RESPONSIVE SCIENCE IN SUPPORT OF CLIMATE POLICYMAKING

Friday, August 29, 2025
Acropolis Museum, Athens, Greece

National Energy and Climate Plan

Funding requirements

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The Importance of Greece’s NECP in the Current Context 1 / 2

At a time when **geopolitical tensions, energy price volatility, and climate pressures** are reshaping Europe’s priorities, Greece’s revised **National Energy and Climate Plan (NECP)** becomes not just a policy document but a **strategic roadmap for national security, competitiveness, and resilience**.

1. **Geopolitical Security**
   - The war in Ukraine and instability in global energy markets have shown the danger of fossil fuel dependency.
   - Greece’s NECP supports **diversification of energy sources**, **faster renewable deployment**, and **cross-border interconnections**, strengthening energy independence and regional security.
2. **Economic Stability & Growth**
   - High energy prices threaten households and businesses.
   - The NECP prioritizes **energy efficiency, storage, and digital grids** that reduce costs and shield the economy from external shocks.
   - By investing in **green industries and clean technologies**, it positions Greece as a **regional hub for green investment**.

The Importance of Greece’s NECP in the Current Context 2 / 2

3. **Social & Regional Cohesion**
   - The plan includes mechanisms like the **Social Climate Fund**, supporting vulnerable households and communities in the transition.
   - Investments in **renewable islands, smart agriculture, and circular economy** also create opportunities for local employment and innovation.
4. **Climate Leadership**
   - Greece, heavily exposed to heatwaves, wildfires, and water scarcity, needs urgent **adaptation and mitigation measures**.
   - The NECP integrates **climate resilience** with digital transformation, ensuring sustainability is tied to modern infrastructure and smart governance.
5. **European Integration & Funding**
   - The NECP is a prerequisite for accessing **EU funds** (Modernisation Fund, Social Climate Fund, Recovery & Resilience).

Greece’s credibility in delivering on the NECP strengthens its voice in European climate and energy diplomacy.

Greece’s Revised NECP: Key Highlights 1 / 2

1. Ambitious Renewable Energy Targets

- Greece aims to increase its share of renewables in electricity generation to around **76–81% by 2030**, up significantly from 66% in its previous plan.

2. Substantial Emissions Reductions

- A target to cut greenhouse gas emissions by **approximately 59% by 2030**, exceeding the EU’s 55% benchmark.
- Long-term goal: **climate neutrality by 2050**, with an interim **80% reduction by 2040**.

3. Significant Financial Commitments

- Additional investment by 2030 for energy efficiency, renewables, and storage, scaling up **by 2050**.
- These investments are projected to deliver major economic benefits including GDP growth and job creation (estimated 210,000 green jobs annually).

Greece's Revised NECP: Key Highlights 2/2

4. Infrastructure & Technology Deployment

- Planned capacity by 2030:
  - **13.5 GW solar PV**
  - **8.9 GW onshore wind**
  - **1.9 GW offshore wind**
- Energy storage: **6 GW combined** (battery systems and pumped hydro).

5. Sectoral Focus: Buildings, Transport, Hydrogen

- **Retrofitting ~409,000 buildings** by 2030 to boost energy efficiency.
- Electrification of transport and expansion of EV charging networks.
- Deployment of **green hydrogen**, biogas, and synthetic fuels for hard-to-abate sectors in the long term

Greece’s Revised NECP: at a glance

Greece’s updated NECP is a transformative blueprint, blending strong climate ambitions with strategic investments in renewables, infrastructure, and innovation.

It paves the way for a resilient, green and affordable energy, low-carbon future.

1. EU Cohesion Policy & Regional Funds

Greece benefits from EU Cohesion Policy, notably through the European Regional Development Fund (ERDF), receiving **€6.2 billion** for climate-related initiatives in 2021–2027. An additional **€185 million** comes from the European Maritime, Fisheries and Aquaculture Fund (EMFAF).

2. Recovery and Resilience Facility (RRF) / NextGenerationEU

As part of Greece's recovery and resilience efforts, RRF provides **€13.7 billion** in climate finance until 2026, accounting for **38.1%** of the national Recovery and Resilience Plan.

