Reflection of Climate Change considerations in the Major Projects Application Form for 2014-2020 programming period

Unit G.1 Competence Centre: Smart and sustainable Growth
DG Regional and Urban Policy
Project decision-making procedure in the 2014-2020

The Member State can choose one of three procedure for decision-making of a major project:

- Article 102.1 procedure – Notification (IQR report based procedure)
- Article 102.2 procedure – Full Application Form based procedure
- Article 103 procedure – for phased projects only - Notification without IQR report - simplified procedure
Article 101 Information necessary for the approval of major projects

(a) **the body** to be responsible for implementation of the major project, and **its capacity**;
(b) **a description of investment** and its location;
(c) **total cost and total eligible cost**, taking account of the requirements set out in Article 61;
(d) **feasibility studies** carried out, including the options analysis, and the results;
(e) **a cost-benefit analysis**, including an **economic and a financial analysis**, and a **risk assessment**;
(f) **an analysis of the environmental impact**, taking into account **climate change adaptation and mitigation needs**, and **disaster resilience**;
(g) **the consistency with the relevant priority axes of the operational programme** or operational programmes concerned, and its expected contribution to achieving the specific objectives of those priority axes and the expected contribution to socio-economic development;
(h) **the financing plan** showing the total planned financial resources and the planned support from the Funds, the EIB, and all other sources of financing, **together with physical and financial indicators for monitoring progress**, taking account of the identified risks;
(i) **the timetable for implementing the major project** and, where the implementation period is expected to be longer than the programming period, the phases for which support from the Funds is requested during the 2014 to 2020 programming period.
Climate Change requirements in the application form

Section D.2. – Option analysis
Section D.3. – Feasibility of the option selected
Section E.2. – Economic analysis
Section E.3. – Risk assessment and sensitivity analysis
Section F.1. – Consistency of the project with the environmental policy
Section F.8. – Climate change adaptation and mitigation, and disaster resilience
  Section F.8.1 – consistency with climate policy
  Section F.8.2 – how has climate change mitigation and adaptation and disaster resilience been addressed in the project
  Section F.8.3 – what adaptation measures are included in the project as a result
D.2. **Option analysis**

D.2.1 Please outline the alternative options considered in feasibility studies (max. 2-3 pages) in accordance with the approach as set out in Annex III (Methodology for carrying out the cost-benefit analysis) to this Regulation. At least the following information should be included:

(i) The total investment cost and operating costs for options considered;

(ii) Options for scale (against technical, operational, economic, environmental and social criteria) and options for location of the proposed infrastructure;

(iii) Technological options — per component and per system;

(iv) Risks involved for each alternative, including risks related to climate change impacts and weather extremes;

(v) Economic indicators for options considered, if applicable (i);

(vi) Summary table containing all pros and cons for all options considered.

In addition, in case of productive investments give details of capacity considerations (e.g. capacity of the firm before investment (in units per year), reference date, capacity after investment (in units per year), estimate the capacity utilisation rate).
D.2.2 Please specify the criteria considered in selecting the best solution (with ranking of their importance and method of their evaluation, reflecting the outcomes of the climate change vulnerability and risks appraisal and of the EIA/SEA procedures as appropriate (see: section F below)) and briefly present a justification for the option chosen in accordance with Annex III (Methodology for carrying out the cost-benefit analysis) to this Regulation. (2)
D.3. **Feasibility of the option selected**

Provide a short summary of the feasibility of the option selected covering the following key dimensions: institutional, technical, environmental, and GHG emissions, climate change impacts and risks on the project (where applicable), and other aspects taking into account identified risks to prove feasibility of the project. Please complete the table by making reference to the relevant documents.

