



European
Commission



Directorate-General for

STRUCTURAL REFORM SUPPORT

**Technical support
for implementing
the European Green Deal**



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INTRODUCING THE DIRECTORATE-GENERAL FOR **STRUCTURAL REFORM SUPPORT**

The Directorate-General for Structural Reform Support (DG REFORM) helps EU Member States carry out reforms to stimulate job creation and sustainable growth. EU Member States can ask DG REFORM for support, which is then delivered in the form of tailor-made expertise.

Today, DG REFORM is engaged in **over 1 000 reform projects in all 27 EU Member States**. Around **20%** of those contribute to achieving the goals of the European Green Deal and the **number is increasing every year**. This includes projects that support most-affected regions transitioning to a climate-neutral economy.

PROGRAMME AND BUDGET

Since 2017, DG REFORM has been managing a dedicated programme – the Structural Reform Support Programme – with a budget of **EUR 222.8 million** for 2017 to 2020.

The programme is the main source of funding for **technical support projects** in EU Member States and does not require co-financing.

Member States can request help from the programme to implement the following:

- **reforms identified by the European Commission**, for example in its annual economic policy recommendations (the ‘European Semester’ process);
- measures they have to take to **implement EU priorities and EU law**;
- reforms undertaken on their **own initiative**.

HOW IT WORKS

DG REFORM provides Member States with expertise, which can take the form of:

- expert and fact-finding missions on the ground to assess the situation;
- diagnostic analyses and recommendations on ways to address the situation;
- sharing relevant best practices through seminars, conferences and workshops;
- developing and implementing targeted solutions to address the situation.

To deliver this support, DG REFORM uses a **wide range of experts** from national administrations (including through the TAIEX-SRSP Peer 2 Peer instrument), international organisations, private firms and consultancies, or expertise directly from the European Commission.



TECHNICAL SUPPORT FOR IMPLEMENTING THE EUROPEAN GREEN DEAL

Climate change and environmental degradation are an existential threat to the European Union and the world. The **European Green Deal** was adopted to overcome these challenges. The European Green Deal is the road map for making the EU's economy sustainable.

DG REFORM helps EU Member States **design and implement reforms** that support the green transition and contribute to achieving the goals of the European Green Deal. It also helps to design the necessary procedures in central and local administrations and establish the coordination structures that are needed for implementing green policies.

“ *The European Green Deal is the roadmap for making the EU's economy climate neutral and sustainable. Our plan sets out how to cut emissions, restore the health of our natural environment, protect our wildlife, create new economic opportunities, and improve the quality of life of our citizens.* ”

FRANS TIMMERMANS

Executive Vice-President for the European Green Deal



“ *Reforms are a precondition for turning climate and environmental challenges into opportunities across all policy areas and make the transition just and inclusive for all. The Commission is strongly backing Member States in their efforts to transform the EU into a modern, resource-efficient and competitive economy, where no one is left behind.* ”

ELISA FERREIRA

Commissioner for cohesion and reform

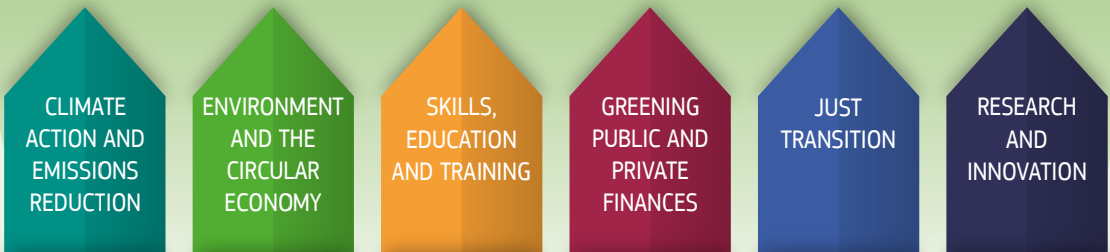
“ *Faced with climate change and environmental degradation, Member States need to design and implement reforms that support the green transition and contribute to achieving the goals of the European Green Deal. DG REFORM helps Member States respond to these challenges where reforms are needed.* ”

