



EU invests close to €3 billion of emissions trading revenues for cleaner energy systems in 10 EU countries via the Modernisation Fund

Brussels, 24 June 2024

Today, the European Union has **disbursed €2.967 billion via the Modernisation Fund to support 39 energy projects in 10 EU Member States**. These investments will support the modernisation of energy systems, reducing greenhouse gas emissions in the energy, industry and transport sectors, and improving energy efficiency. This is the largest disbursement to date via the Modernisation Fund, bringing the total spending to **€12.65 billion** since January 2021. These investments help Member States to meet their climate and energy targets and contribute to the EU's long-term target of reaching climate neutrality by 2050.

The Member States benefitting from the first disbursement of 2024 are Bulgaria (€65.2 million), Croatia (€52 million), Czechia (€835.2 million), Estonia (€24.1 million), Hungary (€76.8 million), Latvia (€26.8 million), Lithuania (€59 million), Poland (€697.5 million), Romania (€1.095 billion) and Slovakia (€35 million). The projects supported today focus on renewable electricity generation, use and deployment of renewable energy sources, modernisation of energy networks and energy efficiency.

[Examples of proposals](#) that have received funding today include:

- reinforcement of the electricity transmission grid to support renewables integration in Bulgaria;
- deployment of photovoltaic and energy storage capacity for public water service providers in Croatia;
- support to households for the acquisition and installation of new photovoltaic systems in Czechia;
- improving energy efficiency and promoting renewable energy use in public sector buildings in Estonia;
- modernisation and development of renewable energy-based district heating systems in Hungary;
- use of renewable energy sources in multi-apartment buildings, public buildings, and energy communities in Latvia;
- development of storage capacities to balance energy systems in Lithuania;
- upgrading of heavy-duty transport charging infrastructure in Poland;
- contract-for-difference support schemes for the production of electricity from renewable sources in Romania;
- production of renewable hydrogen and highly efficient co-generation in Slovakia.

The next deadlines for Member States to submit investment proposals for potential support by the Modernisation Fund are **13 August 2024** for non-priority proposals, and **10 September 2024** for priority proposals.

Background

Funded by revenues from the auctioning of emission allowances under the [EU's Emissions Trading System](#), the Modernisation Fund aims to support thirteen lower-income Member States in their transition to climate neutrality. The beneficiary Member States are Bulgaria, Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania and Slovakia, as well as Greece, Portugal and Slovenia which became eligible for Modernisation Fund support as of January 2024, under the [revised EU Emissions Trading System \(EU ETS\)](#).

The Modernisation Fund supports investments in the generation and use of energy from renewable sources, energy efficiency, energy storage, modernisation of energy networks, including district heating, pipelines and grids, and just transition in carbon-dependent regions. An overview of

previous disbursements can be found [here](#).

The Fund complements other EU instruments such as [Cohesion policy](#) and the [Just Transition Fund](#). It mobilises significant resources, which can help eligible countries support investments in line with the [REPowerEU Plan](#) and the [Fit For 55 package](#). It operates under the responsibility of the [beneficiary countries](#) in close cooperation with the [European Commission](#) and the [European Investment Bank](#) (EIB).

For More Information

[Adopted disbursement decisions](#)

[Confirmations of priority investments](#)

[Recommendations of the Modernisation Fund Investment Committee](#)

[List of confirmed and recommended investment proposals](#)

[Modernisation Fund website](#)

[Delivering the European Green Deal](#)

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Quotes:

"The Modernisation Fund is a crucial instrument to foster decarbonisation, while showing solidarity in the EU. The €12.65 billion that we have disbursed to Member States since 2021 prove our commitment to achieving our climate neutrality goal in a socially fair manner. By supporting this group of Member States in modernising their energy systems, we continue to move forward on our decarbonisation path via investment into clean technologies that also make us competitive in the long run."
Maroš Šefčovič, Executive Vice-President for European Green Deal, Interinstitutional Relations and Foresight - 24/06/2024

"Today's disbursement of nearly €3 billion marks another step forward in Europe's transition toward climate neutrality. This record figure shows again the benefits of pricing carbon and investing the revenues in our green transition, in a way that benefits our citizens, our industries and our climate."
Wopke Hoekstra, Commissioner for Climate Action - 24/06/2024

"To deliver Europe's green transition, targeted and impactful investments that combine climate action, competitiveness and cohesion objectives are of critical importance. For Modernisation Fund Member States the support provided to modernise their energy networks, improve energy efficiency and accelerate an affordable transition away from fossil fuels to renewables is a very positive development. Today's announcement of the single largest disbursement to date, shows that the EU Modernisation Fund has become a key financing mechanism to accelerate the decarbonisation of our economies with a view to meeting Europe's ambitious climate targets."
Ambroise Fayolle, European Investment Bank Vice-President - 24/06/2024

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