



## **Two thirds of the Horizon 2020 Energy funds should go to Renewable Energy**

For information please contact:  
Lucie Tesnière, Policy Adviser  
Email: [tesniere@erec.org](mailto:tesniere@erec.org)

Dear Member of the European Parliament,

The European Parliament could help ensure that renewable energy technology is kept at the heart of approaches to decarbonise the EU's energy supply by earmarking an appropriate share of the energy part of the "societal challenge" budget for renewable energy.

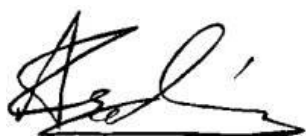
So far in FP7, 44% of non-nuclear energy spending has gone towards renewable energy sources (RES), according to EC data. The European Parliament helped to ensure this with an amendment it adopted at first reading in FP7 negotiations seven years ago calling for two thirds of the funding for this area to go towards renewables. The compromise ultimately obtained in trilogue in 2006 was that over half of the FP7 energy theme should be devoted to renewables and energy efficiency. However, as featured in the table below, the situation in 2006 was very different for renewables in the EU.

Additionally, despite the Europe 2020 objectives, the overall research budget and the energy research subheadings as proposed by the Commission remain very disappointing and are at high risk of being further watered down by the Council of Ministers.

Having regard to the EC's proposed budget for non-nuclear energy in Horizon 2020, we ask the EP to renew its call for two thirds of energy funding to go towards renewables to meet the technology challenge and give a political steer to spending priorities.

FP7 negotiations in 2006	Horizon 2020 negotiations today
EC Communication “An Energy Policy for Europe” launching the process that gave the EU the binding 20-20-20 targets not yet adopted	Climate and energy targets are central to the Europe 2020 strategy
No strategy for energy technology development	The SET Plan has institutionalised the EU-wide coordination of energy technology strategies. The R&I needs of different energy sectors have been identified.
No long term strategy for the energy mix	All EC 2050 decarbonisation scenarios show that RES will represent the biggest share of energy supply technologies. The EC Energy Roadmap highlights how “the challenge for Europe is to enable market actors to drive down the costs of renewable energy through <i>improved research</i> ”.
Global renewable energy industry is smaller and younger	Five more years have passed in which to compare the progress of different energy technologies. Cost reduction in renewable energy technology has exceeded expectations. Rapid expansion of renewable energy technology has continued while that of other low carbon generation technologies has progressed much more slowly.
European industry comfortably leading in renewable energy technology development and deployment	Europe’s position is under threat. The EU needs to focus on producing and deploying the most innovative technology.
Pre-Fukushima	Some Member States are ruling out a future for nuclear following Fukushima.

Yours faithfully,



Arthouros Zervos

President,

European Renewable Energy Council (EREC)

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EREC, the European Renewable Energy Council, is the umbrella organisation of the major European renewable energy industry, trade and research associations active in the field of photovoltaics, small hydropower, solar thermal, bioenergy, geothermal, solar thermal electricity and wind energy. It represents an industry with an annual turnover of more than €70 billion and more than 550.000 employees.