MARIO NAVA

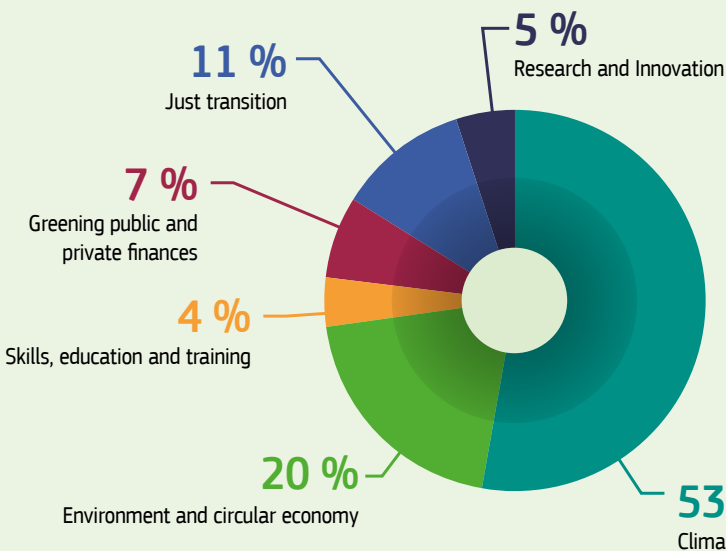
Director-General of DG REFORM



TECHNICAL SUPPORT FOR IMPLEMENTING THE EUROPEAN GREEN DEAL



GOVERNANCE AND CAPACITY BUILDING



PROJECTS IMPLEMENTED BY DG REFORM TO DATE IN SUPPORT OF THE EUROPEAN GREEN DEAL (in percentages per sector)

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CLIMATE ACTION AND EMISSIONS REDUCTION

Climate action is at the heart of the European Green Deal. The EU already has a strong track record in **reducing its greenhouse gas emissions** while maintaining economic growth. Even more needs to be done in the coming years. The EU set its targets to reduce domestic greenhouse gas emissions by at least 40 % by 2030 and to reach a competitive, low-carbon economy by 2050. This will require that all Member States implement a coherent set of climate policies.

DG REFORM helps national authorities design and implement reforms that support their climate ambitions.



NATIONAL CLIMATE CHANGE STRATEGY IN HUNGARY

The climate change strategy in Hungary lacks an adequate monitoring system for measuring the impact of climate policy measures. DG REFORM is supporting the Ministry of Innovation and Technology in analysing and integrating best monitoring and evaluation practices. It is also defining recommendations to improve the monitoring system.

This support will provide a robust monitoring and evaluation framework for climate and energy policies. It will also improve the capacity of government staff and environmental engineers to streamline climate change adaption into environmental impact assessments.



EXAMPLES OF SUPPORT

- Developing **climate policy**, including advice on climate strategies and action plans, and support for modelling greenhouse gas emissions.
- Supporting **land use and forestry management**, including urban planning, SMART cities and forestry accounting and inventory.
- Enhancing **coastal protection and flood-risk management**.
- Developing **nature-based solutions** to address heat waves, drought, flooding and poor air quality in urban areas.
- Implementing the **EU emissions trading system**.
- Supporting the **decarbonisation of electricity systems**, including the design of renewable-energy-friendly markets and regulatory frameworks.
- Developing **market-based support schemes for renewable energy and energy efficiency investments**.
- Developing **national energy and climate plans**, including analytical and energy modelling.
- Assessing **energy-efficient heating and cooling systems**.
- Enhancing **energy efficiency investments in buildings**.
- Defining **policies on sustainable transport/mobility and alternative fuels**.
- Reinforcing **inland waterway transport and high-speed railways**.



NATIONAL ENERGY AND CLIMATE PLAN IN GREECE

Greece requested technical support to develop a comprehensive long-term energy and climate plan and to address barriers to investments in renewable energy, energy efficiency and clean transport. DG REFORM supported Greece in:

- improving the governance and analysis of long-term energy and climate planning;
- improving data about energy efficiency potential in companies;
- developing support schemes for clean energy in transport;
- analysing investment needs and innovative financing instruments for clean energy.

As a result, Greece successfully submitted its national energy and climate plan for 2021-2030 and a long-term strategy for 2050.



