Innovation Fund Stakeholder Consultation event

13 June 2023 - In person and online

Break time 15:30 - 16:00 CEST

Next session in Room OD (ground floor)

Please note the event is livestreamed and recorded.



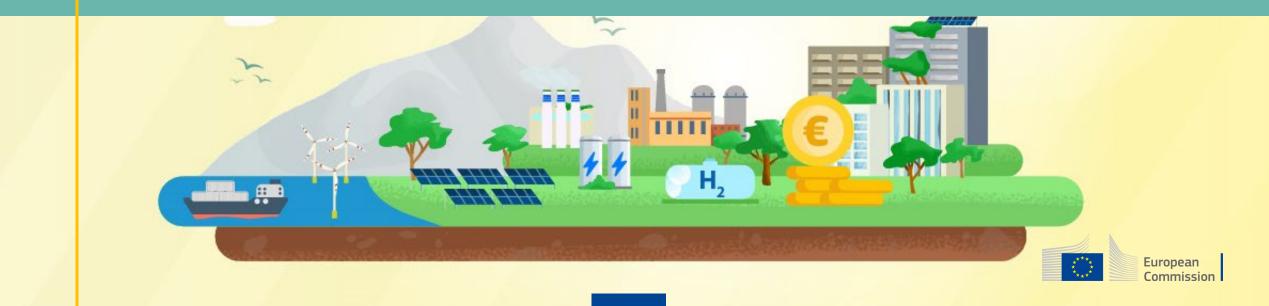




Innovation Fund

Feedback from sectoral workshop

13 June 2023



Industry decarbonisation, including substitute products

1

- A strong project pipeline of key technologies and innovations identified by ASPIRE/P4Planet
- Areas that may be under-represented:
 - Circularity & material efficiency
 - Hybrid industry/energy storage
 - Substitute (carbonated) raw materials (e.g. glass)



Industry decarbonisation, including substitute products

2

- Long period of development post award can lead to project management issues (as experienced by a successful recipient of 2 awards). Could support be provided for this?
- Continuing uncertainty about the compatibility of European/Member State funding streams and advice/guidance would be helpful -> pending guidance note from DG CLIMA on State aid cumulation
- Uncertainty for some new applicants who are unable to learn important lessons from existing grant awardees

Industry decarbonisation, including substitute products

3

- Hydrogen derivatives and CCS mentioned as important options
- Demand options in general but no clear view
- No full consensus on whether low carbon hydrogen should be funded under an auction
- Gap between Horizon Europe and Innovation Fund



Aviation

1

- SAF upscaling and prices
- Engine and airframe efficiency gains of 20% by 2050
- Funding for first mover high risk projects
- Need market development strategies
- Electric and Hydrogen propulsion development



Aviation

2

- Do the projects actually deliver the promised emissions reductions)
- Address the valley of death
- Gap in R&D funding as well as deployment



Aviation

3

- Auctions more relevant for fuel production than engine development/airframe projects
- Feed-in tariffs
- CFD Contracts for difference



Maritime

1

- Multitude of different technologies are needed for the different applications
- For deep-sea shipping, also non-zeroemissions must be considered
- supply of clean fuels and shore power particularly important to all applications
- funding opportunities should remain technology-agnostic



- Carbon-neutral fuels are known, but the scalability and the price of the solutions is key
- There is a risk that only production of fuels is funded (instead of fleets)
- Having the technologies is not sufficient, you also need to have a business case for its application



Maritime

3

- Auctions are a valuable option at least to some areas in the sector, in particular as Contracts for Difference to cover the funding gap
- IF and AFIF need to be complimentary
- Conversion of making the fleet clean-fuelready may require additional funding schemes



Clean tech manufacturing including RES and storage

1

- Breadth of technologies already identified across RES (wind, solar PV & energy storage)
- Additional technology areas to consider:
 - Solar thermal
 - Heat pumps
 - Green hydrogen hybridisation of gas-fired boilers
 - Direct hydrogen use in ICE vehicles
- Investment needs for different technology types are already well known and this could help inform planning for future IF calls

Clean tech manufacturing including RES and storage

2

- Single-site approach for Innovation Fund perceived as limiting for some projects compared to multi-site applications
- Regulatory challenges bringing together two different technologies (e.g. for energy storage)



Clean tech manufacturing including RES and storage

3

- Cleantech manufacturing facilities
- Energy storage but design of auctions critical as many different forms of storage
- Double-sided auctions seen as useful for Solar
 PV
- Hydrogen auctions under IF will help to reveal market prices



Thank you



https://cinea.ec.europa.eu/programmes/innovation-fund_en



European Climate, Infrastructure and Environment Executive Agency





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