

1 August 2018
Brussels, Belgium

Dear Member State Stakeholders,

The Sustainable Process Industry through Resource and Energy Efficiency (SPIRE) is currently revising its original SPIRE 2030 Roadmap to create a Vision 2050 with an increased level of ambition as highlighted in the annex of this letter. We strongly support the European Commission's proposal to set up a **97.6 € billion budget for Horizon Europe** under the coming **Multannual Financial Framework (MFF 2021-2027)**. We consider this increase for Research & Innovation (R&I) activities an ambitious, yet realistic proposal for a modern EU budget that moves towards the Member States commitment for investing 3% of EU budget in R&I. Therefore, SPIRE calls:

- For a strong budget for industry in Horizon Europe, specifically for industrial and processing technologies;
- To keep the support for industrial technologies to a minimum at the same share level of H2020 or better still increase it according to the challenges ahead which are growing exponentially; and
- For a balanced budget between digital technologies and the rest of the industrial technologies.

There is a growing consensus that the level of ambition for **Horizon Europe** needs to be increased, and that industry needs to leverage the ambition, which will require both breakthrough technologies and Key Enabling Technologies (KETs). While digital technologies will be vital to accelerate innovation in Europe, SPIRE would like to stress the need for explicitly mention “**processing**” in the KETs list and to reinforce the importance of **Advanced Manufacturing and Processing Technologies**. Synergies between the processing and digital KETs will serve as a catalyst to accelerate the creation of new markets, growth and jobs.

We believe that with your advice and support, we could emphasize SPIRE's call on **flexibility, interoperability and complementarity of the types of instruments** to fund R&I in Europe. Obstacles need to be turned into opportunities, which address the scarcity of resources and where regulation can play a key role in achieving it. To create these new opportunities, flexibility in financial and funding instruments which help “de-risk” innovation, and develop the industrial technologies up to TRL9, are essential. This move towards flexibility and openness should also lead to establishing some lighthouse and flagship projects in the Future Partnerships, such as SPIRE.

With 1.8 € trillion turnover in 2015, the process industry represents more than 56% of industrial value added in the EU and around 10% of all economic activity. It provides 6.3 million direct jobs in the EU and a further 19 million indirect jobs.

Looking at statistics, the EU SPIRE sectors strongly reduced their energy consumption by 22% from 1991 to 2016. During the same period, greenhouse gas emissions fell while production increased leading to a much reduced energy intensity across all sectors.

Furthermore, data from 2008 to 2016 shows that SPIRE sectors outperformed the EU industrial average in terms of reducing energy use, greenhouse gas emissions (GHG) and improved energy intensity. Total EU industry GHG emissions were reduced by 16% during this time, as opposed to SPIRE sectors GHG intensity, which fell by 26%.

SPIRE SMEs are performing above the EU28 average. According to our last Progress Report, since their involvement in SPIRE our SMEs have reported an average increase of almost 9 new employees, well over the average of 2 employees per enterprise of EU28. Their turnover has increased by 25%, double the average of SMEs in EU28 and SPIRE SMEs are investing an average of €1 million to €2 million in Europe.

With an estimated leverage factor of 7, the SPIRE cPPP is showing a high level of industrial commitment. SPIRE's unique cross-sectorial approach ensures that the entire process industry is represented through the European industrial associations, which sums up the individual industries. This allows for maximum impact across sectors and borders.

SPIRE supports developing a closer alignment and collaboration with the European Commission and the Member States. This is reflected in our plans for the SPIRE Vision 2050, which clearly states the relationship of SPIRE between Member States and smart regions and cities through Industrial Symbiosis and SPIRE Hubs for circularity.

As part of our stakeholder consultation, we are organising the **Stakeholder workshop "Sustainable Process Industry Strategy towards 2050", which will take place on Tuesday 2 October 2018 in Brussels.**

We would be delighted if you could attend this workshop and help shaping the future of process industries.

Yours Sincerely,

Daniel Gauthier
A.SPIRE President



SPIRE 2050



An integrated and digital European Process Industry, fostering a "well-below 2 degrees" scenario and a fully circular future for our planet and society.



The **Value Proposition for SPIRE 2050** expresses our **ambitious Vision** that the future of Europe lies in a strongly enhanced cooperation across sectors and across borders, enabling a meaningful step change in competitiveness and sustainability performance.

Electrification of industrial processes, energy mix, CCU and resources flexibility are part of our core technology drivers to **lead the sustainable reindustrialisation of European Process Industry**. Changes in SPIRE industries have a multiplier effect in the rest of the value chain and in products reaching the end-users.

Facilities must become strongly interconnected.

Innovative "industrial ecology" business models must be developed to redesign the European industrial network: SPIRE 2050 aims to build physical and digital bridges across sectors and countries.

The benefits from artificial intelligence, blockchain, cyber physical technologies must also be maximised across sectors, making sure that European value chains and related data remain mastered in Europe.

SPIRE Industries must also deliver technical solutions enabling the transition of the global economy towards a "well-below 2 degrees" scenario. Our ambition is to develop game changing technologies towards carbon neutrality and to scale them up to reach a step change in Carbon Productivity.

Process Industries should also become "Hubs for Circularity" of energy and material resources in the EU, deploying industrial / urban symbiosis at scale in collaboration with public authorities and society.

The technological gap to achieve this Vision remains huge. SPIRE 2050 is ready to contribute its share to bridge this gap through ambitious Research and Innovation initiatives under Horizon Europe that contribute to achieve these EU and global goals. Our ambition is to **boost investments in Europe** generating global competitiveness for EU Process Industries, better jobs and welfare for our citizens.

