in 2020 Greece has introduced the following initiatives - Programmes:

2. Buildings

"Saving energy/Energy autonomous buildings"

It is an upgraded programme, with an estimated budget of € 850 million, which aims at energy saving and energy autonomy of households, with new incentives and interventions that encourage the production and storage of energy from RES and the installation of "smart" energy systems.

The objective is to renovate buildings of energy category C or less in order to upgrade their status by at least 3 energy scales. An Energy Inspector should provide the building with an Energy Certificate and propose the respective interventions. At the end of the works, the Energy Inspector provides, after auditing, the new Energy Certificate of the building.

The eligible interventions are:

1. Replacement of frames
2. Installation / upgrade of thermal insulation
3. Upgrading of heating / cooling system
4. Hot water heating system using Renewable Energy Sources (RES)
5. Other Savings - Autonomy Interventions (photovoltaic, smart home, elevator upgrade, etc.)

Programme "ELECTRA"

The purpose of the Program is the energy upgrade of the building stock owned by the General Government with interventions that refer to the shell of the building, the various systems of electro-mechanical (E / M) installations as well as interventions that are proven to contribute to the energy upgrade of the buildings, including the static reinforcement, where required. The buildings that are included in "ELECTRA" should, after the interventions, be classified at least in the category of energy efficiency B, according to the current Regulation of Energy Efficiency of Buildings (KENAK).

There is an available budget of € 500 million for the period 2020-2026, with the Ministry of Environment and Energy acting as the Managing Authority of the Programme, while CRES acts as a technical supporter. The resources come from borrowing from the Deposits and Loans Fund (TSI) and the European Investment Bank (EIB). It should be noted that the Ministry of Environment and Energy is investigating the possibility of financing this Program through the Recovery Fund.

3. Sustainable transport

"E- moving"

During the past months there have been significant developments in the e-mobility market in Greece, with the entry into force of Law 4710/2020 *"On the promotion of e-mobility"* and the issue of Ministerial Decision No. ΥΠΕΝ/ΕΣΠΑΕΝ/77472/520/2020 on the *"E-moving"* initiative. The Law introduces a unified and thorough regulatory framework for the e-mobility market, previously regulated in a partial and fragmented way, whilst the MD creates subsidies for the acquisition or lease of electric vehicles.

In brief, the Law includes a range of tax benefits for the acquisition or leasing of electric vehicles or plug-in hybrid vehicles. These are further increased for islands, including higher tax deductions for vehicles used for business or provided to employees as well as increased depreciation rates and tax allowances for the installation of public or employee-only charging points. The Law also includes incentives for the installation and operation of products related to the e-mobility market, while it includes provisions to promote the rapid development of a charging network across Greece. In particular, all municipal authorities must produce EV charging plans providing for sufficient charging points in publicly accessible areas. Further, special ranks and charging points must be created for exclusive use by taxi drivers driving purely electric or hybrid electric vehicles. All new or renovated buildings should install suitable cabling to allow for the creation of charging points, and in purely commercial buildings there must be at least one charging point per 20 parking spaces. Provisions simplifying the procedure for the installation of domestic chargers are introduced and obligations to create a minimum number of charging points are imposed for state-owned and governmental buildings.

Through the new established "E-moving" initiative / programme with an available budget of € 100 million, the purchase / rental of electric cars (private use and taxis), bicycles and motorcycles is subsidized. Through this new grant program, the beneficiaries will be able to obtain an electric car, motorcycle or bicycle, enjoying a significant bonus, which can reach 7.5 thousand euros.

4.Just Transition

"Just Transition Mechanism" (JTM)

In the framework of the new Cohesion Policy and based on the "Green Agreement" as well as the "Sustainable Europe" investment plan (COM (2020) 21//14.1.2020), a **"Just Transition Mechanism" (JTM)** was established. The JTM consists of three pillars: the Just Transit Fund (JTF), the Special InvestEU Status Regime, and the Trade Finance Facility of the European Investment Bank (EIB). The 2021-2027 JTF will finance investments in the aim of (a) economic diversification and (b) the transformation of economy sectors of the regions in transition, provided that these investments are approved as part of Territorial Just Transition Plans (JFTP) and are necessary for their implementation.

According to the no. 3/18-3-2020 decision of the Government Commission for the just development transition of the Region of Western Macedonia and the Municipality of Megalopolis in the Region of Peloponnese in the lignite phase-out period, a Special Transition Program for the period of 2020-2023 is drawn up, utilizing the resources of both ESPA 2014-2020 and those of the Green Fund, as formed by the Ministerial Decisions for the distribution of revenues from auctions of greenhouse gas emission rights.

Financial support will be provided to projects for the development of sustainable economic activities with low carbon and environmental footprint in lignite areas that will be most affected by the energy transition. As an initial step, "green" actions will be financed by the Green Fund with an indicative budget of € 31 million.

The Steering Committee of the Just Development Transition Plan publishes open calls hereunto, of the organized submission of investment proposals and developmental plans. The investment proposals and development plans that will be taken into account by the Steering Committee will be of non-binding character, both for the Economic Entities interested and for the Steering Committee and the responsible Public Entities.