

Evaluation of the Modernisation Fund - Questionnaire to other organisations

Fields marked with * are mandatory.

BACKGROUND AND PURPOSE OF THE SURVEY

The European Commission's Directorate-General for Climate Action (DG CLIMA) has contracted Viegand Maagøe, Technopolis Group, and Logika Group to carry out the "**Evaluation of the Modernisation Fund**" in line with the provisions of Article 15 of the Modernisation Fund Implementing Act. This survey is part of the evaluation.

The purpose of the evaluation is to assess the implementation of the Modernisation Fund against the criteria of the Better Regulation Guidelines, with specific focus on:

- The areas of priority investment projects
- The confirmation of priority investments by the EIB
- The assessment of non-priority investment by the Investment Committee Financing and monitoring of investments by the beneficiary Member States
- The overall governance framework of the Modernisation Fund

This survey is targeting relevant trade unions, NGOs and industry organisations. The purpose of this survey is to gather evidence to support the evaluation process, particularly in relation to the transparency of the MF and stakeholders' perceptions of its focus areas. The survey is estimated to take approximately **15 minutes** to complete.

Please note that you can save your survey as draft at any stage in the process by using the blue button on the right side of the user interface. You need to save the individually created link and use that to complete the survey.

DATA PROTECTION

The survey will be managed in line with the requirements of EU legislation on data protection in particular Regulation (EU) 2018/1725. Please note the data protection statement below.

Data Protection Statement:

[DPR-01011.4 - SSPS MF Surveys 20250404.pdf](#)

QUESTIONS ABOUT THE SURVEY

For questions about the survey or technical difficulties, please send an email to: nfr@vmass.dk; fear@vmass.dk;

INTRODUCTION

*** Please provide the name of your organisation**

The Green Tank

*** My organisation belongs to the following field of activity**

- ☐ Public
- ☐ Finance
- ☐ Energy/Industry
- ☐ Services
- ☐ Research
- ☐ Association
- ☒ Non-Governmental Organisation
- ☐ Others

*** In which Member State is your organisation based?**

- ☐ Austria
- ☐ Belgium
- ☐ Bulgaria
- ☐ Croatia
- ☐ Cyprus
- ☐ Czech Republic
- ☐ Denmark
- ☐ Estonia
- ☐ Finland
- ☐ France
- ☐ Germany
- ☒ Greece
- ☐ Hungary
- ☐ Ireland
- ☐ Italy
- ☐ Latvia
- ☐ Lithuania
- ☐ Luxembourg
- ☐ Malta
- ☐ Netherlands
- ☐ Poland
- ☐ Portugal
- ☐ Romania
- ☐ Slovakia
- ☐ Slovenia
- ☐ Spain
- ☐ Sweden

TRANSPARENCY OF THE MODERNISATION FUND

*** How familiar are you with the Modernisation Fund overall?**

- ☐ Extremely familiar
- ☒ Very familiar
- ☐ Somewhat familiar
- ☐ Slightly familiar
- ☐ Not at all familiar

*** How would you rate your familiarity with the processes and procedures of the Modernisation Fund?**

- ☐ Extremely familiar
- ☒ Very familiar
- ☐ Somewhat familiar
- ☐ Slightly familiar
- ☐ Not at all familiar

*** How would you assess the level of transparency of the Modernisation Fund?**

- ☐ Very good
- ☐ Good
- ☐ Acceptable
- ☒ Poor
- ☐ Very poor
- ☐ Do not know

Please elaborate

There are several positive elements in the current set up, namely the availability on the MF website of the following information:

1. Approved Investments
2. Investment Committee decisions
3. Investment Committee recommendations
4. EIB's confirmations
5. Annual reports of the Member States

However, there are several characteristics which can and should be improved:

