To the Romanian Presidency, rapporteur and shadow rapporteurs of the European Parliament responsible for the LIFE Regulation, and permanent representations

Brussels, 26 February 2019

Open letter

LIFE regulation, Art 17, paragraph 2 – point a Multiannual work programme: no cap for co-financing rate to allow non-profit legal entities to continue contributing to the Clean Energy Transition sub-programme

EU funds, particularly the Horizon 2020 and Intelligent Energy Europe (IEE) programmes, have been key in producing strategic climate and sustainable energy actions such as networking, capacity building and development of innovative management models and financing schemes.

Non-profit organisations such as renewable energy associations, think-tanks, citizen-owned energy initiatives and local and regional authorities have been extremely active and successful in conceiving of projects which trial new technological and social innovations; promote market uptake of renewables and energy efficiency; spread best-practice examples; and contribute to the real-world deployment of the energy transition.

These projects have been feasible, in part, through the possibility to get full project financing through Horizon 2020. If those non-profit organisations were required to co-finance their participation in these EU projects, their participation would not be financially possible due to the fact that these organisations rely on basic core-funding, for example from fees from members who themselves are small market actors.

The current proposal in the Trilogue negotiations on the LIFE Regulation to cap co-financing rates at 60% (EP amendment proposal 58 on Art 17, paragraph 2) would prevent these smaller organisations from applying for LIFE projects. These organisations either do not
have the financial means to co-finance their projects, or producing these means could mean risking their existence entirely.

*We therefore urge you to reject the Parliament’s Amendment 58 or, alternatively, propose to leave the existing exemption under Horizon 2020 for non-profit legal entities from co-financing requirements or to allow sub-programmes to set their own co-financing requirements according to their own particular experience.*

Continued participation of the actors mentioned above is crucial in ensuring participation in the Clean Energy Transition sub-programme by a large variety of stakeholders and their ideas to allow for a true competition of best project proposals.

The Multiannual Financial Framework (MFF) and LIFE in particular must play a strong supportive role in ensuring that non-profit organisations can overcome their financial barriers to participating in the energy system so that they can then, in turn, kindle the uptake of innovative and sustainable solutions by the European people.

We cordially thank you for understanding and consideration.

With best wishes,

Dr. Dörte Fouquet

EREF Director