## Ring-fence the Horizon Europe Clean Tech Call for Renewables and Storage

Dear Deputy Director-General Drake,
Dear Director van der Vlies,

Dear Director Paquot,

Brussels, 03.04.2025

Renewables provided nearly half of Europe's electricity in 2024<sup>1</sup> and are growing faster than any other energy source – but not fast enough. The competitiveness and energy security objectives of the Clean Industrial Deal cannot be reached without competitive European renewable energy and storage industries.

Europe must "close the innovation gap"<sup>2</sup> with international competitors in the field of renewable energy and storage technologies, as identified by the Draghi report and the Clean Industrial Deal. We, the undersigned representatives of the EU's renewable energy and energy storage industries, call on you to ensure that the Clean Industrial Deal calls in Horizon Europe will deliver on this goal.

We welcome that the Horizon Europe 2026-27 Work Programme will include a dedicated "Clean Tech for Climate" call to support "fit-for-deployment" projects to bring innovations to market. This will also help EU startups and scaleups bridge the 'valley of death' at their advanced, pre-commercial stage of development. We also welcome the call's focus on creating a pipeline of projects from R&I to deployment to link Horizon Europe with the Innovation Fund. By prioritising leadership in renewable energy and storage technologies, Europe can transform its research prowess into building new industries and new manufacturing capacity.

## The "Clean Tech for Climate" call should be ring-fenced for renewable energy and storage technologies.

Closing the innovation gap also requires closing the funding gap. Forcing renewables and energy storage to compete with other technologies such as Carbon Capture and Storage (CCS) leads to drastic underfunding: less than 5% of the funding awarded by the Innovation Fund has gone to innovative renewable energy or storage demonstration projects.<sup>4</sup> While CCS can contribute to decarbonisation in some areas, renewables and storage have been inadequately supported given their central importance for European competitiveness and security. The

<sup>&</sup>lt;sup>1</sup> Eurostat, Electricity from renewable sources reaches 47% in 2024, 19 March 2025

<sup>&</sup>lt;sup>2</sup> European Commission, <u>Competitiveness Compass</u>, 29 January 2025

<sup>&</sup>lt;sup>3</sup> European Commission, <u>Clean Industrial Deal</u>, page 11, 26 February 2025

<sup>&</sup>lt;sup>4</sup> Calculation based on publicly available DG CLIMA documents: <u>Innovation Fund 2023 Call Results</u> and <u>Innovation Fund 2024 Results</u>.

Clean Tech for Climate call is a chance for the Commission to begin to remedy this by promoting exclusively technologies that have zero emissions and don't risk locking in fossil fuel dependencies that undermine Europe's energy security.

Renewable energy and storage technologies are the primary drivers of Europe's industrial competitiveness and energy security: almost all of the EU's growing electricity demand will be met by renewables<sup>5</sup> (which are already cheaper than fossil fuels). Home-grown renewable technologies can provide not only clean and cheap electricity to European citizens but also ensure that the decarbonisation of European industry is made-in-Europe. Horizon Europe must better incentivise their roll-out if the EU is to meet the objectives of the Clean Industrial Deal.

Ring-fencing the 'Clean Tech for Climate' call for renewables and storage can trigger the development of next-generation made-in-Europe technologies and help bring them to market. This call can also help established renewable energy and storage industries continue developing critical innovations to scale up their manufacturing capacity or circularity. Projects funded under this call could directly contribute to the EU's targets for 5% of newly installed renewables to be innovative and 42.5% renewables in the energy mix by 2030<sup>6</sup>.

The EU's renewable energy and storage industries are ready to deliver the Clean Industrial Deal by continuing to provide cheap renewable electricity and quality jobs for European citizens and industry. With the right calls, Horizon Europe can help ensure that the next generations of renewable energy and storage technologies are invented, built, and deployed in Europe.

Yours sincerely,





**European Association** for Storage of Energy





<sup>&</sup>lt;sup>5</sup> International Energy Agency (IEA), <u>Electricity 2025</u>, page 54, 14 February 2025

<sup>&</sup>lt;sup>6</sup> Directive (EU) 2023/<u>2413</u> (Renewable Energy Directive).