Matchmaking event on new EU funding opportunities

Innovation Fund results and next call

16.09.2021

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About the Innovation Fund

• Successor of the NER300 programme

• Finances innovative clean energy technology projects (covers up to 60% of the additional costs)

• It will provide around EUR 20 billion of support over 2020-2030, depending on the carbon price, for the commercial demonstration of innovative low-carbon technologies

• Launched 1-2 calls per year for small- and large-scale projects:
  ➢ Large-scale are projects with a capital expenditure above EUR 7.5 million
  ➢ Small-scale are projects with total capital costs below EUR 7.5 million

• Projects applying must be in EU ETS countries (applying companies does not need to be from these countries)

https://ec.europa.eu/clima/policies/innovation-fund_en
What is financed?

- The IF focuses on highly innovative technologies and big flagship projects within Europe that can bring on significant emission reductions. It is about sharing the risk with project promoters to help with the demonstration of first-of-a-kind highly innovative projects.

Covered areas, projects focusing on:

- innovative low-carbon technologies and processes in energy-intensive industries, including products substituting carbon-intensive ones
- carbon capture and utilisation (CCU)
- construction and operation of carbon capture and storage (CCS)
- innovative **renewable energy generation**
- **energy storage**

- Supports projects in all eligible sectors and Member States, Norway and Iceland.
Innovation Fund complementarities

- Research: Horizon Europe, Partnerships
- First-of-a-kind: Innovation Fund
- Infrastructure: Connecting Europe Facility, Modernisation Fund, Cohesion Funding

InvestEU

Member State Funding
Criteria for project selection

• GHG emissions savings over the first 10 years of operation
• **Degree of innovation**: breakthrough technologies, 2050 climate neutrality target consistency etc.
• **Project maturity & due diligence**: how robust is the project development (feasibility study, planning, authorisations, business plans, financing model...)
• **Scalability**: what is the potential in 2050 of this technology with a focus on GHG emission reduction (number and scale of applications, ...)
• **Cost efficiency**: calculation of additional CAPEX & OPEX, requested grant in relation to promised GHG emissions avoidance
Grant disbursement

**Basics**

- **Grant Award**
- **Financial Close**
- **Entry into Operation**

3 to 10 years

**Additional project milestones**

**Annual instalments**

**Feasibility Study** → **FEED** → **Construction** → **Reporting period**

**Payments**

- **Up to 40%** independent of achieved emissions avoidance
- **At least 60%** depending on verified emissions avoidance
Application and Evaluation

• Application documents template will be made available as the call is officially launched

• Evaluation process is executed by CINEA and external experts
### IF results of the call for large scale projects

<table>
<thead>
<tr>
<th>Event</th>
<th>Timing</th>
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<tbody>
<tr>
<td>Launch of the first large-scale call</td>
<td>3 July 2020</td>
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<tr>
<td>Deadline for submission of applications to 1st stage</td>
<td>29 October 2020</td>
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<tr>
<td>Information on evaluation results and invitation for the 2nd stage</td>
<td>March 2021</td>
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<tr>
<td>Deadline for submission of applications to 2nd stage</td>
<td>23 June 2021</td>
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<td>PDA award decision</td>
<td>July 2021</td>
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<tr>
<td>Information on 2nd stage evaluation results</td>
<td>Q4 2021 (expected)</td>
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<td>Award of the grants</td>
<td>Q1 2022</td>
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311 applications for innovative clean tech projects
66 applications that are currently being evaluated
In July 2021 the European Commission published the results of its 1st Innovation Fund call for small scale projects:

**€118 million of investments will be disbursed for 32 small-scale innovative projects** located in 14 EU Member States, Iceland and Norway.

Success rate of eligible proposals: 18%
IF results of the call for small scale projects

Successful projects under the Innovation Fund as of July 2021*

Green: Small-scale projects invited for grant preparations (32 projects**)
Blue: projects proposed for project development assistance (15 projects**)

- Biofuels and biorefineries
- Chemicals
- CO₂ transport and storage
- Hydrogen
- Intra-day electricity storage
- Iron and steel
- Non-ferrous metals
- Glass, ceramics and construction material
- Other energy storage
- Bio-electricity
- Pulp and paper
- Refineries
- Renewable heating/cooling
- Solar energy
- Wind energy

*Projects offered a grant under the first call for small-scale projects and project development assistance under the first call for large-scale projects.
**The number of symbols is higher than the number of projects, as some projects are implemented in multiple locations.
IF results of the call for small scale projects

N.2 geothermal energy projects received funding for their proposals in this call:

1) CARBFIX (that also received the 2020 EGEC innovation award), located in Iceland

2) CCGeo (Closed Carbon Geothermal Energy), located in Croatia

Complete List:
Upcoming calls (1)

• Planning of the second call for large-scale project proposals

Launch of the second large-scale call (expected) 26 October 2021
Deadline for submission of applications 1 March 2022
SINGLE STAGE (expected)
Information on evaluation results (expected) July 2022
Award of the grants and project development assistance Q4 2022
Expected volume 1,3 – 1,5 B€
Upcoming calls (2)

- Planning of the second call for **small-scale** project proposals

The second call for small-scale projects is planned to be launched in March 2022 with an expected budget of **EUR 100 million** and will remain open for five months. The call text and application process will remain largely similar to those of the first call.

<table>
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<tr>
<td>Launch of the second small-scale call</td>
<td>15 March 2022</td>
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<tr>
<td>Deadline for the submission of applications</td>
<td>late August 2022</td>
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<tr>
<td>Information on evaluation results and invitation for grant preparation</td>
<td>Q1 2023</td>
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<tr>
<td>Award of the grants and PDA</td>
<td>As of Q2 2023</td>
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