Innovation Fund

Accelerating the development of OTEC in SIDS
Innovation Fund in a nutshell

- Production and use of Renewable energy, including manufacturing plants for components
- Carbon Capture Use and Storage
- Scaling up clean tech
- Energy-intensive industries including substitute products
- Energy storage including manufacturing plants for components
<table>
<thead>
<tr>
<th>Innovation Fund: key features</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financed from the revenues of the EU Emissions Trading System</strong></td>
<td><em><em>Volume: EUR 25 billion</em> until 2030 (depending on carbon price) <em>at EUR 50 / tCO₂</em></em></td>
</tr>
<tr>
<td>Large Projects: support of up to 60% of additional capital and operating costs (up to 10 years)</td>
<td></td>
</tr>
<tr>
<td>At least 60% of grant disbursed after FC and during operating periods against GHG emission avoidance</td>
<td><strong>Annual calls for large-scale (above EUR 7.5 m Capital costs) and small-scale projects (below EUR 7.5 m)</strong></td>
</tr>
<tr>
<td><strong>Small Projects: support of up to 60% of additional capital (up to 3 years)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Single applicant or consortium Projects must be implemented in the territory of EU, NO and IC</strong></td>
<td><strong>Up to 40% of grant disbursed at financial close (FC)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Project development assistance provided by the European Investment Bank</strong></td>
</tr>
</tbody>
</table>
## Award Criteria:

### GHG EMISSIONS AVOIDANCE
- **Absolute** emissions avoidance
- **Relative** emissions avoidance
- **Quality and credibility** of the calculation

*Plus*
- Potential to deliver **net carbon removals**
- Other GHG savings

### DEGREE OF INNOVATION
- Innovation **beyond state-of-the art**
- Contribution to EU policy objectives:
  - Energy efficiency
  - Circular economy
  - Deployment of renewable electricity (where relevant)

### PROJECT MATURITY
- **Technical** maturity
- **Operational** maturity
- **Financial** maturity

### SCALABILITY
- **Scalability at**
  - Project & regional level
  - Sector level
  - Economy level
  - Knowledge sharing plan quality

### COST EFFICIENCY
- Requested grant per tCO₂ avoided
Results of first calls

**LARGE SCALE CALL**
- 7 projects
- Grants of EUR 1145 million

**SMALL SCALE CALL**
- 30 projects
- Grants of EUR 109 million

**15 projects**
Project Development Assistance

**10 projects**
Project Development Assistance
Lessons learned Calls 2020 - OTEC

• Large Scale Projects Call: 4 proposals submitted on ocean energy
  • 1 related to reverse electro dialysis (salinity gradient).
  • 1 related to tidal energy.
  • 2 related to wave energy of which 1 receives Project Development Assistance.

• Small Scale Projects Call: 4 proposals on ocean energy.
  • 3 related to wave energy.
  • 1 related to tidal energy.

• All proposals had low scores in Financial Maturity.

• NER 300 project NEMO – OTEC technology – failed mostly due to technical issues.
2021 Large-scale projects call: key features

Launch 26 Oct 2021
Deadline 03 Mar 2022
Results Q3 2022

€ 1.5 Billion for grants + Project Development Assistance

Same scope as LSC 2020: innovative projects close to market

AWARD CRITERIA
GHG emission avoidance*
Degree of innovation
Project maturity
Cost efficiency
Scalability

*incl. net carbon removals and other GHG savings

GRANT DISTRIBUTION
LUMP-SUM contribution
grant covering up to 60% of additional capital and operating costs
up to 40% of grant at financial close
NEXT EVENTS/CALLS

2021 Large-Scale Call
- Launch of single-stage call on 26 October 2021
- Deadline for submission in 03 March 2022
- Expected results in July 2022
- Volume of EUR 1.5 billion

2022 Small-Scale Call
- Expected launch of single-stage call on 31 March 2022
- Expected deadline for submission 31 August 2022
- Expected results in Q1 2023
- Volume of EUR 100 million

2022 Large-Scale Call
- Expected launch of single-stage call in Q4 2022
- Expected deadline for submission Spring 2023
- Expected results in Summer 2023
- Volume tbc
Past useful events


Recorded sessions and slides available
Where to find more information?

All (past) call documents available on the Funding and Tenders Portal including:

✓ Guidance and calculation tools on GHG emissions and relevant costs
✓ Frequently asked questions

https://europa.eu/!QB67by

Further info, planning of new calls, recorded webinars and videos available on the IF Website:

https://europa.eu/!rx34Dt
Info day Large Scale Call 2021

Innovation Fund - YouTube
https://bit.ly/2WxK8w7
THANK YOU