1. The distinction between priority and non-priority projects is unclear. As the recent report by CEE Bankwatch titled "Keeping the flame alive with emissions revenues" revealed there are cases where fossil-fuel projects funded by the MF are characterized as priority under the "energy efficiency" label, but also similar projects funded as "non-priority". This effectively blurs the line in favor of new fossil fuel investments.
2. The information on approved investments is also unclear. The same report identified 2.6 billion (17 per cent) of the 15 billion that have been allocated so far in total, as allocated to a 'mixed' category that includes 26 schemes. This classification reflects the current lack of transparency around the final technology choices within these schemes. These investments could ultimately support fossil fuels (12 schemes), unsustainable renewables (20 schemes, including biomass burning and new hydropower), and waste incineration (3 schemes), or a combination of these.
3. The EIB's confirmation decisions do not contain the basic technical and financial information justifying the decision. For example, in cases of funding fossil fuel plants as priority investments, the confirmation decisions do not contain information on the expected improvement in energy efficiency or the reduction in greenhouse gas emissions that will result from the implementation of the project.
4. The current rules of public participation that the Member States need to apply as outlined in the Implementation Regulation on the Modernisation Fund are both vague and weak. As a result, there are big differences between Member States in the completeness of their annual reports. Differences include who is invited to comment, the period for commenting, how these comments are taken into account, or what constitutes stakeholder consultations for the indicative list of projects.
5. Moreover, current rules of public participation do not require a coherent plan for the use of the MF by the Member States, which could be consulted with various stakeholders. As a result, there is a threat of adhoc use of these funds which would reduce their potential to have an impact in modernizing the energy systems of the eligible Member States.
6. Even the existing rules do not seem to be complied with in the cases of some Member States. Specifically, according to article 17 of Regulation 2021/1001 "The beneficiary Member States shall make publicly available on the websites of the relevant departments of their administrations information on the investments supported under this Regulation, in order to inform the public of the role and objectives of the Modernisation Fund. Such information shall include an explicit reference to the Modernisation Fund support received". However, not all eligible MS have dedicated websites to the MF. One way to improve on that aspect, would be for the Commission to develop a page within its MF webpage. which has links to the national websites, as is the case with the EC's NECP website.
7. There are significant delays in posting information on the MF webpage, which do not contribute towards transparency. For example, the annual report of 2024 from the Investment Committee is still missing although we are approaching mid-2025. Moreover, although Member States officially announce approvals by EIB of investments from the MF (e.g. Greece), the corresponding official information does not appear in the website.

To what extent do you think that the following information sources contribute to the transparency of the Modernisation Fund?

	Strongly agree that it contributes	Agree that it contributes	Neither agree nor disagree that it contributes	Disagree that it contributes	Strongly disagree that it contributes	Do not know /cannot assess
* Information available on the Modernisation Fund Webpage	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Communication on other webpages of the European Commission/EIB	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Communication by the European Commission/EIB on social media	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Information provided by Member States on national Websites	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
* Information provided by Member States on social media	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

*** How can the transparency of the Modernisation Fund be improved?**

1. All national websites should be linked to the EU MF website and their content should be streamlined, at least to some extent.
2. The EIB should provide more details on the rationale of each investment it approves, especially the reduction in the carbon footprint and the improvement in energy efficiency that would be achieved through the implementation of the investment.
3. The EC should encourage the MS to develop plans for the use of their entire MF and conduct a public consultation on it
4. Clear guidelines should be provided by the EC on the timing and duration of consultations the MS should organize regarding specific investments, as well as the composition of stakeholders, and the way comments are taken into account.

*** How would you assess the opportunity for your organisation (or members or your organisation) to provide feedback with a view to influencing the selection of investments submitted for funding through the Modernisation Fund?**

- ☐ Very good
- ☐ Good
- ☐ Acceptable
- ☐ Poor
- ☒ Very poor
- ☐ Do not know

Please elaborate

According to an official announcement by the Greek Ministry of Environment and Energy, the first batch of projects from the MF has been approved by the EIB. There has not been any consultation on the matter or on a broader plan to utilize the whole revenue that Greece is earmarked to receive until the end of the 4th EU ETS phase; therefore we had no opportunity to influence the selection of investments.

RELEVANCE AND COHERENCE OF THE MODERNISATION FUND

*** How would you assess the relevance of distinguishing between priority and non-priority investments to address the climate action and technology deployment needs in lower-income Member States?**

Definition of priority and non-priority investments can be found here: <https://modernisationfund.eu/investments-2/>

- ☐ Very relevant
- ☐ Relevant
- ☐ Neutral
- ☒ Irrelevant
- ☐ Very irrelevant
- ☐ Do not know /cannot assess

Please elaborate

In principle this should be a very relevant distinction. However, according to the recent report by CEE Bankwatch titled “Keeping the flame alive with emissions revenues”, of the 36 investments from the Modernisation Fund, totalling over EUR 2 billion, supporting fossil fuels, 26 were classified as ‘priority investments’ and 10 as ‘non-priority’, by the Modernisation Fund authorities. All 26 of fossil fuel ‘priority investments’ were categorised under ‘improvement of energy efficiency’ (before 2024) and ‘reduction of overall energy use through energy efficiency’ (from 2024 onwards). Therefore, the line between priority and non-priority investments is blurred to say the least. The distinction could be more effective if fossil fuels were explicitly excluded from the priority investment category or at least through introducing a meaningful emissions reduction threshold for investments classified as “priority”.

