



# Innovation Fund Expert Group

Hybrid meeting

The event will start at 10:00 CET and will be recorded

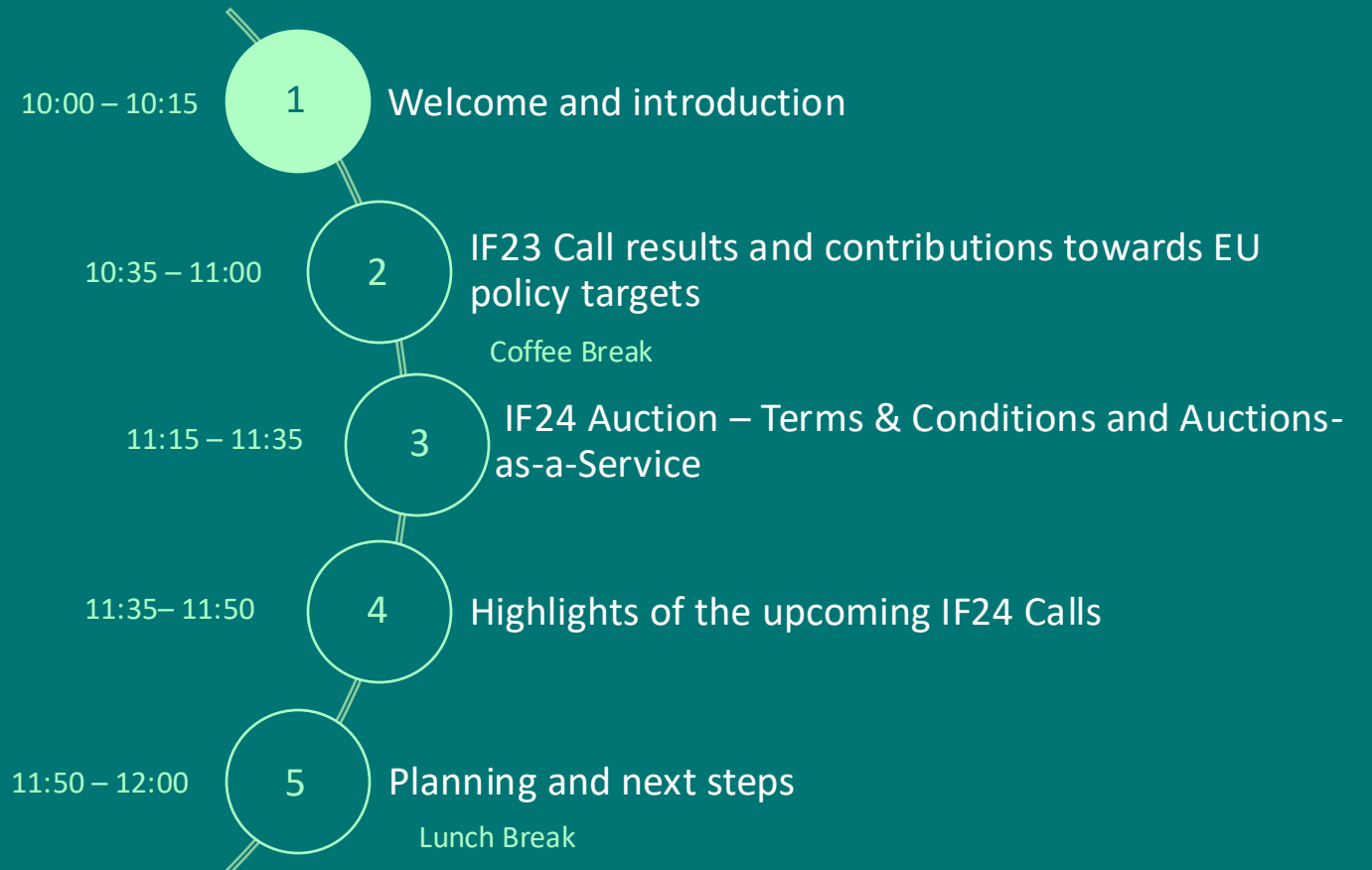
*14 November 2024*

*Please indicate your country or organisation, followed by your name/surname on Webex*

# Procedural aspects

- All presentations, agenda, minutes, and answers to written questions will be made public in the Registry of Expert Groups.
- Invited as observer: European Court of Auditors.

# Agenda



# Welcome

Alexandre PAQUOT

*Director of DG CLIMA's Directorate C – Innovation for a Low Carbon, Resilient Economy*

# Agenda



# IF23 Call results

Roman DOUBRAVA

*Head of Unit – CINEA C4. Innovation Fund*

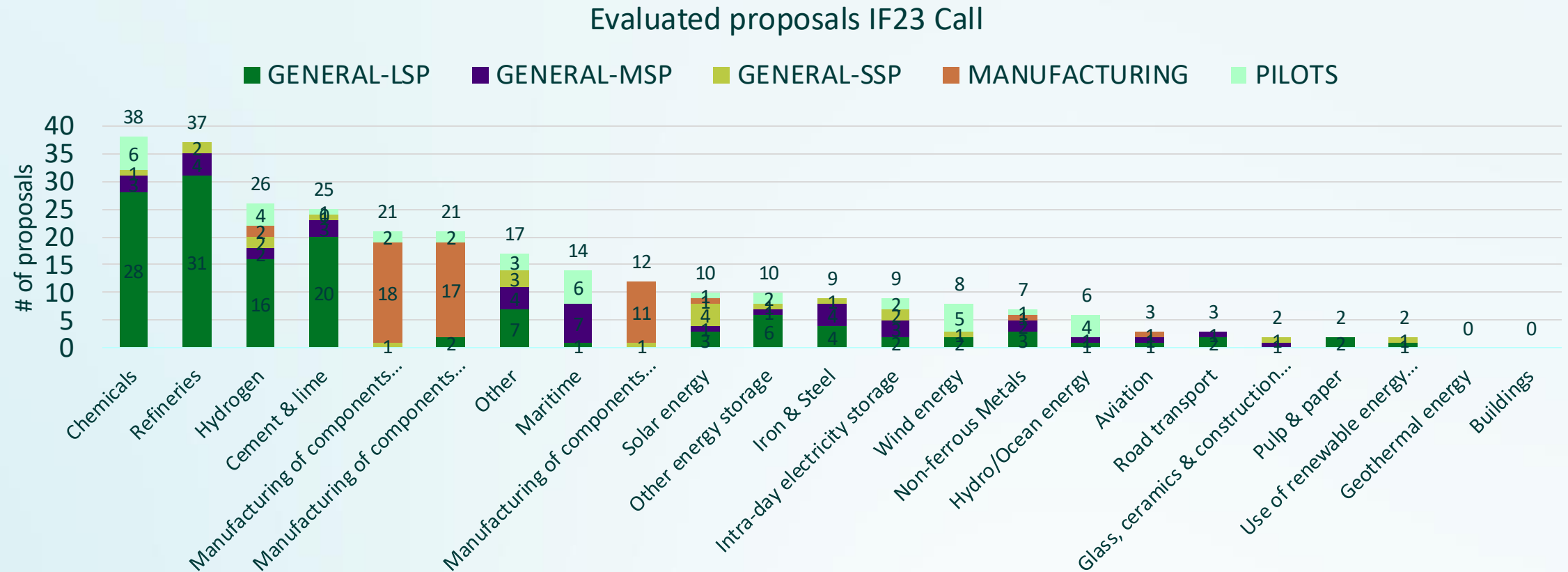
# IF23 Call

- **337** proposals
- **95** proposal resubmissions
- **283\*** projects admissible & eligible
- **85** projects invited for Grant Agreement Preparation

Topic	Proposals received	Proposals eligible
GENERAL-LSP	139	132 (95%)
GENERAL-MSP	50	38 (76%)
GENERAL-SSP	42	22 (52%)
MANUFACTURING	56	52 (91%)
PILOTS	50	39 (78%)

*LSP = Large-Scale Projects ; MSP = Medium-Scale Projects ; SSP = Small-Scale Projects*

# Sectoral distribution of the evaluated proposals\*



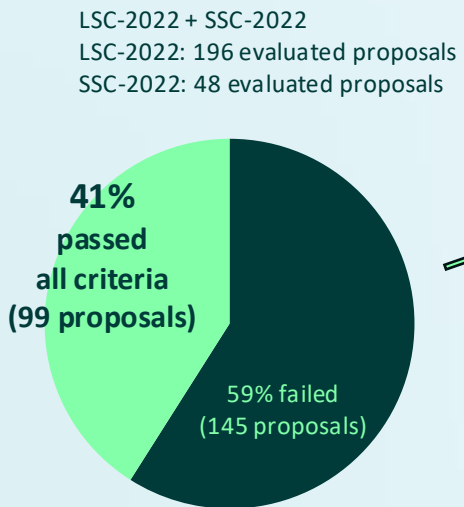
\*After admissibility & eligibility



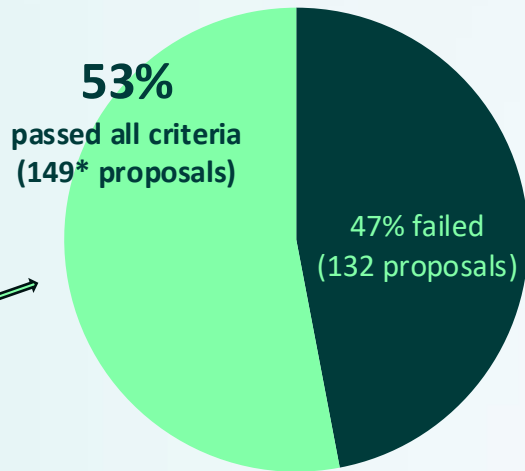
# 53% of evaluated proposals passed all evaluation criteria

For the first time, over 50% of passing proposals - possibly indicating applicants are becoming more familiar with IF criteria and methodology.