ENERGY EFFICIENCY INVESTMENTS IN BUILDINGS IN HUNGARY

Buildings consume over 40 % of energy in Hungary. A vast portion of the building stock was built before 1980 with low energy performance standards. Between 70-90 % of the building stock will need to be renovated to achieve the 2050 climate targets. The pace of energy efficiency refurbishments has to increase significantly. DG REFORM is supporting Hungary in:

- assessing the energy efficiency potential of the building stock;
- identifying barriers to energy efficiency investments in buildings;
- reviewing options for financial instruments to unlock the energy efficiency investment potential;
- developing new models for energy service companies market.



INLAND WATERWAY TRANSPORT IN BELGIUM

Belgium has one of the highest levels of road congestion in the EU. This affects the competitiveness of the port of Antwerp, a major economic hub. DG REFORM supported the Antwerp Port Authority in its effort to move freight from road to rail and inland waterways and to improve the coordination of inland navigation.

The project provided expertise to help identify the key criteria for success. It also helped to examine the sustainability of technical solutions. These tools contribute to reducing congestion, improving navigability and enhancing the competitiveness of the port.

ENVIRONMENT AND THE CIRCULAR ECONOMY

Environmental degradation is expected to affect economic activity more and more. It can cause extreme weather conditions, have an influence on human health and make natural resources less accessible. Protecting the EU's natural capital, transitioning to a resource-efficient economy and protecting people from environment-related pressures are key priorities of the European Green Deal. Member States are engaging in reforms to address these challenges by further developing their **environmental policies and strategies**.

DG REFORM supports national authorities with designing and implementing reforms that help to address environmental degradation.



EXAMPLES OF SUPPORT

- Defining **national and municipal waste management policies**.
- Preparing **national circular economy strategies and action plans**.
- Implementing **instruments to decarbonise industries**.
- Supporting **fisheries inspections and control**, including managing authorities of the European Maritime and Fisheries Fund.
- Improving **maritime spatial planning practices and coastal protection**.
- Reinforcing the **fisheries inspection and control system** to align it with the common fisheries policy.
- Designing a plan for a **coordinated approach to management of natural areas**.
- Supporting **water management and the monitoring of water services**.
- Addressing **air pollution**, including through data collection and modelling policy scenarios.



IMPROVING WASTE MANAGEMENT IN GREECE

A key challenge for Greece is to improve the management of waste in line with the circular economy. DG REFORM supported the Greek authorities in improving the conditions for the implementation of the Greek national waste management plan by 2020. The project contributed to improving municipal waste management. It also helped to clarify rules and processes for managing specific waste categories.



INTEGRATED NATURE AREA MANAGEMENT IN THE NETHERLANDS

In a densely populated country such as the Netherlands, there is a strong need for a coordinated approach to area management. Frequently, plans for the use of public spaces are drawn up for different uses and are often not interlinked.

DG REFORM will support the development of a broad and integrated environmental vision by setting up a coordination model for the integrated management of natural areas. Additionally, the project will help develop a data management tool, which will facilitate the use of available data on nature restoration and preservation. The tool will also help to promote the Natura 2000 network of protected areas.



REGULATING THE WATER AND WASTEWATER SECTOR IN ROMANIA

DG REFORM provided support in addressing the challenges of the Romanian water and waste water sector, by helping the economic regulator to play a critical role as the authority in charge of centralising information on performance and compliance. This included:

- raising industry awareness on the benefits of economic regulation and of a robust information framework;
- developing an information framework for the economic regulator and other industry stakeholders.

DG REFORM helped to develop a road map for the Romanian authorities to strengthen the regulator and roll out the regulatory framework at national level.

SKILLS, EDUCATION AND TRAINING

Skills are a crucial driver of the EU's competitiveness and innovation capacity. They are also a key determinant of social cohesion and personal well-being. Ongoing digital and green transformations bring fast economic restructuring, which requires people to engage in **lifelong learning**. Moreover, these transitions require Member States to unlock their full skills and innovation potential. This includes reforms to improve the quality of **education and training systems**.

DG REFORM supports EU Member States by providing expertise and exchange of good practices.



IMPROVING ADULT EDUCATION

DG REFORM has provided support to **Belgium, Hungary, the Netherlands, Portugal** and **Spain** to upgrade their adult education systems. A key challenge is to reintegrate low-skilled adults and unemployed people into the labour market or into education programmes.