How would you assess the relevance of the investment categories under priority investments (*Renewable Energy, Energy Efficiency, Renewable Heating and Cooling, Energy Network and Storage, Support to Low-income Households, Just Transition in Carbon-Dependent Regions*)

	Very relevant	Relevant	Neutral	Irrelevant	Very irrelevant	Do no know/ Cannot assess
* Renewable Energy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Energy Efficiency	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Energy Network and Storage	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Renewable Heating and Cooling	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Support to Low-income Households	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
* Just Transition	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please elaborate

These categories are very relevant with the exception of the Energy Efficiency category which has been used as vehicle to finance fossil fuel-based as well as waste incineration projects without any documentation on the improvement in energy efficiency and carbon footprint that will be achieved, in comparison with truly clean investments with the same cost. Also the direct support for households, although necessary, should predominately come from other, more appropriate funds, such as the Social Climate Fund for example.

Are there any areas that you consider Modernisation Fund should particularly cover?

Renewables-based heating and district heating systems, energy upgrades, sustainable mobility, electromobility in public transport, energy communities for self-production renewables-based projects, storage systems, and grids.

*** How would you assess the relevance of the MF objectives to support the modernisation of energy systems and the improvement of energy efficiency in 13 lower-income EU Member States for the current EU policy goals?**

- ☒ Very relevant
- ☐ Relevant
- ☐ Neutral
- ☐ Irrelevant
- ☐ Very irrelevant
- ☐ Do not know / cannot assess

Please elaborate

The MF could prove to be a catalyst for the modernization of the energy systems of lower-income MS, provided that it will be utilized accordingly. However, the analysis by CEE Bankwatch reveals that this is not the case with the use of the MF so far, since a large proportion of the 15 billion deployed so far has funded non-sustainable projects. If this practice continues for the remainder of the 4th EU ETS phase.

*** How would you assess the relevance of MF objectives to address the climate action and technology deployment needs in lower-income Member States?**

- ☒ Very relevant
- ☐ Relevant
- ☐ Neutral
- ☐ Irrelevant
- ☐ Very irrelevant
- ☐ Do not know / cannot assess

Please elaborate

The MF could prove to be a catalyst for the modernization of the energy systems of lower-income MS, provided that it will be utilized accordingly. However, the analysis by CEE Bankwatch reveals that this is not the case with the use of the MF so far, since a large proportion of the 15 billion deployed so far has funded non-sustainable projects. If this practice continues for the remainder of the 4th EU ETS phase.

*** Does the MF in your view complement other sources of funding? (e.g. Recovery and Resilience Facility, Innovation Fund, InvestEU etc.)**

- ☒ A lot
- ☐ Somewhat
- ☐ A little
- ☐ None

Please elaborate

Yes, mostly the RRF, the JTF and the SCF as some of the funding priorities in these funds are aligned with those of the MF.

*** Does the MF in your view operate in conflicting way with other sources of funding? (e.g. Recovery and Resilience Facility, Innovation Fund, InvestEU etc.)**

- ☐ A lot
- ☐ Somewhat
- ☐ A little
- ☒ None

Please elaborate

No. If utilized properly it could complement other sources of funding

*** Do you see any potential overlaps with other EU funds?** *If yes, please elaborate on the fund and potential overlap*

Potential overlaps may exist in the investment categories under priority investments (Renewable Energy, Energy Efficiency, Renewable Heating and Cooling, Energy Network and Storage, Support to Low-income Households, Just Transition in Carbon-Dependent Regions) as all these categories can be funded by other funds. However, this can be avoided with the appropriate design on the use of complementary funds. Besides, such overlaps are typical in other cases (e.g. RRF and JTF) and have been addressed successfully by Member States.

*** In your view, will the financing gap in lower-income Member States for modernisation of the power sector, energy systems and improvement of energy efficiency continue to exist and prompt the need for continued MF support?**

- ☒ Yes
- ☐ No

Please elaborate

Yes, we believe that continued support to lower-income MS will be necessary in light of the upcoming challenges of EU Energy policy, such as the launch of ETS2 and the limited size of the Social Climate Fund to address the impacts of ETS2 on vulnerable households.

Are there any other points you would like to raise?

Contact

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