## IF23 Call 283 proposals evaluated



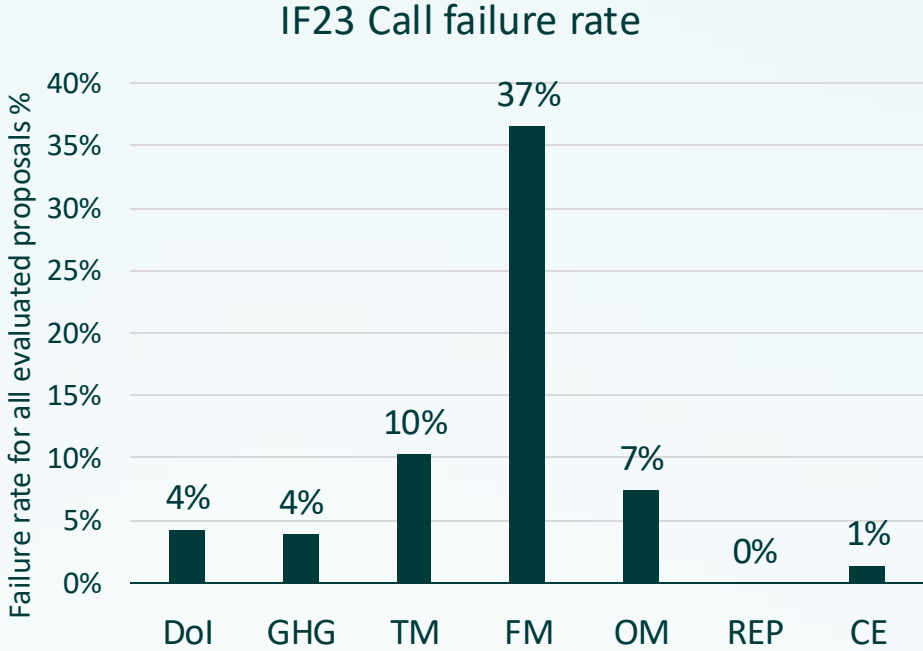
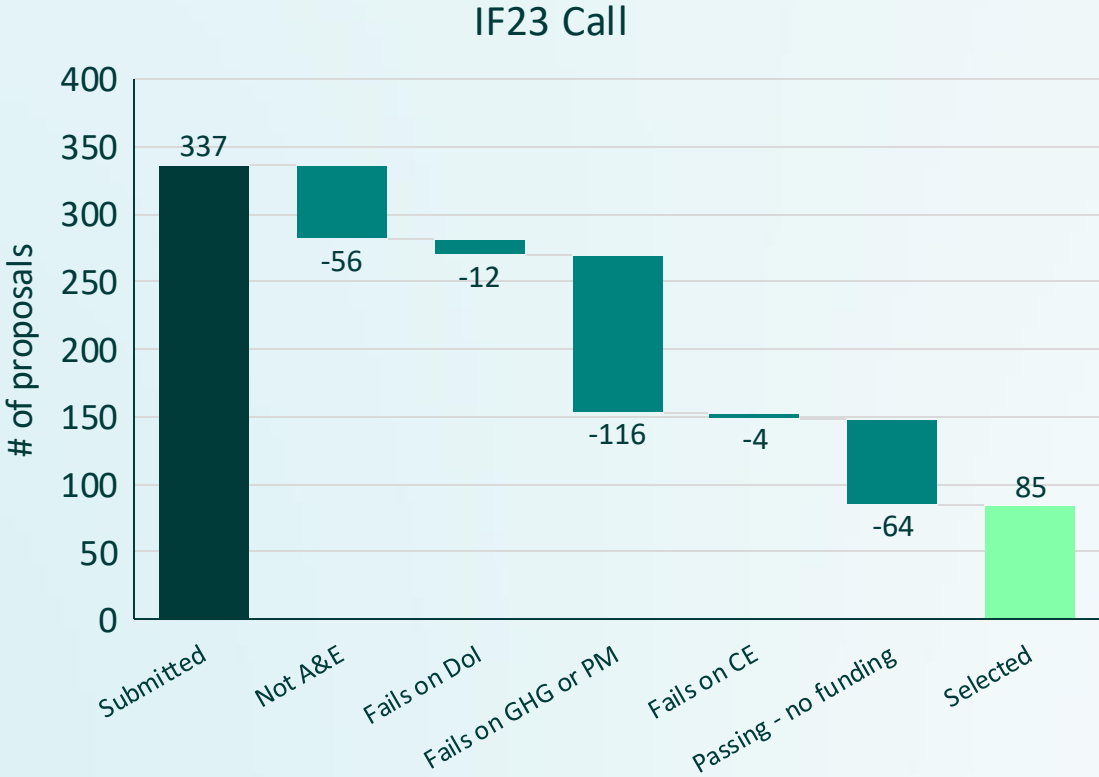
significant increase



	Passed all criteria	Failed one or more	% PASS	% FAIL
GENERAL-LSP	80	52	61%	39%
GENERAL-MSP	16	22	42%	58%
GENERAL-SSP	8	14	36%	64%
MANUFACTURING	25*	25	49%	49%
PILOTS	20	19	51%	49%
<b>TOTAL:</b>	<b>149*</b>	<b>132</b>	<b>53%</b>	<b>47%</b>

