



Department for  
Communities and  
Local Government

## **Priority 4: Supporting the Shift Towards a Low Carbon Economy in All Sectors**

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## Introduction to ERDF

### Application Process;

- Call Issued - 6 week window– Outline Application & assessed
- 2 month Full Application – Appraised – Grant Funding Agreement

### Eligibility

- Project size
- Match Funding & Intervention rates
- Eligible Spend & sectors
  - Revenue
  - Capital
- Overheads – 25% - 4f 15% - other investment priorities
- Procurement
- State Aid & Revenue Generation
- **Projects funded to date:** <https://www.gov.uk/government/publications/european-structural-and-investment-funds-useful-resources>



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## Priority 4 Low Carbon

### Key Messages

- At a European & UK level there's a need to decarbonise the economy to meet:
  - Climate Change Bill & the Paris Agreement
- Overarching message from the Commission is the drive for innovation
- UK need – Innovation & Energy Security
- What's meant by Innovation
  - Technology
  - Process
  - Materials
- Outcome
  - New products to market, driving down cost, improving processes





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## Priority 4: Supporting the Shift towards a Low Carbon Economy in all Sectors

- 4a. Promoting the production and distribution of energy derived from renewable sources
- 4b. Promoting energy efficiency and renewable energy use in enterprises
- 4c. Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector
- 4e. Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures
- 4f. Promoting research and innovation in, and adoption of, low-carbon technologies



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## Priority 4: Output targets

Output	Investment Priority
C1 - Number of enterprises receiving support	IP – a, b, e, f
C5 - Number of new enterprises supported	IP - a, e, f
C26 - No' enterprises cooperating with research institutions	IP f
C29 – No' of enterprises supported to introduce new to the firm products	IP f
C30 - Additional capacity of renewable energy	IP – a
C31 - No' of households with improved energy consumption	IP - c
C32 - Decrease annual primary energy consumption in public buildings	IP - c
C34 - Estimated annual reduction of GHG	IP - a, b, c, e, f



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## 4a. Promoting the production and distribution of energy derived from renewable sources

**Focus:** - Increasing the amount of renewable energy  
- Micro energy schemes

### **Key Changes:**

- Micro energy less than 5MW
  - Micro energy schemes can be a minimum of £500,000
  - Gas fired CHP is eligible as a low carbon energy source
  - RHI can be used alongside ERDF but not FIT's
- 
- Biomass Projects
  - Projects simply installing renewables wouldn't necessarily be approved, projects will need to consider A61 even if under €1m
  - Sewers in the Midlands
  - Energy Share ( could also be in 4a) – Warrington Borough Council – simple smart grid



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## 4b. Promoting energy efficiency and renewable energy use in enterprises

**Focus** – Increasing the energy efficiency of SME's

**Key Changes:** Standard Retrofit is eligible

- Projects need to provide a diagnostic
- Has to be energy and not resource efficiency
- Match funding can come from the SME
- Grant support for equipment is eligible.



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## 4c. Supporting energy efficiency, smart energy management and renewable energy use in public infrastructure, including in public buildings, and in the housing sector

**Focus:** Delivering innovation in public building and housing.

### **Key Changes**

- Solid wall Insulation can be eligible
- What is a public building
- Innovative technologies & processes that can demonstrate opportunities for others.
- Public & Private housing
- A number of projects coming forward with off site construction



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## 4e. Promoting low-carbon strategies for all types of territories, in particular for urban areas, including the promotion of sustainable multimodal urban mobility and mitigation-relevant adaptation measures

**Focus:** Combining low carbon activity to deliver a whole place solution

No Changes in the Guidance

- Low Carbon Strategy required to give the activity context
- Provides flexible approach to deliver a range of activity
- Can deliver low carbon transport as part of a package
  - Eligible low carbon transport
- Geographical focus, activity can't be disparate e.g.
  - Business Park, Hospital or university campus with low carbon transport out
  - City centre or specific urban area
  - Series of market towns



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## 4f. Promoting research and innovation in, and adoption of, low-carbon technologies

**Focus:** Research and development providing knowledge exchange

No changes to the Guidance

- Developing proof of concept
- Need to be consistent with Smart Specialisation Strategy in England
- Technologies should meet the Low Carbon Innovation Coordination Group



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