In November 2011, the European Commission published its proposal for Horizon 2020, the new programme for research and innovation. This new financial instrument is supposed to bring through a single set of rules and a major simplification to the two funding instruments it is combining. With a budget of €80 billion, the structure of Horizon 2020 is built around three priorities: excellence science, industrial leadership and societal changes. Amongst the issues it addresses, focus will be given also to climate change, developing sustainable transport and mobility, and making renewable energy more affordable.

Climate Alliance proposes that Horizon 2020 should be amended and strengthened by:

1. **Addressing the non-technological innovation**

2. **Including the key elements of the current Intelligent Energy Europe (IEE) Programme under Horizon 2020 (Chapter 3: Secure, clean and efficient energy)**

1. **The role of non-technological innovation should be comprehensively addressed**

Recent EU legislative and strategic milestones consider sustainable energy as a top priority. If Europe is to reach a “smart, sustainable and inclusive growth”, support to local and regional actions in the field of sustainable energy and climate mitigation is vital. Networking, capacity building, development of innovative management models and financing schemes in the fields of climate and sustainable energy should not be overlooked.

**Article 3.3, 1 paragraph (e) should be modified:**

**e) New knowledge and technologies**

Activities shall focus on multi-disciplinary research for energy technologies (including visionary actions) and joint implementation of pan-European research programmes and world-class facilities. *Also the deployment of research results and innovation are vital. Technological innovation needs to be accompanied by policies and initiatives that support the wide use of these technologies (non-technological innovation).*

2. **Key elements of the Intelligent Energy Europe Programme should be kept under Horizon 2020**

The IEE Programme, with a € 730 million funds available between 2007 and 2013 contributes to reinforce the EU’s efforts to meet its 2020 energy targets. Intelligent Energy Europe Programme creates better conditions for a more sustainable energy future in areas of renewable energy, energy-efficient buildings, industry, consumer products and transport. Introducing the key elements of the
IEE Programme within the Horizon 2020 Framework programme, will help Europe to boost its competitiveness, security of energy supply, and innovation.

The IEE programme considers local authorities as an important target group in the field of sustainable energy and climate change mitigation. It finances for example the Covenant of Mayors initiative, which currently brings together more than 4000 local authorities committed to reducing their CO₂ emissions at least by 20% by 2020. Already more than 1300 Sustainable Energy Action Plans (SEAPs) are being implemented throughout Europe. The IEE programme has also helped creating new financial tools such as ELENA which helps cities to invest and implement those sustainable energy action plans.

Article 3.3, paragraph (g) should be modified:

**g) Market uptake of energy innovation**

Activities shall focus on applied innovation to facilitate the market uptake of energy technologies and services, to address non-technological barriers and to accelerate the cost effective implementation of the Union’s energy policies.

*Market uptake of energy innovation section should include a separate sub-programme with its own identity (similar to the IEE Programme) and focus on sustainable energy policy, capacity building and mobilising financing.*

*This sub-programme should be managed by DG Energy and its priorities should be defined together with relevant stakeholders. A specific budget should be assigned for this sub-programme with the amount of 1 billion euros for the period of 2014-2020.*

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1 Currently EIB has given 34 million euros of funding that is expected to create 2.2 billion euros of investments.
Climate Alliance (www.climatealliance.org)

The “Climate Alliance of European Cities with the Indigenous Rainforest Peoples” is the largest European city network committed to climate protection and preservation of the tropical rainforests. Climate Alliance has over 1,600 members from 19 European countries and helps them to achieve their voluntary commitments to reduce CO₂ emissions by ten percent every five years. Climate Alliance advises local authorities on the implementation of climate protection strategies and develops tools for monitoring energy consumption and CO₂ emissions. To preserve the tropical rainforests, Climate Alliance cooperates with Indigenous rainforest peoples. Their partner in this endeavour is COICA, the umbrella organisation of the nine national Indigenous associations of the Amazon region.

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