D.3.1 **Institutional aspect**

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D.3.2 **Technical aspects including location, designed capacity of the main infrastructure, justification of the project scope and size in the context of the forecasted demand, justification of the choices made with regard to climate and natural disaster risks assessment (where relevant), investment and operating costs estimates**

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D.3.3 **Environmental, and climate change mitigation (GHG emissions) and adaptation aspects (where applicable)**

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D.3.4 **Other aspects**

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Secondary legislation related to major projects for 2014-2020

- **THE METHODOLOGY TO UNDERTAKE IQR / THE REVENUE-GENERATING PROJECTS** - the Commission Delegated Act no 480/2014 (OJ 2014 L 138 13.05.2014);


- **COST-BENEFIT ANALYSIS (CBA) and "APPLICATION FORM"** – the Commission Implementing Regulation 207/2015 (OJ L38 of 20 January 2015);

Non-Legislative guidance:

- **CBA GUIDE** – published on 19 December 2014

F. AN ANALYSIS OF THE ENVIRONMENTAL IMPACT, TAKING INTO ACCOUNT CLIMATE CHANGE ADAPTATION AND MITIGATION NEEDS, AND DISASTER RESILIENCE

F.1. Consistency of the project with environmental policy

F.1.1 Describe how the project contributes and takes into account the environmental policy objectives including climate change (as guidance, please consider the following: resource efficiency, preservation of biodiversity and ecosystem services, reduction of GHG emissions, resilience to climate change impacts etc.).

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F.8. **Climate change adaptation and mitigation, and disaster resilience**

F.8.1. *Explain how the project contributes to climate change targets in accordance with EU 2020 strategy, including information on climate change-related expenditure in line with Annex I to the Commission Implementing Regulation (EU) No 215/2014*

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F.8.2. Explain how climate change related risks, adaptation and mitigation considerations, and disaster resilience have been taken into account.

(As a guidance, please consider the following questions: How were the volume of the Greenhouse Gas (GHG) externality and the external cost of carbon assessed? What is the shadow cost of GHG and how has it been integrated into the economic analysis? Was a less carbon intense or based on renewable sources alternative been considered? Has a climate risk assessment or vulnerability screening been carried out during the preparation of the project? Have climate change issues been taken into account as part of SEA and EIA and have been checked by the relevant national authorities? How did the analysis and ranking of relevant options take into account climate issues? How does the project relate to the national and/or regional strategy for adaptation to climate change? Will the project in combination with climate change have any positive and/or negative impacts on the surroundings? Do climate change influence the location of the project?)
F.8.3. **Explain what measures have been adopted to ensure resilience to current climate variability and future climate change within the project**

(As a guidance, please consider the following questions: how was climate change taken into consideration when designing the project and its components, for example with regard to external forces (e.g. wind load, snow load, temperature differences) and impacts (e.g. heat waves, drainage, risk of flooding as well as prolonged dry periods affecting e.g. soil characteristics))

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Project preparation for Article 102.1 procedure (Notification - IQR report based)

Before submitting the major project to the Commission the:

• Managing Authority can use JASPERS for the IQR
• Managing Authority provides the complete information to IQR experts as specified in Article 101 (a)-(i)
• The IQR experts produce an independent Quality Review Report, which includes an appraisal of the available information required in Article 101 (a)-(i)
• in addition, the experts provide a clear statement on the investment's feasibility and economic viability as required in Article 102.1 (b)

NEW: Commission defined the format of the independent expert review in the Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014
Independent Quality Review Report

5. **FEASIBILITY STUDIES CARRIED OUT, INCLUDING OPTION ANALYSIS, AND THE RESULTS**

5.1. Summarise relevant information on the feasibility studies carried out and the results under the following aspects: institutional, technical, environmental including climate change (if relevant) and other aspects.

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Independent Quality Review report

7.2. Summarise relevant information on the climate change adaptation and mitigation, and disaster resilience.

Give a clear statement whether or not the project meets the relevant criteria for quality review set out in Annex II to Commission Delegated Regulation (EU) No 480/2014 and justify this statement.

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Article 102.1 procedure - Notification (IQR report based)

When the project is **positively** assessed by **independent experts**:

- Managing Authority submits the information on the major project to the Commission [Article 102.1 (a)–(b)]:
  - *Body responsible for implementation of the project*
  - *Description of the investment*
  - *Total cost and total eligible cost*
  - *Financing plan*
  - *Quality Review Report*

- The Independent Quality Review Report is a part of the Notification sent to the Commission
Project quality assurance before submission to the EC – remains the responsibility of the MS


Thank you for your attention
For info or further questions on the activities of the JASPERS Networking Platform, please contact:

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