Athens, 26 January 2024

To:

- Mr. Theodoros Skylakakis, Minister of Environment & Energy,
- Mr. Kostis Hatzidakis, Minister of National Economy & Finance.

Notification:

- Ms. Alexandra Sdoukou, Deputy Minister of of Environment & Energy,
- Monitoring Committee of the 2021-2027 NSRF Programme "Environment and Climate Change"

Subject: 1st Revision of the NSRF Programme 2021-2027 "Environment & Climate Change".

Dear Ministers,

Two days ago, we were disappointed to learn about the forthcoming revision of the NSRF Programme 21-27 "Environment & Climate Change" which attempts to transfer funds from the intervention field 042 "Energy efficiency through renovation of existing housing stock, demonstration projects and supporting measures compatible with energy efficiency criteria" of Specific Objective 2.1 to the new intervention field 185 "Natural gas: storage, transport and distribution".

More specifically, the EUR 51 million of resources decoupled from energy efficiency actions and directed to gas projects relate to the completion of:

- construction works, low and medium pressure gas distribution networks in the city of Florina, gas distribution networks in the municipalities of Tripoli and Corinth and gas distribution networks in the municipalities of Edessa, Naoussa, Skydras, Polygyros and Paionia.
- LNG storage and refuelling projects, namely the 'Independent Natural Gas System (ASFA) Alexandroupolis' project and the New Small Scale LNG Pier at the Revithoussa Terminal.

Taking into consideration that:

- The European Parliament in a recent <u>resolution</u> calls for an end to all direct and indirect fossil fuel subsidies, at national, European and global level, "as soon as possible and at the latest by 2025".
- It is not clear how these investments will upgrade the gas networks to accommodate the distribution of renewable and low-carbon gases¹.
- Based on the European Commission's assessment of the National Energy & Climate Plan (NECP), the energy efficiency target for 2030 is also set at a lower level compared to Greece's energy efficiency targets for 2020.

w.greenpeace.g

GREENPEACE

Κολωνού 78, Αθήνα, τηλ. 210 3806374 & 375, fax 210 3804008 www.greenpeace.gr

¹ As set out in the European Development Fund and Cohesion Fund regulation.

- The expected savings and associated financing needs of the planned measures presented to achieve the energy efficiency targets for 2030 are missing from the recently updated draft NECP.
- In the nine measures proposed to combat energy poverty in the latest NECP (2023), emphasis is placed on energy upgrading of residential buildings and development of renewable energy sources to meet their needs, without clear references to the promotion of fossil gas heating systems.

We would like to express our strong concern about the way in which valuable energy efficiency and savings projects are being undermined against fossil gas projects that are moving in a direction opposite to that of the European Union and the implementation of the "Energy Efficiency First" Principle.

Given that the Ministry of Environment & Energy has recently promoted legislation in the right direction to phase out fossil gas for home heating, your intervention is deemed necessary to prevent subsidies for new gas projects that will become "stranded" assets for both the economy and households in the country.

On behalf of Greenpeace Greece,

Kostis Grimanis

Climate & Energy Campaign Lead | Greenpeace Greece

mob:+30 6984617034 tel: +30 2103840774 fax:+30 210 3804008 email: kgrimani@greenpeace.org skype: kgrimani@greenpeace.org addr: Kolonou 78, Athens, 10437

www.greenpeace.gr