3. Just Transition Fund

Greece was allocated **€755 million** from the EU's Just Transition Fund to support activities in lignite-dependent regions—such as reskilling workers, installing photovoltaic parks, rehabilitating mine areas, and modernizing heating and transport networks.

4. Modernisation Fund: Supports RES, energy efficiency, district heating, and industrial decarbonisation in countries with lower GDP per capita, including Greece.

Decarbonisation Fund (national):The Greek government, the European Commission, and the European Investment Bank (EIB) have formalized a partnership in Naxos to launch the Islands Decarbonisation Fund, which will support clean energy initiatives across Greece's islands. The agreement identifies three key types of projects eligible for funding: renewable energy generation and energy storage—which will receive at least 50% of the total budget—new electricity grid interconnections linking the islands to the mainland, and infrastructure developments such as EV charging stations, shore-side electricity for ships (cold ironing), and water treatment facilities.

Social Climate Fund: Will start in 2026, focused on protecting vulnerable households and SMEs from rising energy costs, by financing building renovations, clean mobility, and energy efficiency.

5. EU Emissions Trading System (ETS) Revenues

- The ETS is one of the largest sources of climate finance for Greece.
- Revenues from the auctioning of emission allowances are earmarked for the Energy Transition Fund, which finances subsidies for renewables, energy efficiency, e-mobility, and support for vulnerable consumers.
- With carbon prices often above €70–€90/ton CO_2, ETS can generate hundreds of millions annually, providing stable funding for NECP measures.
- Greece increasingly uses ETS revenues to co-finance projects with EU funds, multiplying impact.

5. European Investment Bank (EIB)

The EIB has a long history of investing in Greece, and the NECP's island decarbonization fund alone expects to mobilize **€2 billion** with EIB and European Commission support.

6. Energy Storage Support via RRF

The EU has approved **€341 million** specifically for supporting grid-connected energy storage capacity—up to 900 MW—vital for integrating renewables.

7. National Green Funding Schemes & Legislative Tools

Planning to deploy a **Green Financing Scheme** to support circular economy investments and water reuse programs. The NECP also includes **€150 million** for carbon capture and storage (CCS) funding.

8. Private Capital & Institutional Investors

Beyond public sources, Greece stands to attract private financing, critical for accelerating green projects (e.g., grid enhancements, renewables, smart city infrastructure).

Public–Private Partnerships (PPPs) & ESCO Models

PPPs are crucial for leveraging private capital in infrastructure (e.g., smart grids, e-mobility, storage, ports).

ESCO model (Energy Service Companies): Used for building renovations and efficiency projects, where private firms cover upfront CAPEX and get repaid from energy savings.

Municipal PPPs for street lighting, water networks, and charging infrastructure are already scaling.

These mechanisms reduce the burden on public budgets while accelerating deployment.

Greece's NECP relies on a **diverse funding mix:**

- **EU funds**
- **Bank financing**
- **National green schemes**
- Crucially, **private capital mobilization** to fill remaining funding gaps.

This multi-pronged strategy is key to achieving the ambitious goals of renewable energy scale-up, energy efficiency, grid modernization, and climate neutrality by 2050.

The revised National Energy and Climate Plan is not only about "green targets", or just creating boxes for ticking.

It is a shield against external crises, a tool for domestic resilience, and a lever for economic transformation.

It allows Greece to turn today's geopolitical and economic challenges into an opportunity for leadership in the green transition.

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Honored to contribute to the discussion on Greece’s revised National Energy and Climate Plan (NECP) at such a pivotal moment.

⚡ In times of geopolitical volatility and economic pressure, the NECP is more than a climate strategy:
✔️ It strengthens energy security
✔️ Drives economic growth & innovation
✔️ Creates green jobs
✔️ Ensures a sustainable and resilient future for Greece and Europe.

💶 The scale of ambition requires billions in investments — but there are **transformative opportunities**:

🇪🇺 EU Funds (Modernisation, Decarbonisation, Social Climate Fund)
♻️ Public–Private Partnerships & ESCO models unlocking private capital
🤝 Aggregators & local stakeholders enabling large-scale deployment

The road ahead demands collaboration, funding, and vision — but the NECP provides the framework to act decisively.

✨ With the right commitment, Greece can lead by example — proving that climate action and economic resilience can go hand in hand for a stronger Europe.