\*2 proposals withdrew during the evaluation

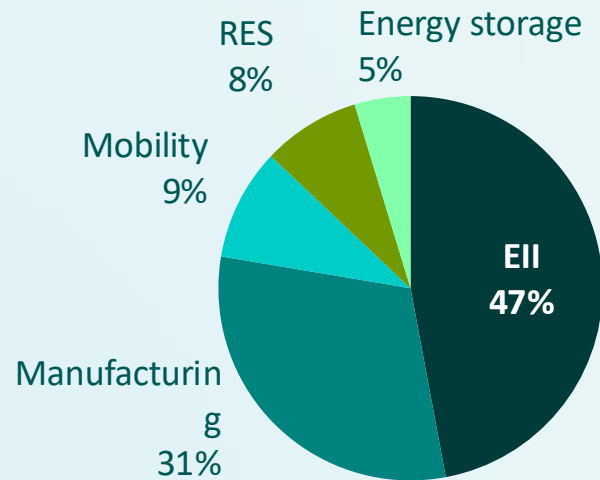
# Evaluation results



**85** PROJECTS  
SELECTED  
FOR GRANTS  
in 18 European countries



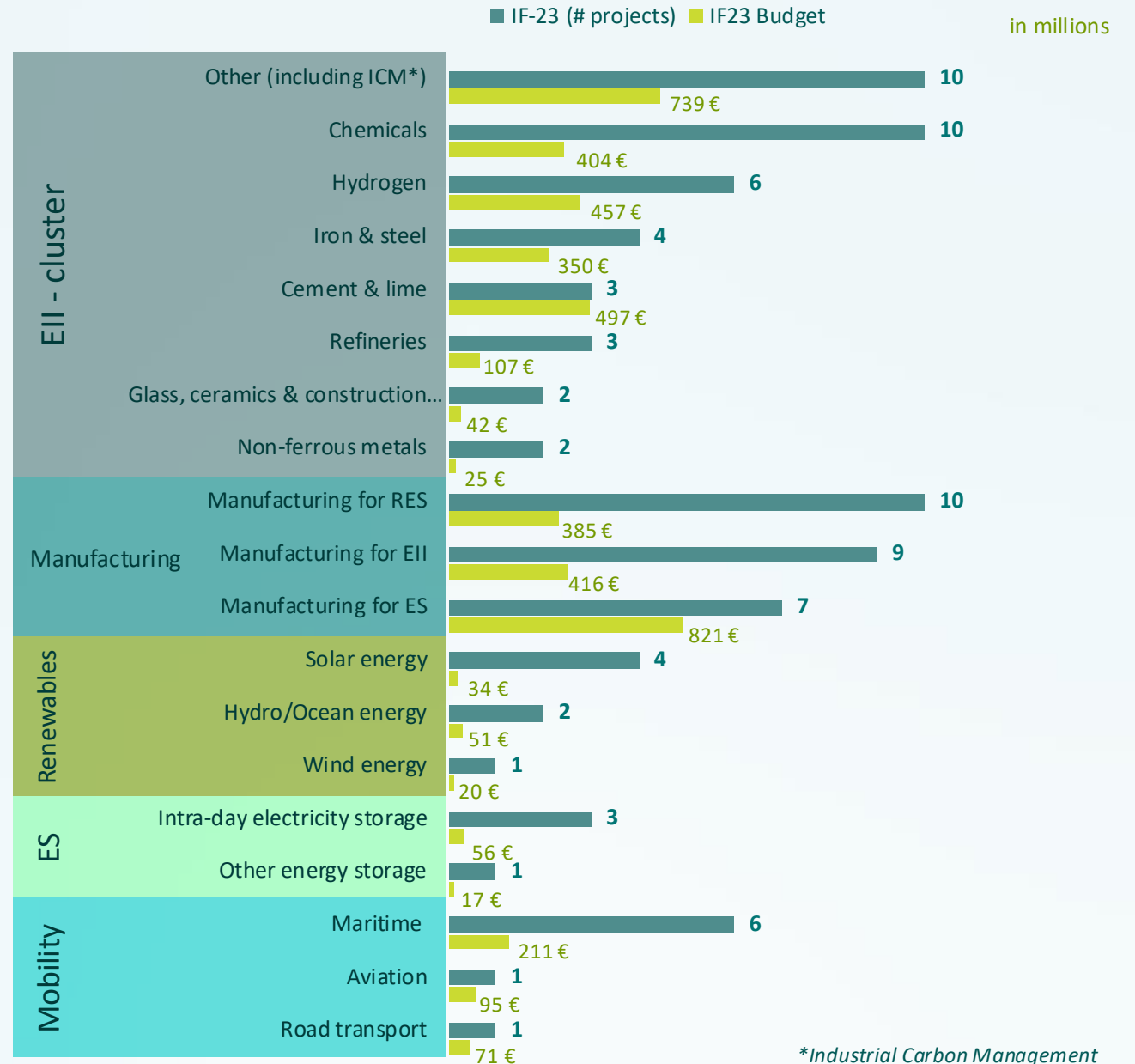
# Selected projects



share of projects by category

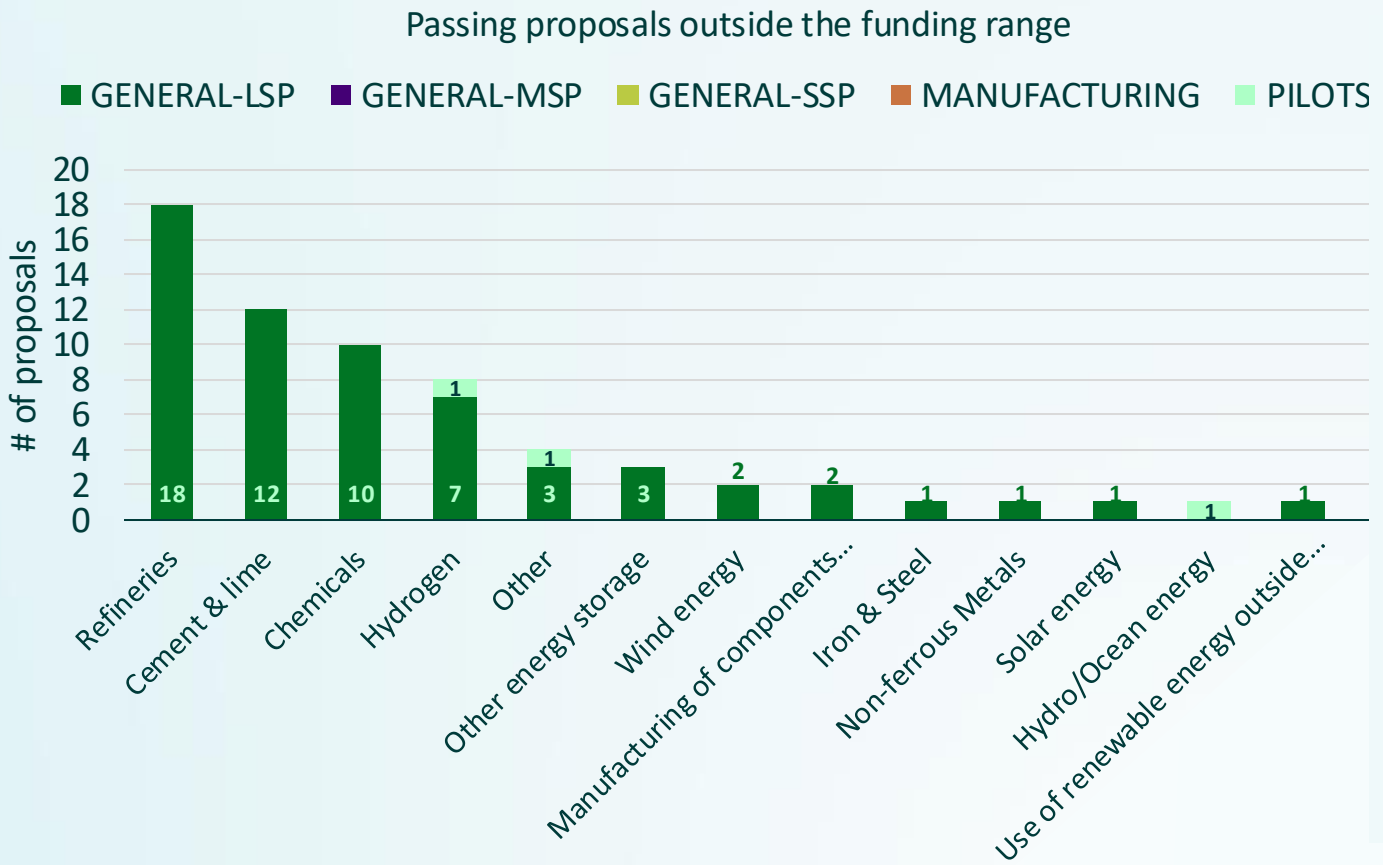
by number of projects

Newly added mobility projects: aviation, road transport, and maritime\*



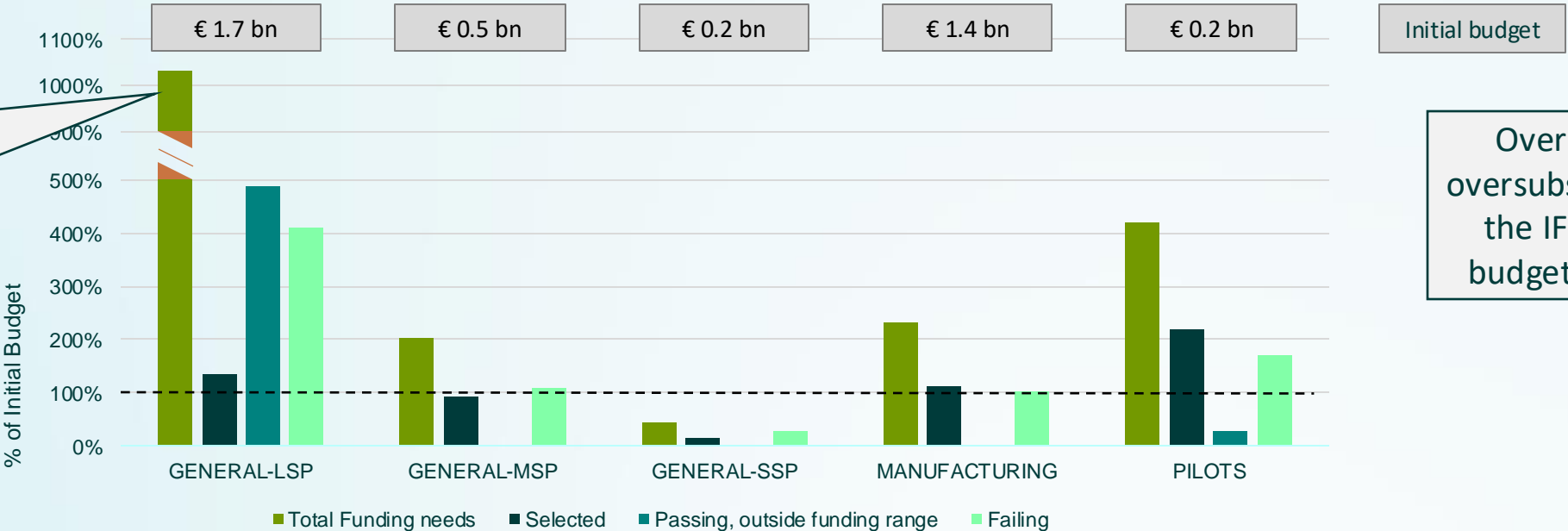
\*Industrial Carbon Management

# Sectoral distribution of proposals outside the funding range and receiving the STEP SEAL



# Budget use/request\* compared to initial (100%)

- LSP and Pilots topics show the highest funding oversubscription compared to the topic budget.
- LSP has a financing request by the remaining passing projects of over EUR 8 billion.



Over 10 times oversubscription of the initial € 1,7 bn budget

Over 6 times oversubscription of the IF23 initial budget of € 4 bn



\*Proposals not eligible/admissible have not been considered for this analysis.

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# PROJECTS

SELECTED FOR  
GRANT AGREEMENT PREPARATION



IF23  
CALL

TOPIC

## GENERAL DECARBONISATION: LARGE-SCALE PROJECTS



Aviation



Iron and steel



Cement and lime



Refineries



Chemicals



Road transport



Hydrogen



Other

~ €2.3 b allocated EU budget<sup>1</sup>

210 MtCO<sub>2e</sub> expected GHG emissions avoidance<sup>1,2</sup>



<sup>1</sup>estimation based on selected projects

<sup>2</sup>calculated over 10 years of operations

16

# PROJECTS

SELECTED FOR  
GRANT AGREEMENT PREPARATION



## TOPIC

# GENERAL DECARBONISATION: MEDIUM-SCALE PROJECTS



Glass, ceramics and construction material



Hydrogen



Intra-day electricity storage



Iron and steel



Maritime



Non-ferrous metals



Refineries



Solar energy



Other

> €461 M allocated EU budget<sup>1</sup>

24 MtCO<sub>2e</sub> expected GHG emissions avoidance<sup>1,2</sup>



<sup>1</sup>estimation based on selected projects

<sup>2</sup>calculated over 10 years of operations



8

# PROJECTS

SELECTED FOR  
GRANT AGREEMENT PREPARATION



IF23  
CALL

## TOPIC

# GENERAL DECARBONISATION: SMALL-SCALE PROJECTS



Chemicals



Iron and steel



Glass, ceramics and  
construction material



Solar energy



Intra-day electricity storage



Other

>31 M€ Allocated EU budget<sup>1</sup>

416 ktCO<sub>2e</sub> expected GHG emissions avoidance<sup>1,2</sup>



<sup>1</sup>estimation based on selected projects <sup>2</sup>Calculated over 10 years of operations

25

# PROJECTS SELECTED FOR GRANT AGREEMENT PREPARATION



IF23  
CALL

## TOPIC

# CLEANTECH MANUFACTURING: MANUFACTURING OF COMPONENTS FOR



Energy-intensive industries



Energy storage



Renewable energy

>1.58 b€ Allocated EU budget<sup>1</sup>

237 MtCO<sub>2e</sub> expected GHG emissions avoidance<sup>1,2</sup>



<sup>1</sup>estimation based on selected projects, excluding manufacturing project in PILOT topic <sup>2</sup>Calculated over 10 years of operations

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# PROJECTS

SELECTED FOR  
GRANT AGREEMENT PREPARATION



IF23  
CALL

## TOPIC PILOTS



Chemicals



Hydro/Ocean energy



Hydrogen



Intra-day electricity storage



Manufacturing of components  
for renewable energy



Maritime



Non-ferrous metals



Other energy storage



Wind energy



Other



>439 M€ Allocated EU budget<sup>1</sup>

3.3 MtCO<sub>2e</sub> expected GHG emissions avoidance<sup>1,2</sup>

<sup>1</sup>estimation based on selected projects <sup>2</sup>Calculated over 10 years of operations

# Takeaways from IF23 Call

- Highly competitive call
- High quality of proposals in most of the topics, especially under topic LSP
- Lower quality of proposals under topic SSP
- Main failure criterion – project maturity (FM), notable decrease of issues with RC/CE
- Further geographical spread: first projects located in SK and EE
- Sectoral spread – first time category in maritime, aviation and road transport
- Solid pipeline of promising proposals especially in Large-scale topic
- Budget flexibility enabled the financing of additional projects while there are still projects under Pilots and LSP topic on the reserve list
- First IF STEP call: 149 projects with a STEP Seal

# IF projects contribution towards EU targets

Stefanie HIESINGER

*Head of Unit – CLIMA C.2*

# The Innovation Fund can support urgent policy priorities, but holds a long-term line of bottom-up support across sectors



- **European Hydrogen Bank:** domestic auctions for renewable hydrogen under the Innovation Fund.
- **Net-Zero Industry Act:** clean tech manufacturing topic (€700 million in 2022, €1.4 billion in 2023).
- **Wind package:** clean tech manufacturing topic and project development assistance.
- **Strategic Technologies for Europe Platform (STEP):** STEP Seal for Innovation Fund projects.
- **Industrial Carbon Management (ICM) Strategy:** support for CCUS deployments since 2020.

# Evolution of the Innovation Fund



*For the close Calls, the figures represent the budget allocated to the innovation fund for projects after the selection phase  
 \* Budget made available*