The technical support will contribute to establishing systems for the assessment and validation of basic skills. It will also help to improve the quality of adult learning programmes. This is crucial for the transformation of the labour force through reskilling and upskilling. It is particularly important for the regions affected by the green transition.



EXAMPLES OF SUPPORT

- Improving the upskilling and reskilling systems in **adult education**.
- Fostering **digital education** and skills.
- Supporting the design and implementation of **curriculum reforms**.
- Improving **higher education, research and innovation**.
- Improving **vocational education and training**.

CENTERS OF VOCATIONAL EXCELLENCE IN FRANCE

After a first launch of the campus initiative in 2014 in line with the model of centres of vocational excellence, the French government is launching a new generation of campuses in 2020. The aim is to strengthen efforts to make vocational training and education more attractive, more embedded in the regional and sectorial environment and thus more responsive to the skills needs of strategic sectors. This includes sectors that support the green transition. The project is expected to improve the performance and quality of the new wave of campuses.



KNOWLEDGE TRANSFER STRATEGY IN POLAND

DG REFORM supported the Polish government in strengthening the capacity of the Łukasiewicz research network to cooperate with business and academic institutions. The network is an integral element of the national innovation system and part of the strategy for responsible development that covers the environment and the country's sustainable development.

The support is expected to provide the network with a knowledge transfer strategy that will enable the transfer of research outcomes to relevant economic sectors. This will allow the country to achieve smooth economic transition and a higher degree of competitiveness.



RESEARCH AND INNOVATION

Digital technologies have a profound impact on our way of living and doing business. Member States need to have the capacity to benefit from our increasingly digitalised society and to face the challenges it brings. This requires designing policies and deploying innovative solutions to give businesses the confidence, competences and means to digitalise and grow. A systematic and forward-looking **research and innovation** strategy is crucial to a more productive and green economy.



EXAMPLES OF SUPPORT

- Enhancing **cooperation between business** and science to improve the implementation of innovation policies.
- Addressing the **capacity shortages in research institutes**, notably through sharing knowledge and best practices.
- Increasing the **innovative performance of small and medium-sized enterprises**.



IMPROVING COOPERATION BETWEEN BUSINESS AND SCIENCE IN LITHUANIA

In order to boost Lithuania's innovation capacity, the Lithuanian authorities have started to implement an innovation reform. The reform was launched as a response to the current system of investments in science, technology and innovation, which appears ineffective in fostering research and development.

DG REFORM is helping with improving the efficiency and maximising the benefits of activities in the field of science, technology and innovation, through an enhanced cooperation between public entities and private enterprises.



GREENING PUBLIC AND PRIVATE FINANCES

To achieve the ambition of the European Green Deal, significant investments are needed. The private sector will play a key role in financing the green transition. This requires consistent strategies, innovative regulatory frameworks and smart instruments. National governments will also be instrumental in **financing the transition** by sending the right price signals and reorienting public expenditure towards sustainable policies. They also need to stimulate demand for more sustainable goods and services through green public procurement and reduce the carbon footprint of public services. A solid governance framework will ensure that decision-makers are accountable to future generations.

To address these challenges, DG REFORM is supporting Member States in the areas of:

- **green budgeting** and **environmental taxation**;
- **green procurement**;
- **sustainable finance** and **investments**.



EXAMPLES OF SUPPORT

- Strengthening **green public investments**.
- Screening **government annual budget** processes to make sure they include environmental considerations in decision-making.

- Implementing **expenditure and tax expenditure reviews of green and environmentally unfriendly** ('grey') policies in budget frameworks.
- Reporting **green and grey public revenue and expenditure, and their impact** on budget documents and financial statements.
- **Designing green taxation** and modelling its **impact**.
- Implementing **EU guidelines on green budgeting**.
- Developing a **sustainable finance action plan for Member States and national promotional institutions**.
- Implementing **sovereign green bonds frameworks**.
- Supporting national authorities in the coherent implementation of **climate-related reporting and disclosure obligations**.
- Integrating **environmental, social and governance risks into prudential supervision**.
- Enhancing **sustainability proofing for national promotional institutions**.
- **Capacity building and training on EU taxonomy**.
- Increasing the uptake of **green public procurement practices** by public sector bodies.
- Strengthening the public procurement legal framework to **include green public procurement provisions**.



