

PRESS RELEASE: Civil society, research and cleantech groups call for targeted European Competitiveness Fund coordinated with independent Horizon Europe to deliver clean industrial leadership and innovation

Brussels, 2 December 2025 — This Friday, the Council and Permanent Representatives of Member States will [meet](#) to discuss the next MFF and a new European Competitiveness Fund. A group of **28 think tanks, research institutions, civil society organisations and cleantech associations** have sent a [joint letter](#) to Members of the European Parliament, the Council and the Danish Presidency with **nine recommendations** to strengthen the European Competitiveness Fund (ECF) and Horizon Europe. The signatories underline that Europe's "Independence Moment" requires a long-term EU budget that delivers sufficient, predictable and well-structured funding to boost clean industrial competitiveness, technological autonomy, climate leadership and security.

The signatories call for a more integrated financial toolbox to support European innovation and make the lab-to-scale investment journey of clean technologies competitive in Europe. This toolbox should also promote the [additionality of European investments](#) and a just transition, in part by delivering affordable EU finance for citizens and smaller businesses, which would also help boost the demand for European cleantech.

They stress that this requires an impactful and targeted ECF that improves EU financial instruments for scale-up and deployment, coordinated with a strong and right-sized Horizon Europe that re-establishes the EU as the home of cleantech innovation. **The joint letter outlines nine recommendations** to deliver predictable support and tackle the most strategic innovation and investment gaps in cleantech manufacturing, scale-up and deployment:

Recommendations on the European Competitiveness Fund:

1. Offer a predictable lab-to-scale journey for cleantech innovators with a binding budget for the Clean Transition window that targets strategic investment gaps in Europe's funding landscape.
2. Make ECF financial instruments fit for purpose: a €50 billion ECF InvestEU, a €10 billion Cleantech Guarantee Facility, and strong incentives for national contributions.
3. Support lead markets for European cleantech with clean public procurement and affordable retail EU financial instruments for end-consumers.
4. Maximise the impact of ECF funds with stronger "efficiency-first", additionality, conditions for a just transition, and EU preference criteria across cleantech value chains.

Recommendations on Horizon Europe:

5. Set a binding budget for Horizon Europe of €200 billion, supported by a 45% climate and environment mainstreaming target.
6. Keep an independent and ring-fenced budget for collaborative research under Pillar II with at least 50% more for the Clean Transition and Industrial Decarbonisation envelope.
7. Tackle oversubscription with a programmed approach.

Recommendations on Governance:

8. Expert-led governance mechanisms in the ECF should guide Work Programmes based on evidence and science, in coordination with the forthcoming Competitiveness Coordination Tool (CCT).
9. Integrate ex-ante criteria to ensure that ECF Work Programmes prioritise strategic clean technologies and tackle the most prominent climate investment gaps.

These nine recommendations are essential to support Europe's Independence Moment with an impactful, innovation-driven MFF. In the upcoming institutional positioning, both Parliament and Council can turn the EU clean industrial ambition into lasting competitiveness — and make 2028–2034 the moment where Europe re-enters the clean technology race.

The signatories:



For media inquiries or to speak with the signatories, please contact: Adriana Rodríguez Rivera. Climate and Public Finance analyst at Climate Strategy: arodriguez@climatestrategy.es

Signatories' quotes:

"Europe needs an investment plan that delivers a just climate transition and competitiveness for SMEs and households, with lower energy bills and increased energy security. The next MFF must ensure that climate spending targets are ambitious and that grants reach those who need them most, while financial instruments can be used to effectively mobilise private capital for decarbonisation." **Adriana Rodríguez Rivera, Climate and Public Finance analyst at Climate Strategy & Partners**

"The Competitiveness Fund must be the engine of Europe's clean industrial transition. If we want to lead, we must choose Europe - by investing at home and scaling future-proof technologies and their value chains, from road electrification to battery manufacturing and clean shipping and aviation fuels. Any support to technologies that keep us dependent on fossil fuel imports must be kept out." **Till Eichler, Senior Policy Officer, Brussels at Transport & Environment (T&E)**

"The Competitiveness Fund will only succeed if it reaches the SMEs powering Europe's clean transition. Yet the proposal on the table still overlooks sustainable retail banks — the very institutions best placed to channel investment to those SMEs. This needs to change. By working through these banks, the EU can unlock their full potential and massively scale private investment where Europe needs it most." **Anna van der Lee, Policy Officer Sustainable Banking Coalition**

"Europe's most ambitious companies are ready to lead the clean technology transition, but they need a predictable and well-financed lab-to-scale pathway to match their ambition. The European Competitiveness Fund and Horizon Europe can unlock this leadership if designed with clearer priorities, evidence-based governance and targeted support for innovators. These recommendations show how Europe can align its policy, finance and corporate leadership behind a shared vision of sustainable prosperity." **Ursula Woodburn, Director of CISL Europe and Corporate Leaders Group Europe**

"If the EU wants to deliver on its clean-industrial ambition, it needs to do two things at the same time: keep the door open to a wide range of emerging technologies, and create the right conditions for innovation to grow in Europe. That requires a predictable lab-to-scale pathway through a stronger European Competitiveness Fund and Horizon Europe, with binding budgets and targeted tools that close the funding gap for strategic solutions like CCS, clean hydrogen and other key decarbonisation technologies. This is essential to strengthen Europe's resilience and reinforce its industrial base." **Alessia Virone, Government Affairs Director, Europe at Clean Air Task Force (CATF).**

"Europe will only secure lasting competitiveness by closing its clean-tech investment gap and strengthening demand-side tools. To turn this into its 'Independence Moment,' the EU must match ambition with predictability: we need a robust Horizon Europe budget and expert-driven priorities through instruments like the SET Plan to guide resources where they matter most" **Aymeric Amand, Policy Manager at the Zero Emissions Platform (ZEP)**

"The Horizon Europe and European Competitiveness Fund budgets will come under pressure in the negotiations ahead. More than ever the funds for 'Clean Transition and Industrial Decarbonisation' must be safeguarded. Europe is making a big bet on decarbonisation and circularity as the means to which it can stay relevant for the manufacture of vital technologies or materials. Adequate R&D funding and scale-up capital are essential for that goal." **Greg Arrowsmith, Secretary General of EUREC**

"To bring grid innovation from research to reality, Europe needs a unified investment pipeline: from early-stage support under Horizon Europe to scale-up and deployment under the Competitiveness Fund. Only a smooth transition across funding stages will ensure promising grid technologies will make the grid ready for the massive uptake of renewables" **Christian Kjaer, Chair of CurrENT**

"Energy communities can provide access to cheap, local energy. This stabilises prices for consumers and boosts the competitiveness of SMEs. This is why The European Competitiveness Fund should support community energy projects, merging economic competitiveness with social acceptance." **Chris Vrettos, Financing Policy Advisor at REScoop.eu**

"The Airborne Wind Energy sector would benefit immensely from being able to rely on a binding and ambitious budget for Cleantech in the ECF since several of its start-ups are at the verge of commercialization. Moreover, an increased and binding budget for Cleantech under the Horizon Programme would ensure that Airborne Wind Energy can further improve technologically, building on and extending the excellent AWE research community in Europe" **Kristian Petrick, Secretary General Airborne Wind Europe**

"A small, indicative Clean Transition window won't move markets. We need a larger, binding envelope and a stronger InvestEU pillar to de-risk innovative technologies and business models, build stable demand for clean energy solutions and offer advisory support so small projects can become investment-ready". **Lina Konstantinopoulou, Executive Director of the Sustainable Energy Finance Association (SEFA)**