# Innovation Fund portfolio



**208 projects:**  
123 ongoing +  
85 under GAP\*



**€ 12.04 Billion**  
EU granted +  
under GAP\*

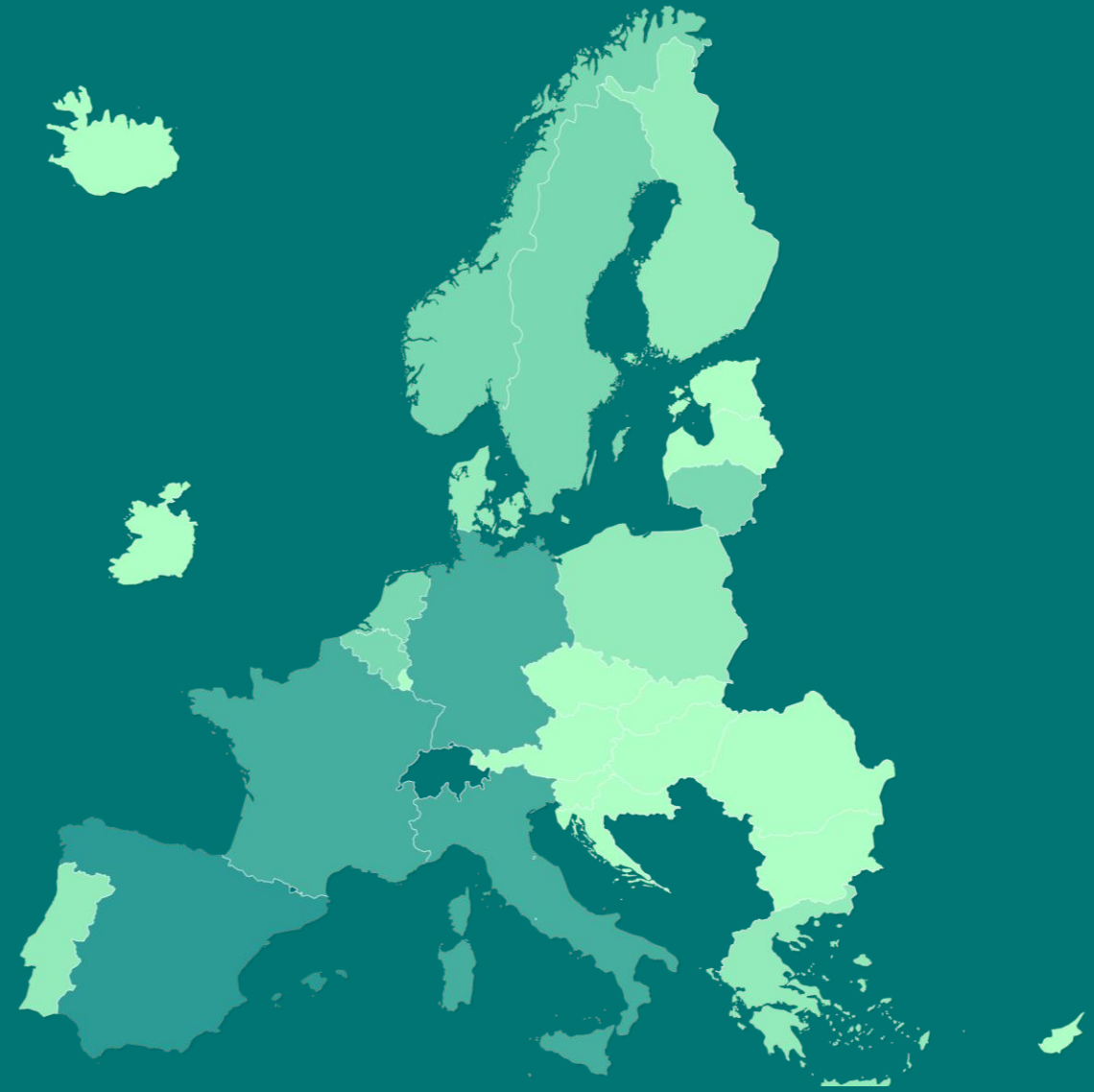


**~929 Mt CO<sub>2</sub> eq**  
to be avoided\*\*



**26**  
Countries

**Two new countries added: Estonia and Slovakia**



Project location

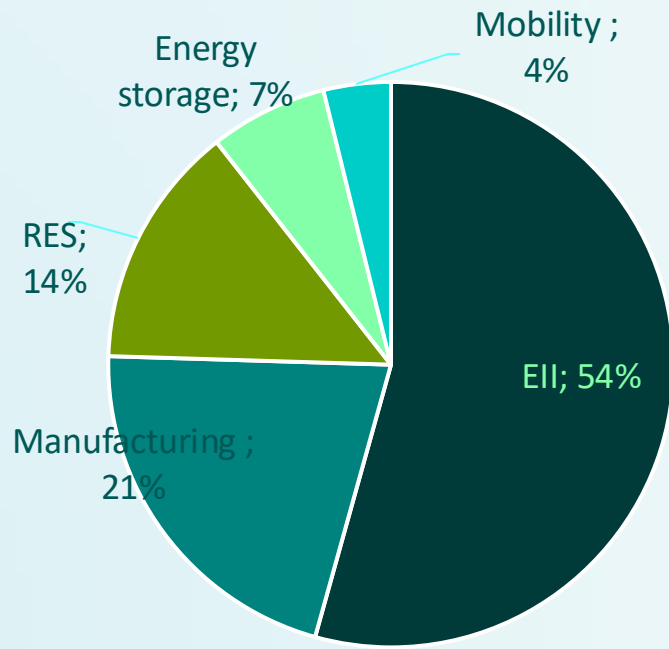


\*GAP: Grant Agreement Preparation  
\*\* estimated based on 10 years operations

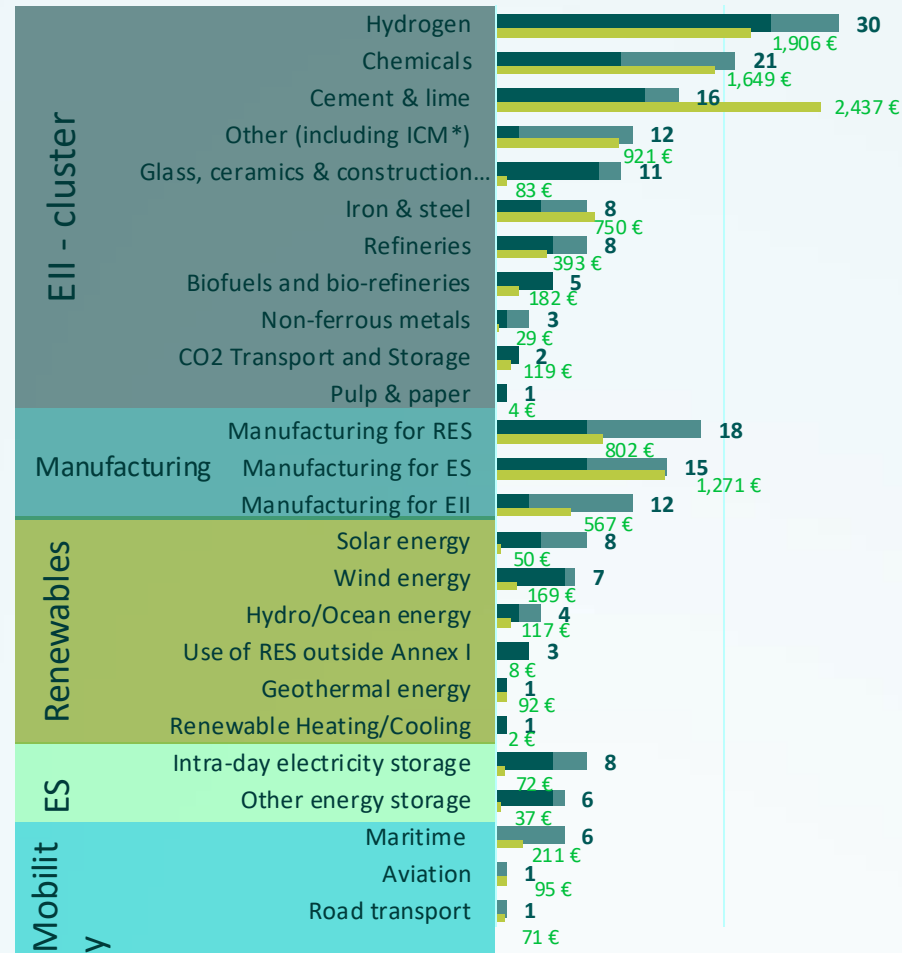


# IF Portfolio: ongoing + IF 23 selected projects\*

Share of projects by cluster  
(by number of projects)



Legend: Ongoing (dark blue), IF-23 (medium blue), Total Budget (yellow). Scale: Millions (0 € to 3,000 €).



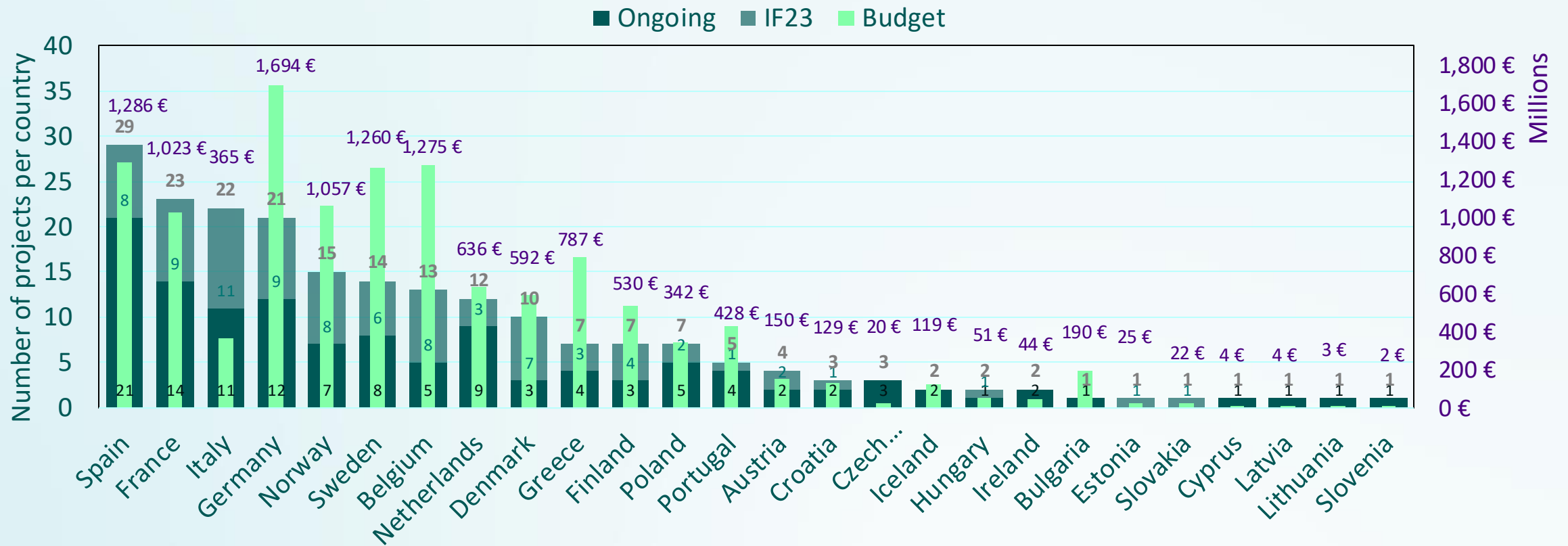
\* Statistics based on end of Q3-2024 (123 ongoing projects) & 85 projects selected for the IF23 Call



26  
Countries

# Innovation Fund- Geographical distribution

Projects located in 26 countries receive IF support\*



Romania, Malta, Luxembourg, Liechtenstein missing



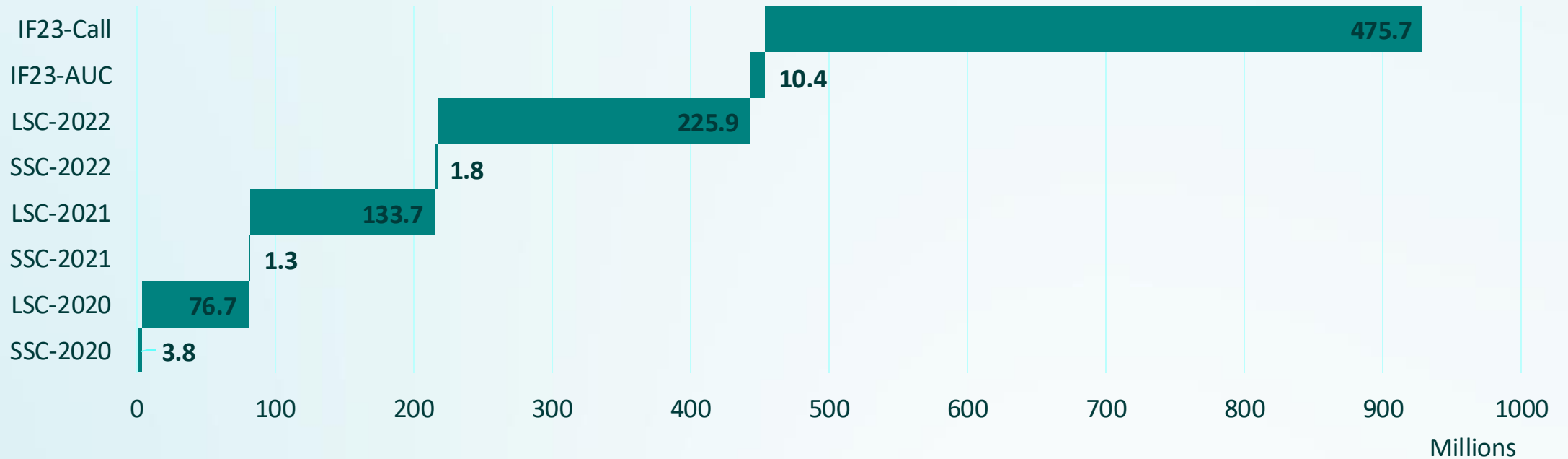
\* Statistics based on end of Q3-2024 (123 ongoing projects) + 85 projects selected for the IF23 Call

# Planned absolute GHG emissions avoidance



~929 Mt CO<sub>2</sub> eq  
to be avoided\*

GHG emissions avoidance during the first 10 years of operations ongoing and selected IF projects  
[Mton CO<sub>2</sub>e]

