

TPWind: The European Technology Platform for Wind Energy

BW4.8

R&D funding

Conclusions of the Finance Working Group

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1st April 2008

1. Inspirational principles from the SET-Plan

- q “mobilising additional financial resources...increased energy research and innovation investment, to at least double the current levels, will deliver substantial benefits. Deployment incentives may also need to increase by two to five times” “..industry should be prepared to increase investment and take greater risks”.
- q “Some technology challenges..cannot be met by..the current model of European collaborative research....evolving towards a new one of focussed cooperation..will require a fundamental departure from current practice throughout the innovation system.
- q “European Industrial Initiatives will be implemented in different ways, depending on the nature and needs of the sector and the technologies”
- q “Opportunity of a new European mechanism / fund for the industrial-scale demonstration”...“providing a tighter coupling between research and innovation”

2. UNEP-SEFI (*) Report on Renewable Energy R&D

- q “..because manufacturers are tending to buy out VC-funded technologies, rather than developing them in-house. This trend is emerging as the industry matures, resulting in established players with manufacturing expertise and a good flow of new technology”.
- q “ ..the rate of innovation and speed of commercialisation are dramatically accelerated by the presence of a healthy population of earlier- stage companies”.
- q “EU-27 lags behind the US and, increasingly, Asia in terms of VC investment. EU also has a less commercial R&D model and fewer clean energy incubators”.

Figure 19. Number of Clean Energy Incubators by Country, May 2007



Note: Excludes China

Source: New Energy Finance

Figure 20. Clean Energy Incubatees by Sector, May 2007



Note: Excludes China

Source: New Energy Finance

3. Estimated Wind Energy R&D funding figures

- q According to MW sales and Lisbon objectives, accumulated R&D investment needs in period 2006-2020 is est. at 6,7 bn Eur.
- q Total EC financing accumulated gap in period 2006-2020 is est. at 1 bn Eur.
- q Total EC financing accumulated gap in the FP7 period (2007-2013) is est. at 450 MEur.

4. The needs of Wind Energy R&D

Additional funding mechanisms characterised by:

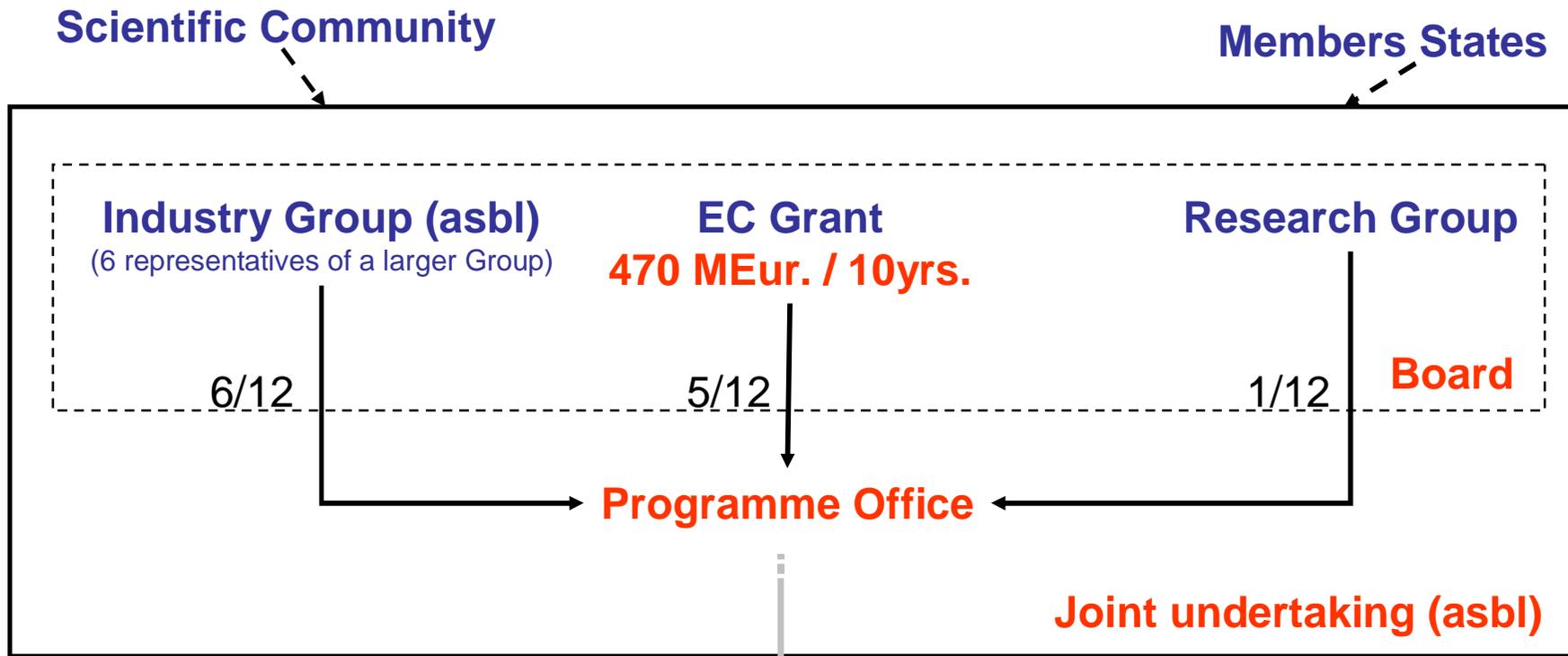
- Able to provide solutions to a wide variety of stakeholders.
- Aiming at closing the financing gap.
- Independent, open to public-private financing schemes.
- Professionally managed by private criteria (streamlined, flexible, agile, simple).
- Industry led.
- Fostering IP creation and bridging the gap between research and innovation.

