The European Commission, European Investment Bank and Breakthrough Energy Ventures establish a new €100 million fund to support clean energy investments

Brussels, 29 May 2019

Breakthrough Energy Ventures Europe (BEV-E), a new €100 million investment fund was established by the European Commission, the European Investment Bank and Breakthrough Energy Ventures during the Fourth Mission Innovation Ministerial meeting in Vancouver, Canada.

The fund will help develop innovative European companies and bring radically new clean energy technologies to the market. It will support Europe's best clean energy entrepreneurs whose solutions can deliver significant and lasting reductions in greenhouse gas emissions. The first of its kind, it caters to the capital intensity and long development horizons that energy technologies need.

Funding for BEV-E will include a €50 million contribution from the European Investment Bank guaranteed by InnovFin, a financial instrument funded through the EU's research and innovation programme, and a €50 million contribution from Breakthrough Energy Ventures, an investor-led fund committed to supporting cutting-edge companies in the energy sector.

Maroš Šefčovič, Vice-President of the Commission for the Energy Union, said: "Business as usual is not an option. We need to boost our investments with more than 500 billion euro each year to achieve a carbon neutral economy by 2050. I am pleased that our pilot cooperation with Breakthrough Energy has taken off so fast. This is pioneering work: aligning private and public investment in cutting-edge innovation, to the benefit of the Energy Union and our climate."

Carlos Moedas, Commissioner for Research, Science and Innovation, said: "By setting up the Breakthrough Energy Ventures Europe fund in record time, we are delivering on our commitment to boost public-private investments in clean energy innovation. It is only through joining forces across sectors and continents that we can tackle climate change and build a sustainable future."

Bill Gates, Chairman of Breakthrough Energy Ventures, said: "Breakthrough Energy Ventures-Europe is a great example of driving innovative ways for the private and public sectors to collaborate, deploy capital, and build companies. We have the resources to make a meaningful difference, and the flexibility to move quickly. That's a rare and powerful combination."

Ambroise Fayolle, Vice-President of the European Investment Bank responsible for innovation, added: "Successfully tackling climate change needs CO2-neutral energy production – and we do not have much time to achieve this. Deployment of cutting-edge technologies must be accelerated. This financing will allow new technology to replace fossil-intensive energy generation. The European Investment Bank is pleased to work with world class partners to support the Breakthrough Energy Ventures Europe fund."

The fund will invest in five major energy-related sectors where efforts are essential in fighting climate change: electricity, transportation, agriculture, manufacturing and buildings. Investments are expected to start in the second half of 2019, at which time EU Member States and countries associated with Horizon 2020 will be eligible to apply for BEV-E funding.

The new fund will contribute to fulfilling the EU's commitments outlined in the Commission's "Clean Energy for All Europeans" package, including proposals designed to support clean energy innovation, increase energy efficiency, boost renewable energy usage and reform the European energy market. The European Parliament and the Council of the EU have adopted all proposals from the package.

Background

In the margins of the COP21 climate conference in Paris, global leaders launched Mission Innovation, an international partnership to accelerate clean energy innovation and provide a long-term global response to climate challenge. By joining Mission Innovation, 23 countries and the European Commission (on behalf of the EU) pledged to double their clean energy research and innovation
funding by 2021.

On the same occasion, a group of investors announced their intention to drive innovation from laboratories to the market by investing long-term capital at unprecedented levels in early-stage technology development in Mission Innovation participating countries, thereby creating the Breakthrough Energy Coalition.

In December 2017, during the One Planet Summit in Paris, Breakthrough Energy announced the piloting of public-private partnerships with five Mission Innovation members, including the European Commission.

The agreement between the European Investment Bank and Breakthrough Energy Ventures builds on the Memorandum of Understanding signed on 17 October 2018 by Carlos Moedas, European Commissioner for Research, Science and Innovation, and Bill Gates, Chairman of Breakthrough Energy Ventures.

For More Information
- Press release: signing of Memorandum of Understanding in October 2018
- Breakthrough Energy Ventures
- Mission Innovation

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