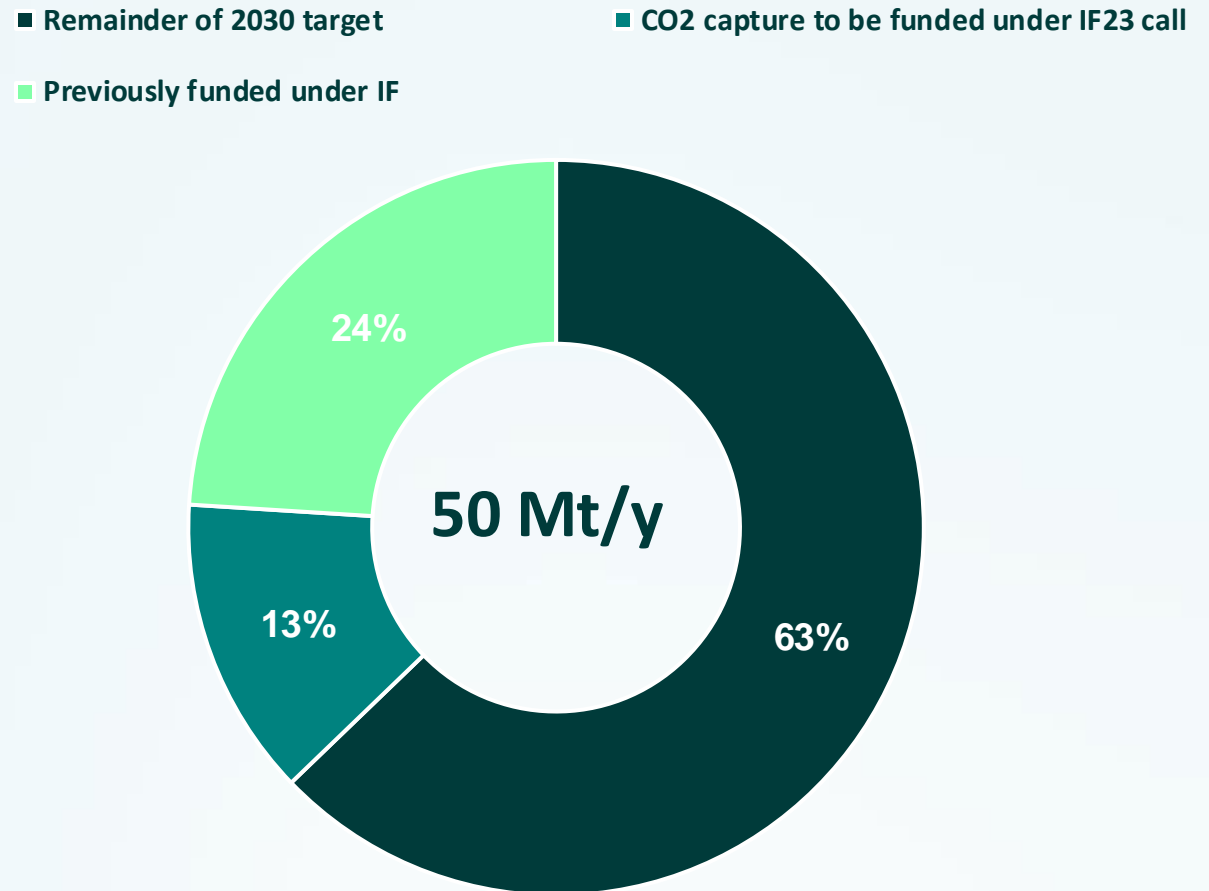


\*based on projects' absolute GHG avoidance, some projects GHG savings overlap can occur

\* Statistics based on end of Q3-2024 (123 ongoing projects) + 85 projects selected for the IF23 Call

# IF contribution to NZIA CO<sub>2</sub> injection capacity target

- In IF23 **6.6 Mt/y of CO<sub>2</sub> capture (to be stored)** will be funded supplying **13% of the target**.
- Together with the **existing IF portfolio of 12 Mt/y**, the Innovation Fund supports the use of up to **18.6 Mt/y** or **37% of the targeted annual CO<sub>2</sub> storage capacity**.
- IF23 funds **4 CO<sub>2</sub> storage projects** and **1 full value-chain CCS project** that will enable **storing of 7.8 Mt/y**.

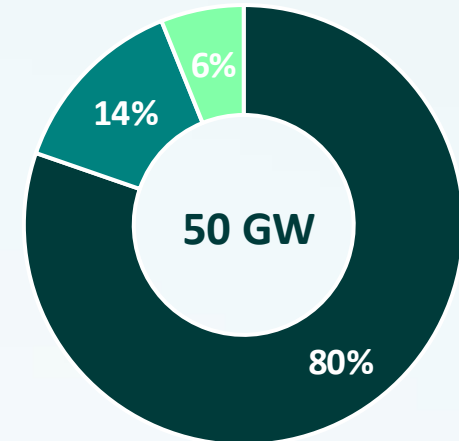


# IF contribution to cleantech manufacturing

- Remainder of 2030 annual deployment needs
- Awarded IF projects
- Projects selected under IF23

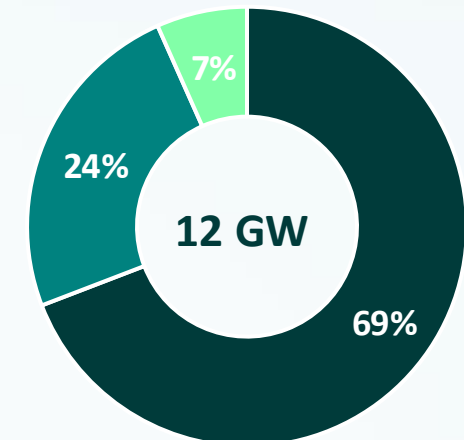
## Solar PV manufacturing capacity\* in the EU

- IF23 selected projects will create **3 GW capacity in the EU**
- Existing IF projects will create **6.8 GW capacity in the EU**
- IF portfolio can deliver **20% of the 50GW of annual deployment in 2030 \*\***



## Electrolyser manufacturing capacity\* in the EU

- IF23 selected projects will create **0.8GW of capacity in EU by 2030 (9.3 GW in EEA once fully operational)**
- Existing IF projects will create **2.9 GW of capacity in the EU**
- IF portfolio can deliver **31% of the 12GW of annual deployment in 2030 \*\***



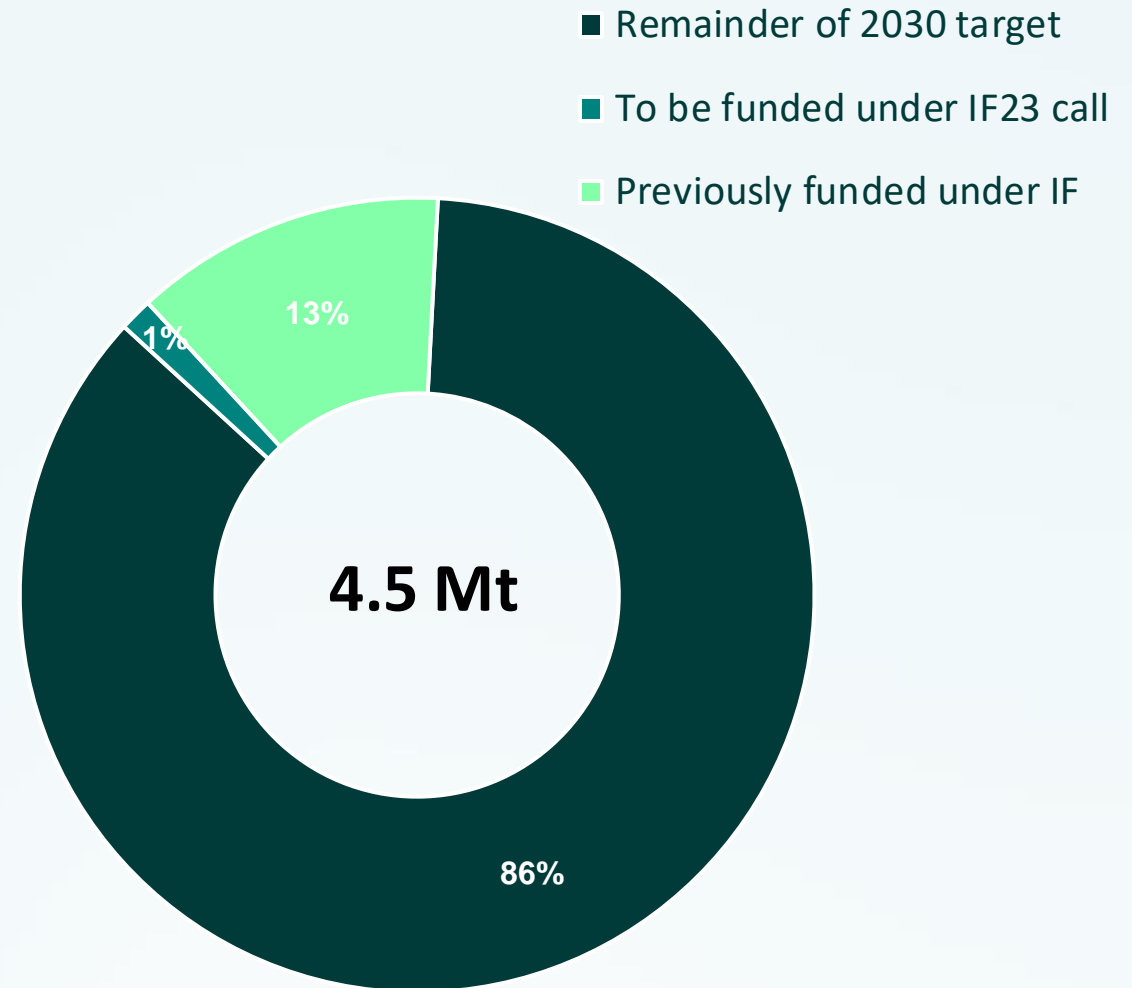
*\*IF projects are of different nature and may focus on different components or final product of the main value chains.*

29 *For this analysis projects manufacturing components only were not included.*

*\*\*NZIA puts the objective of at least 40% of the technology annual deployment in 2030 to be manufactured in the EU.*

# IF contribution to renewable hydrogen production target

- A renewable hydrogen production of **4.5 Mt/y\*** is needed by **2030** to meet the **European Renewable Energy Directive (RED III)** targets in industry and transport.
- IF23 selected projects will contribute to **1% of the target** i.e. **60.7 kton / y\*\***.
- Existing IF projects will contribute to **13% of the target** i.e. **570.8 kton / y\*\*\***.



\*A range of 3-6 Mt/y is needed to meet the RED III targets for industry and transport i.e. an average of 4.5 Mt/y.

\*\* IF23 selected project also include integrated hydrogen projects

\*\*\* Existing IF projects are only those with hydrogen as principal project.