5. Essence of the JTI opportunity

Key features:

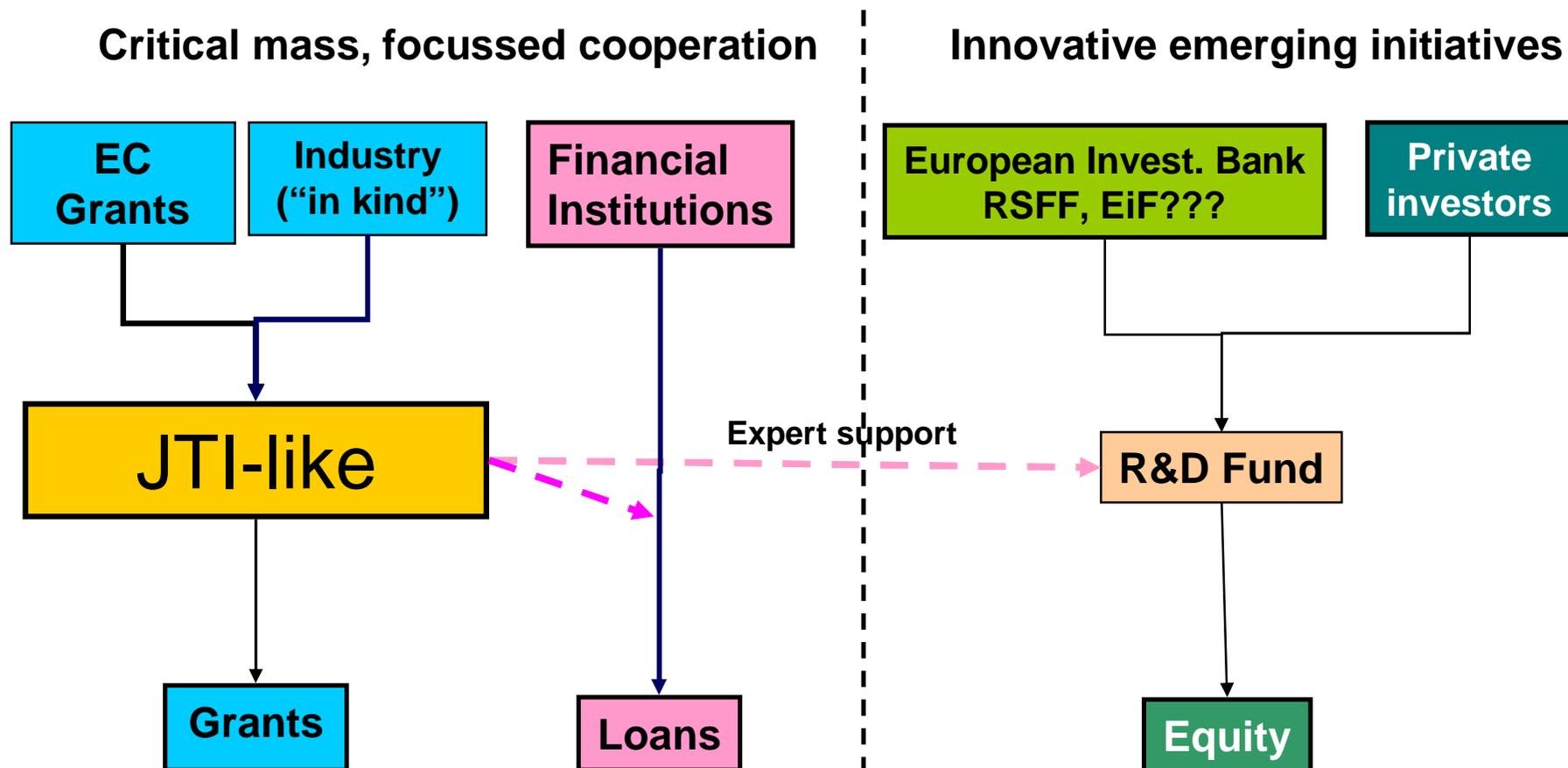
- Public private partnership, with a minimum of 50 % private funding (latter could be “in kind”)
- Similar share in governing body.
- Adaptable to every sector´s specific needs.
- Focussing RD&D efforts on critical areas.
- Open to various forms of RD&D initiatives, consortia, etc.
- Grant based mechanisms.
- Legally implemented by the EU Administration (Directive).
- Requested by the sector, industry commitment mandatory.
- Arises from the work of the ETPs.

6. The H&FC JTI example



Calls to H2 community / 3 different partners
50% funding
50% industry funding – man months / facilities ..

7. Towards an European Wind Initiative (EWI)?



1/04/2008 NOTE: Configuration shown is just an example. Actual EWI design is under study

8. Acknowledgments

- To all Finance Working Group members for their valuable contributions, tireless dedication and passion on the quest for bringing together the worlds of Financers and RD&D projects.
- To TPWind members for their patience and openmindedness, allowing us to develop an ambitious proposal for improving the European Wind Energy R&D funding paradigm.