ENVIRONMENTAL TAX REFORM IN ITALY

Tax expenditures represented more than 70 % of the harmful subsidies listed by the Italian Ministry of Environment in 2016. DG REFORM, in cooperation with the Organisation for Economic Cooperation and Development, provides support to:

- organise workshops about the fiscal mechanisms likely to contribute to ecological transition;
- identify barriers and opportunities for the implementation of an environmental fiscal reform in Italy;
- prepare an action plan with recommendations for removing fossil fuels support and for tax reform.

This project is expected to result in the adoption of a policy agenda for the reform, including tax reform and the removal of fossil fuels support.



SUSTAINABLE BUDGETING AND FINANCIAL MANAGEMENT IN IRELAND

The Irish performance budgeting framework needs improvements to be used for sustainable budgeting and reporting. DG REFORM will support the development and roll-out of a new outcomes-based budgeting framework, measuring the performance of public policies against both sectoral objectives and cross-cutting priorities like climate or equality. The project will aim to improve resource prioritisation, the evaluation of public policies and the accountability of public managers.





TRANSFORMATION OF A NATIONAL DEVELOPMENT INSTITUTION IN **SPAIN**

The Spanish Government lists the fight against climate change amongst its top priorities. Instituto de Crédito Oficial plays a key role in working towards fulfilling these objectives. DG REFORM helps to:

- facilitate the institute's categorisation of financing activities following EU taxonomy;
- support the institute in financing new sectors and using new financial instruments;
- identify the processes needed to improve its green and social bonds programmes and impact measurement.

The project will enable Instituto de Crédito Oficial to increase its capacity to finance sustainable projects and measure their economic and social impact.



SUSTAINABLE FINANCE ACTION PLAN FOR LITHUANIA

Although Lithuania is active in green finance, the current level of capital raised for these types of investments is not sufficient in the long term. DG REFORM will support Lithuania in:

- mapping the current legal and regulatory framework for sustainable financing and identifying the barriers hindering the growth of green finance products;
- assessing the potential for broadening sustainable investment products to include sustainable bonds, green bonds, financial engineering, public-private partnerships and bundling green financing instruments;
- addressing the impact of the legal, regulatory, administrative and policy aspects of sustainable finance policy

The project will help to create a more favourable environment for sustainable investments in Lithuania.



JUST TRANSITION

All EU Member States, regions and sectors have to contribute to the **transition towards a climate-neutral economy**. However, the scale of the challenge is not the same for all. Regions dependent on fossil fuels and carbon-intensive industries will be particularly affected and will undergo a profound economic, environmental and social transformation.

DG REFORM is helping Member States to mobilise resources and take actions to ensure targeted support for the regions and sectors that are most affected by this transition.

DG REFORM is also supporting 18 Member States in the preparation of their **territorial just transition plans**, which each Member State will have to draw up to get access to funding from the **Just Transition Mechanism**.



EXAMPLES OF SUPPORT

- Assessing **transition challenges and needs**.
- Preparing an **action plan** with a road map of measures needed for the transition to a climate-neutral economy.
- Supporting **stakeholder consultations** to build a consensus on how to transition to a climate-neutral economy.
- Proposing **governance mechanisms** to implement the transition.



TRANSITION FROM COAL IN SLOVAKIA

For a long time the region of Upper Nitra in Slovakia has been relying on coal for electricity and district heating. DG REFORM helped Slovakia to prepare a strategy for the transition out of coal, in close cooperation with a wide range of stakeholders. The project delivered an action plan for the economic transformation of the region and proposed concrete steps for diversifying economic activities, stimulating job creation and mitigating environmental impacts through the rehabilitation of the mining land.

CONTACT DETAILS

Main contact point for applying for the Structural Reform Support Programme

REFORM-SRSP@ec.europa.eu

Find out more

- DG REFORM:
https://ec.europa.eu/info/departments/structural-reform-support_en
- Structural Reform Support Programme:
https://ec.europa.eu/info/funding-tenders/overview-funding-programmes/structural-reform-support-programme-srsp_en



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