# Agenda

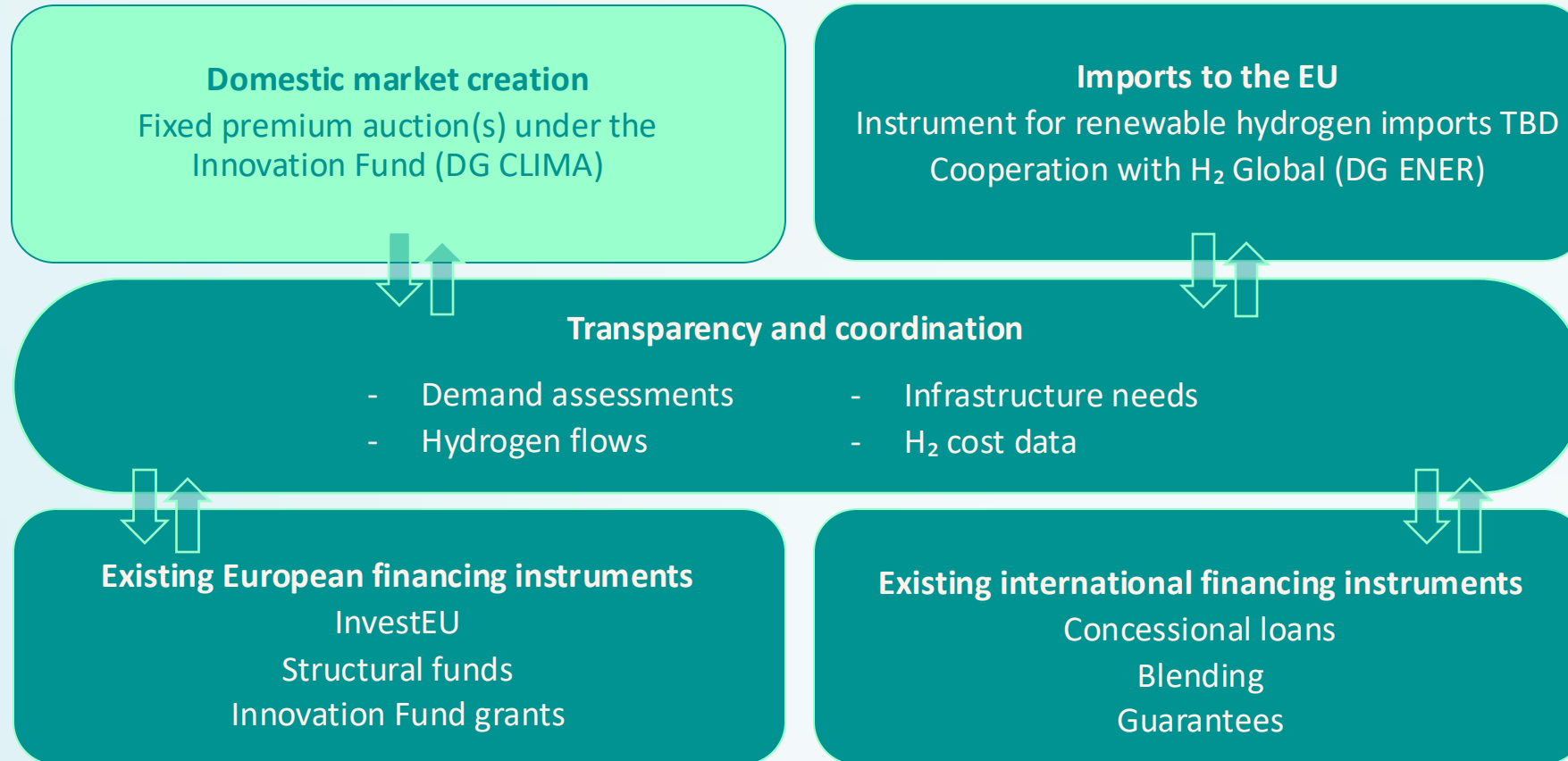


# IF24 Auction Terms & Conditions and Auctions-as-a-Service

DG CLIMA

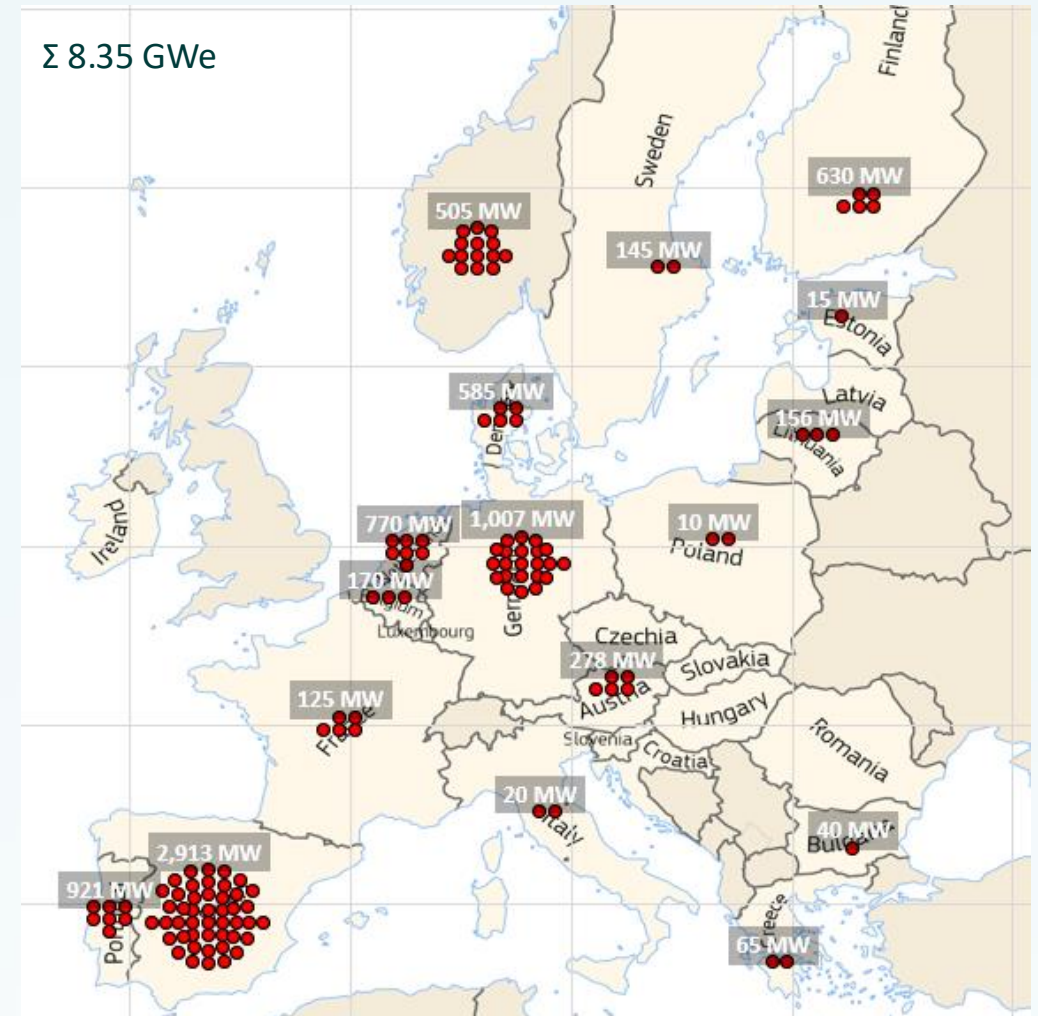


# European Hydrogen Bank overview



# The first pilot auction was a success, with a high level of participation and competition

- Budget: EUR 800 million
- 132\* bids from 17 different EEA countries
- 13 projects failing admissibility and eligibility criteria



\* Graphs and analyses on all following charts refer to data from 130 bids, excluding a bid submitted above the ceiling price of 4.5EUR, and a bid with significant data gaps and incomplete application documents.

\*\* Selected bidders will start the grant agreement process with CINEA and sign upon completion.

# Six bids were awarded for grant agreement signature, covering 1.4 GW<sub>e</sub> of electrolyser capacity

At application stage (MoU/LoI), ~35% of electrolyser capacity of winners intended to be procured from outside the EEA

Project acronym	Project Coordinator	Project location	Bid price (EUR/kg)	Bid volume (kt H <sub>2</sub> /10years)	Bid capacity (MWe)	Expected GHG abatement (ktCO <sub>2</sub> /10years) *	Total requested funding (EUR) **
eNRG Lahti	Nordic Ren-Gas Oy	Finland	0.37	122	90	836	€ 45,228,375
Grey2Green-II	Petrogal S.A.	Portugal	0.39	216	200	1477	€ 84,227,910
HYSENCIA	Angus	Spain	0.48	17	35	115	€ 8,104,918
SKIGA	Skiga	Norway	0.48	169	117	1159	€ 81,317,443
Catalina	Renato Ptx Holdco	Spain	0.48	480	500	3284	€ 230,463,819
MP2X	Madoquapower 2x	Portugal	0.48	511	500	3494	€ 245,178,772
			Ø 0.45 €	Σ 1515 kt_H <sub>2</sub>	Σ 1442 MWe	Σ 10 365 kt_CO <sub>2</sub>	Σ 694,521,237 €

\* Calculated vs. the [2021-2025 ETS benchmark](#) of 6.84 t\_CO<sub>2</sub>e/t\_H<sub>2</sub>. Not taking into account additional carbon abatement due to substitution effects in the H<sub>2</sub> end use application (i.e. conservative estimate).

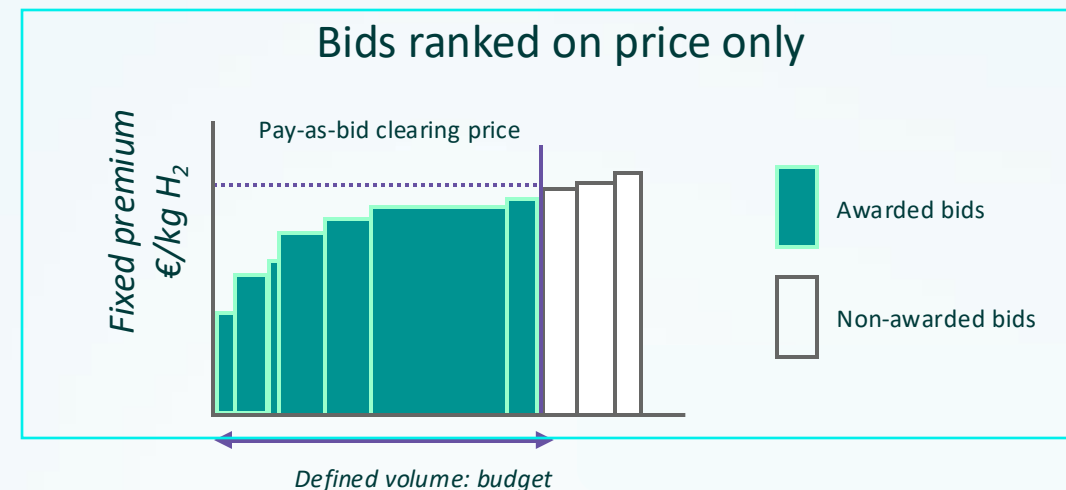
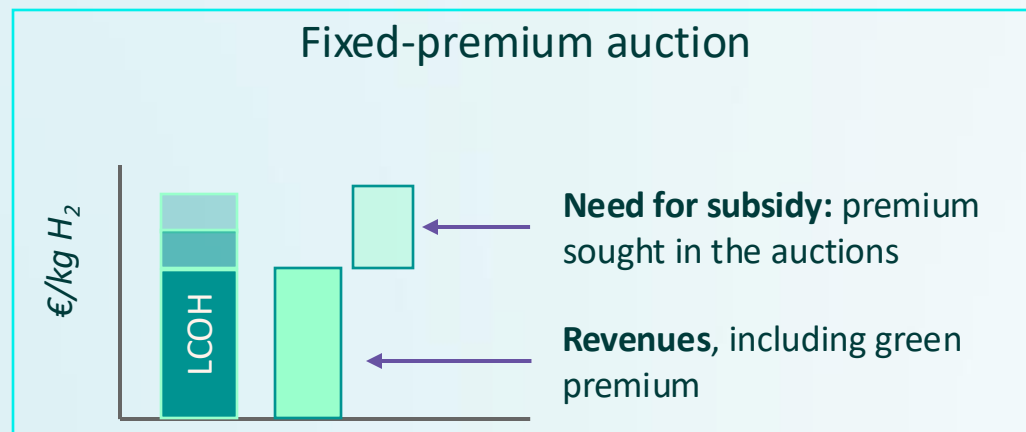
\*\* Remaining budget will accrue back to the Innovation Fund.

