



**MEDIA ALERT**  
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## **ARE THE EU REGIONAL POLICIES REALLY GOING TO FOSTER SUSTAINABLE ENERGY?**

COGEN Europe has released today a briefing note on *the EU Regional Policies and Cogeneration*. It assesses the Commission's Guidelines for schemes supported by the European Union regional development programmes in the 2000-06 programming period. Compared to energy and the environment spending which gather only 0.2% of the EU budget, the structural funds (not even taking into account agriculture and training) represent 35.2% of the 2000 budget of the EU. However, according to Simon Minett, Director of COGEN Europe, *'up to now, there has not been any effective synergy between regional, energy and environment programmes. In general, integration of environmental concerns has been rather poor. Only a few investments in cogeneration have been supported so far, mainly in countries benefiting from the Cohesion Fund. On a project basis, these schemes have been successful but we haven't witnessed a major investment flow as in other sectors such as road transportation'*.

The new guidelines bring useful corrections as for the first time, they include energy efficiency and renewables as real priorities. This represents a significant opportunity for the development of energy efficiency and cogeneration at the local level. The briefing note analyses the positive impacts of cogeneration for local and regional activities and try to establish whether it is adequately integrated in the EU's Regional Policies - it is the first time that the latter point is developed in a publication with an EU audience. The authors note that in rural areas for example, cogeneration can bring:

- Empowerment of local communities.
- Possible use of alternative fuels e.g. locally produced agricultural waste.
- Local employment.
- Increased security and quality of energy supply.

Pointing to these advantages and other benefits listed in the briefing, in particular in relation to the environment and climate change, COGEN Europe welcomes the new Commission's guidelines as a good step towards the integration of sustainable energy policies into the EU regional activities.

However, a few unclear points remain and in order to match expectations, COGEN Europe hopes that :

- Cogeneration will be clearly included in environmental projects under the Cohesion Fund and the new ISPA Fund for Accession Countries.
- The Directorate General for Regional Policy will have a proper involvement in the future cogeneration task force of the Commission.
- The Commission will monitor progress to ensure that cogeneration has the place it deserves in the implementation of the EU regional policies at the national level.

*CHP, Combined Heat and Power, or cogeneration is the simultaneous production of heat and electricity. This proven technology produces around 10% of Europe's electricity and heat requirements and has a significant growth potential, which will lead to an improved environment and greater economic competitiveness. It is a highly efficient energy solution that delivers substantial reductions in greenhouse gases and other pollutants and is the single largest solution to meeting the Kyoto Protocol on climate change for Europe.*

*COGEN Europe is Europe's umbrella organisation representing the interests of the cogeneration industry, users of the technology and promoting its benefits in the EU and the wider Europe. The association is backed by the key players in the industry including gas and electricity companies, ESCOs, equipment suppliers, consultancies, national promotion organisations, financial and other service companies.*