

**Welcome Address by Mr Michalis Antoniou,
OEB Director General
Innovation Fund
2 February 2022, 10:00-12:00 Cyprus Time**

Good morning, ladies and gentlemen,

The organisation of this **event to promote the Innovation Fund** could not have been more timely and appropriate, as we enter a decade of rapid changes and challenges in the fields of energy and environment.

The new European Commission Legislative Package "**Fit for 55**", is the tool to achieve the European Union goal of climate neutrality by 2050. In order to achieve this long-term goal, we apparently need medium-term steps that will secure the right course of actions.

In line with the European Green Deal, the European Commission proposed **increasing the Union's level of ambition** so as to **reduce emissions by at least 55% by 2030 compared to 1990**.

The transition to a greener and less polluting economy, is a necessity and not an option. The European Commission estimates that the worldwide losses associated with climate change have exceeded 270 billion euros just for the year 2017.

In order to achieve its goals, Europe must act in priority in the **building, energy, transport and Industry** sectors.

Buildings is the largest energy consumer in the EU and responsible for almost 30% of the Union's greenhouse gas emissions.

EU member states are heavily dependent on coal for electricity and further investment and reforms on **renewable energy** is urgently needed.

Carbon dioxide emissions **in transport** is estimated to be almost 27% of the total greenhouse gas emissions in Europe and is a major contributor to the air pollution.

The decarbonization of the **industrial sector** in the EU is technically feasible at this stage, but it requires significant capital expenditure and is not competitive enough in the existing markets.

According to the Cyprus National Energy and Climate Plan submitted in January 2020, the investment required by the business to achieve the European Union goal of climate neutrality, is estimated at about 12 billion euros - half of the Country's GDP. And you should bear in mind that this Plan was prepared on the basis of the existing at the time policies, well before the introduction of the European Green Deal and the ambitious goal of climate neutrality by 2050. As a result, additional pressure is expected to be exerted upon private sector in the years to follow.

The Innovation Fund is one of the world's largest funding programmes for the promotion of innovative low-carbon technologies and constitutes a great opportunity for the

Cypriot enterprises to receive funding for their small - or large - scale innovative projects that lead to low or zero carbon emissions.

I would like to thank Mrs Giorgia Caroli from the Unit Finance for Innovation, for accepting our invitation to present the Large-Scale project Call that will stay open until 3rd of March 2022 and the Small-Scale project Call that will remain open until the end of August 2022.

I would also like to thank Mr Stelios Heimonas, Director General of the Deputy Ministry of Research, Innovation and Digital Policy and his team for our excellent cooperation.

I wish you a successful webinar and fruitful discussions.

Thank you.

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