# In summary: IF24 Auction compared with the IF23 Auction

1. **Budget:** Increased budget to an estimated **EUR 1.2 billion**. Divided in two topics:
  - **General topic:** EUR 1 billion – no off-taker restrictions
  - **Maritime sector topic:** EUR 200 million
2. **Increased maturity requirements for bidding projects** (mandatory time to reach financial close, higher completion guarantee) and **lower ceiling price**
3. **Resilience related criteria:** “achieving security of supply of essential goods and contribution to Europe’s industrial leadership and competitiveness”

# Objective of the IF24 Auction

- Support **production** of **Renewable Fuel of Non-Biological Origin (RFNBO) Hydrogen** as defined in the RED and its Delegated Acts. NEW: Contribution to achieving **security of supply of essential goods and** contribution to **Europe's industrial leadership and competitiveness**.
- **Fixed-Premium auction**, single stage, pay-as-bid. Bidders are free to decide their bidding strategy.
- **Pass/Fail qualification** criteria (Relevance and Quality) and **Ranking based on price**



# General eligibility conditions

- Location: **within the European Economic Area (EEA)** (no virtual production)
- Installed capacity: minimum **5 MWe, new** capacity, **single location** (no virtual capacity pooling)
- Bid ceiling price: **4 EUR/kg RFNBO Hydrogen** - *stakeholder consultation feedback suggested to increase this figure*
- Maximum size of the bid:
  - **EUR 250 million** - general topic
  - **EUR 200 million** - maritime

# Key implementation arrangements

- Financial close: **2.5 years** after signing Grant Agreement
- Entry Into Operation: **5 years** after signing Grant Agreement
- Completion guarantee: **8%** of the requested grant
- Payments: No payments before entry into operation. Then, **biannual** basis - EUR/kg of RFNBO Hydrogen produced, **certified and verified** for a maximum period of **10 years**.
- Cumulation with other public funding – limitations apply, same as pilot auction
- Production requirements: Semi-annual production may be increased to **up to 140%** of planned. Total grant amount cannot be increased. Production **can not fall below 30%** of planned production for more than three rolling consecutive years
- Compliance with the criteria under which the project was selected (e.g resilience criteria, maritime topic eligibility criteria) will be monitored during implementation

# A dedicated topic for the maritime sector

- The reason: After its revision in 2023, the **ETS Directive extended to maritime transport.**
  - **Innovation Fund: 20 million allowances** will be deployed by the IF by 2030 to support the decarbonisation of the maritime sector, through **dedicated topics.**
- Eligibility condition in the “maritime topic”: those presenting with the application pre-contractual off-take agreements with **off-takers belonging to the maritime sector** covering at least **60% of their planned RFNBO H2 production as stated in the bid.**
- An off-taker in the maritime sector is one that will use the hydrogen (or the hydrogen derivative, if integrated project) produced by the project for carrying **out/making use of bunkering activities in ports within the EEA.**
  - *Fuel traders and/or intermediaries (including storage facilities), are not eligible as off-takers, neither are virtual agreements.*



# New: resilience-related requirements

## (I) “Achieving **security of supply of essential goods** and **contributing to Europe’s industrial leadership and competitiveness**”

- New award sub-criterion under “relevance” (pass/fail assessment)
- Alignment with the objectives of Net Zero Industry Act. Assessing projects’ contribution to a diversified supply chain and avoiding building dependency on a single third country which may threaten the security of supply of electrolysers in Europe.
- Analysis performed: there is a significant risk of increased and irreversible dependency of the EU on imports of electrolysers originating in China.
- Projects have to limit the **sourcing of electrolyser stacks with surface treatment OR cell unit production OR stack assembly carried out in China to not more than 25% (in MWe) to pass.**
- Evidence needed to underpin the claim in application (self-declaration + MoU/LoI from the electrolyser OEM and implementation will be monitored.

# New resilience-related requirements

## (II) Compliance with standards

- **ISO Standards:** ISO 22734:2019
- **Cybersecurity:** present a cybersecurity plan at Entry into Operation

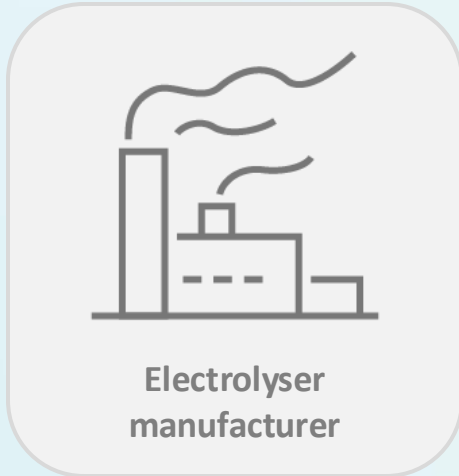
(III) **Increased information** requirements as part of the “Electrolyser procurement strategy” documentation

(IV) **Risks of investigations:** Reminder of existing rules under the Foreign Subsidy Regulation, State aid and Trade Defence Instruments

# Compliance during implementation

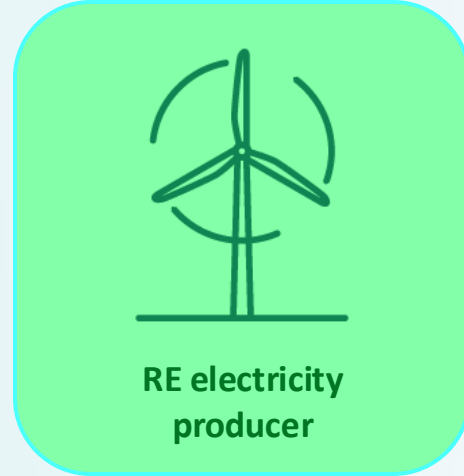
- **At financial close and at entry into operation:**
  - At EiO, also proof of compliance with ISO Standards and presentation of a Cybersecurity Plan.
  - Reporting on the origin of the electrolyser
  - signed off-take agreement with an off-taker belonging to the maritime sector covering 60% of the planned volumes.
- **During implementation:**
  - report on changes in the electrolyser or in the off-take agreement status
- **At the end of implementation:**
  - Report confirming compliance with resilience related criteria
  - Report on compliance with resilience-related requirements and third-party certification that at least 60% of the produced volumes were supplied to an off-taker of the maritime sector.
  - Certificate of characteristics of total output produced. Certification of the total volume of hydrogen produced by the awarded capacity as meeting at least 70% GHG reduction
- **Penalties would apply if not compliance:** reduction of grant or even termination

# General cumulation rules will still apply



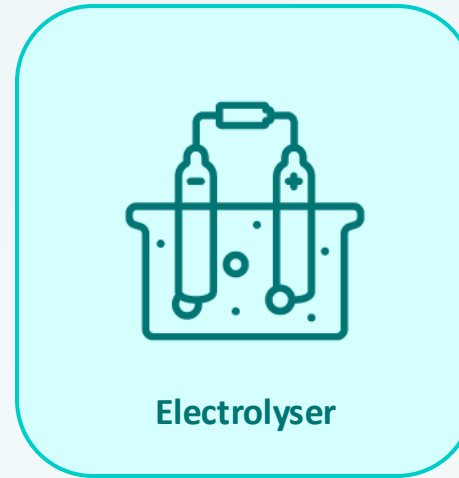
Electrolyser  
manufacturer

✓ Other public  
support is allowed



RE electricity  
producer

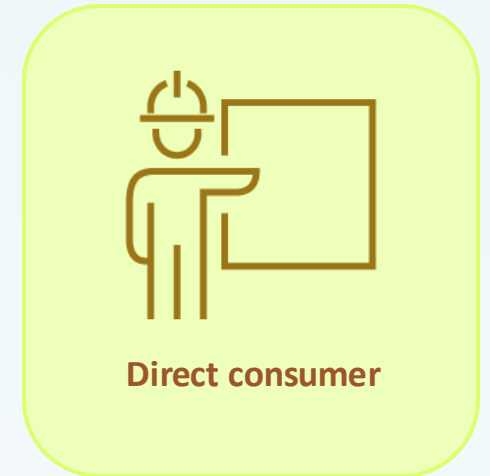
Rules for public  
support spelled out  
in RFNBO Delegated  
Act



Electrolyser

✗ Cumulation is in  
general not allowed

✓ Some exceptions  
to this rule



Direct consumer

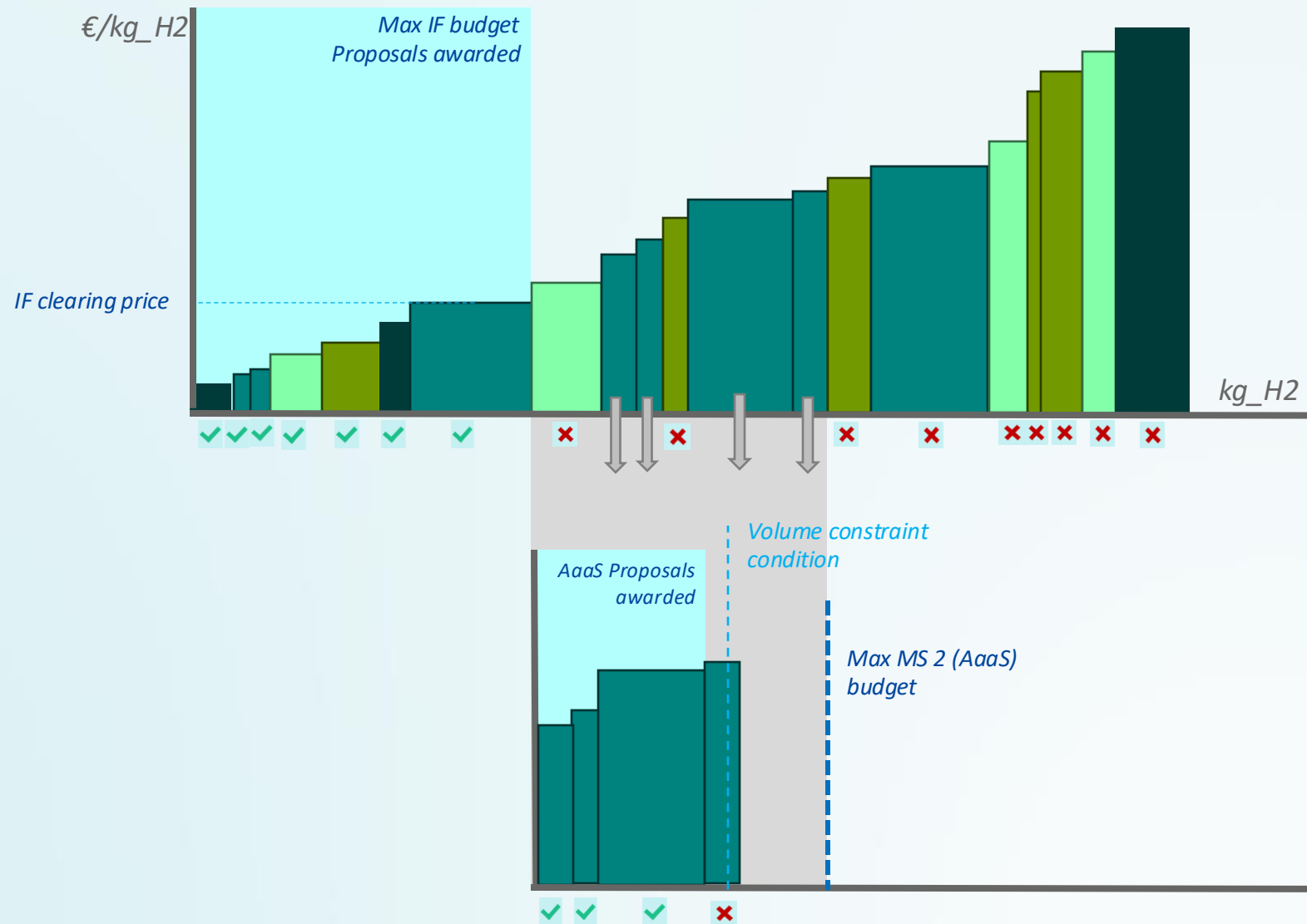
✓ For CAPEX or non-dedicated  
infrastructure other public  
support is allowed

✗ For OPEX related to  
consumption of hydrogen from  
auction winner other public  
support is not allowed

# Auction-as-a-Service – What is it?

- EEA countries can use the IF competition to **allocate *additional, national funds to national projects***
  - Germany contributed an additional budget of EUR 350 million in the 2023 Pilot Auction
  - Austria is passed a budget law for an up-to EUR 400 million 2024 contribution
- The scheme is by design ‘State aid’ CEEAG compatible:
  - Notification facilitated with the help of Commission templates
  - *Note: no adjustments for fast State aid clearance*
- **Avoid unnecessary administrative burden** of developing and running new support schemes
- **Streamline renewable hydrogen funding across the EEA.**
- For the second auctions (IF2024 Auction), **MS interested in participating in the scheme will need to make public announcement with their commitment before mid-November**

# Auctions-as-a-Service Concept



# Next steps

1. **Open the auction** for receiving bid (3 December 2024)
2. **InfoDay** (10 December 2024)
3. **Closing** of the auction (February 2024)
4. **Selection** of bids (spring 2025)

# Agenda





# Highlights of the upcoming IF24 Calls

## General call

DG CLIMA

# Innovation Fund 2024 General Call - 'IF24 Call'

- Call size: **€2,4 billion**.
- **Budget reserved by topics** - but budget reserved and not spent on a given topic, can be used for other topics.
- A **single annual** Innovation Fund Call = one publication cycle for all projects
- **Sector eligibility revised** – clarifications based on helpdesk and LL from IF23

# IF24 Call topics

Bottom-up approach covering all areas eligible in the general decarbonisation window(s) under **three topics by project size**:

	Project size
Small-scale projects	Up to €20 million
Medium-scale projects	Above €20 million and up to €100 million
Large-scale projects	Above €100 million

Net Zero Industry Act's key priorities reflected by the continuation of two focused topics:

- Clean tech manufacturing topic on innovative components for RES, ES and electrolysers and heat pumps;
- pilot projects that focus on validating, testing and optimising highly innovative solutions and , deep decarbonisation solutions

# IF24 Call structure

The topics definitions aim to continue to benefit numerous/all sectors eligible and **avoid 'parcelling'**.

The topics will reserve a **dedicated budget envelope**.

The topics make competition among proposals more **focused**.

Manufacturing and Pilots topics apply weighting of award criteria to reflect policy priorities (fast project maturity, higher degree of innovation) and **amplify scores of proposals that perform best** in this respect. Faster FC and EIO are incentivised

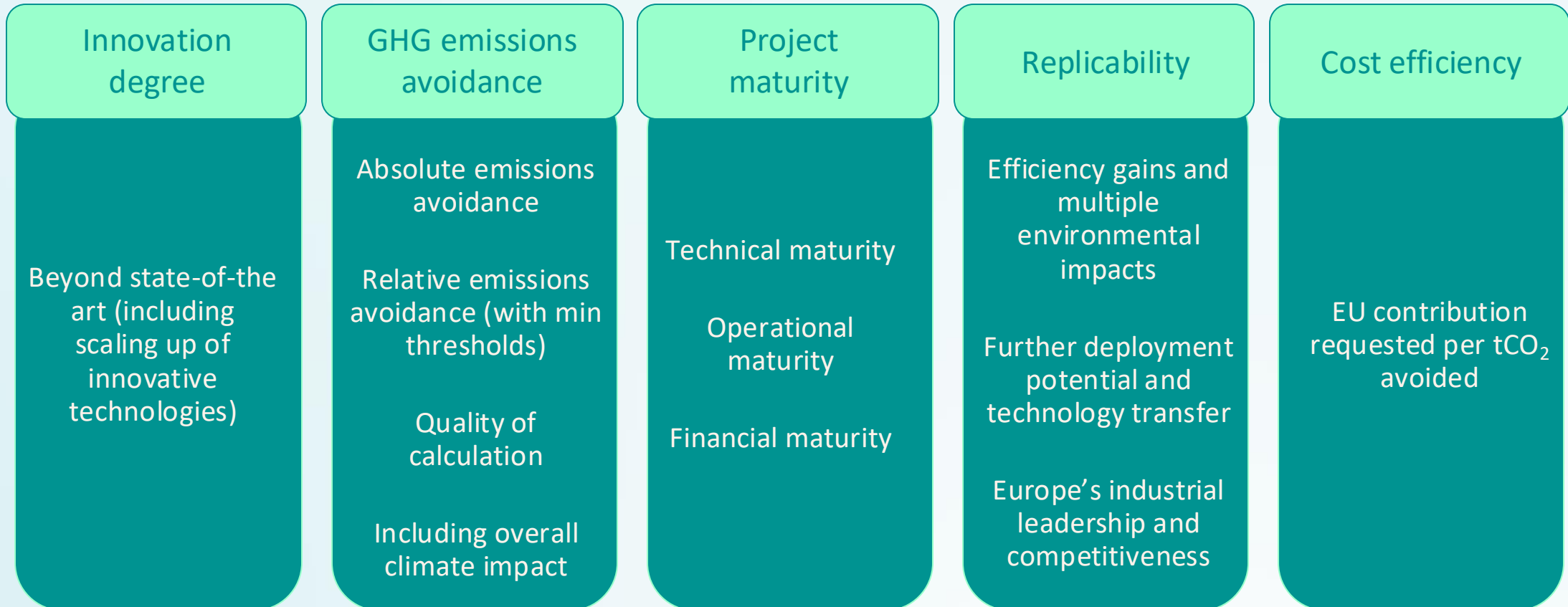
Topics designed not to overlap - **one proposal application can only be made to one topic**.

**Maritime sector** is eligible with sector specific provisions on full climate impact, including black carbon – *no dedicated topic for IF 23 Call*.

**STEP Seal:** All topics under this call contribute to the objectives of the [Strategic Technologies for Europe Platform \(STEP\)](#)

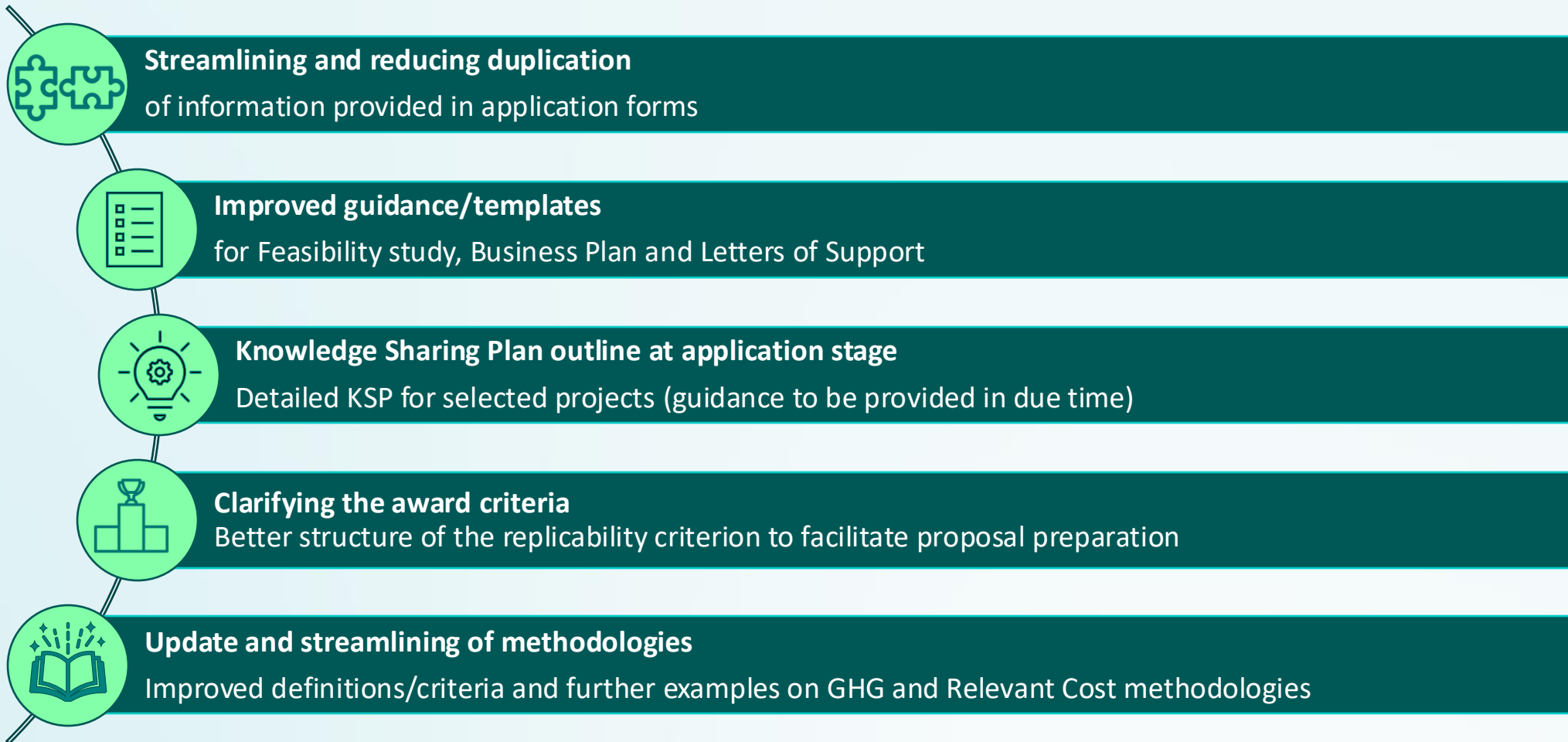
GaaS: can be complemented by national funding schemes through '**Grants-as-a-Service**'.

# IF24 Call award criteria



**Bonus points:** net carbon removals, other GHG emissions, additional RES/RFNBO, maritime.

# IF24 major simplifications



# Highlights of the upcoming IF24 Calls EV Batteries Call

DG CLIMA

# Scope and budget of the instrument

- **Scope: EV batteries cell manufacturing**
  - **Possibility of integrated projects** (with upstream components manufacturing, recycling but not exceeding 100% of the project's cell production capacity)
  - Battery pack or module assembly or battery applications are excluded.
- **Budget: EUR 1bn for the dedicated call for proposals in 2024/25**
- Rest of the value chain would remain eligible in the general manufacturing of components topic.

In the Battery Regulation [Article 3(1)14] EV batteries are defined as follows:

"'electric vehicle battery' means a battery that is specifically designed to provide electric power for traction in hybrid or electric vehicles of category L as provided for in Regulation (EU) No 168/2013, that weighs more than 25 kg, or a battery that is specifically designed to provide electric power for traction in hybrid or electric vehicles of categories M, N or O as provided for in Regulation (EU) 2018/858"



# Project Maturity and disbursement schedule

## Eligibility conditions:

**Stakeholder feedback:** support for ramp up vs support for new projects

Only projects that **have not reached Financial Close** at the time of grant application can be funded

**Modular scale-up** possible but project boundary has to be defined accordingly.

## Project Maturity requirements:

**Stakeholder feedback:** Need for speed

- Shorter time to financial close to be assessed positively
- Shorter time to Entry into Operation to be assessed positively
- Under “project maturity”, among other factors, project’s ability to credibly reach those milestones will be assessed

## Payment schedule:

**Stakeholder feedback:** Pre-financing and flexible disbursement schedule

- Projects can receive up to 40% of payments before financial close if well justified / needed.
- Project can receive up to 90% of payments for milestones before Entry into Operation if well justified.
- 60% of payments have to be linked to actual GHG emissions reduced

# Degree of Innovation award criterion

- **Stakeholders feedback:** scaling-up and mass-manufacturing of existing battery technologies to reach economies of scale is a key problem.
- Challenges in scale-up such as:
  - low error tolerance around sensitive chemistries
  - substantial investment needs in infrastructure and equipment
  - skilled labour and supply chain management
  - maintaining quality control and efficiency.
- **Requirements under Degree of Innovation**
  - Projects do not have to be first-of-their-kind with regards to technology to compete on Degree of Innovation
  - Innovation in production of batteries and in performance of batteries, reduced use of raw materials, recycling/circular economy etc. will also be considered

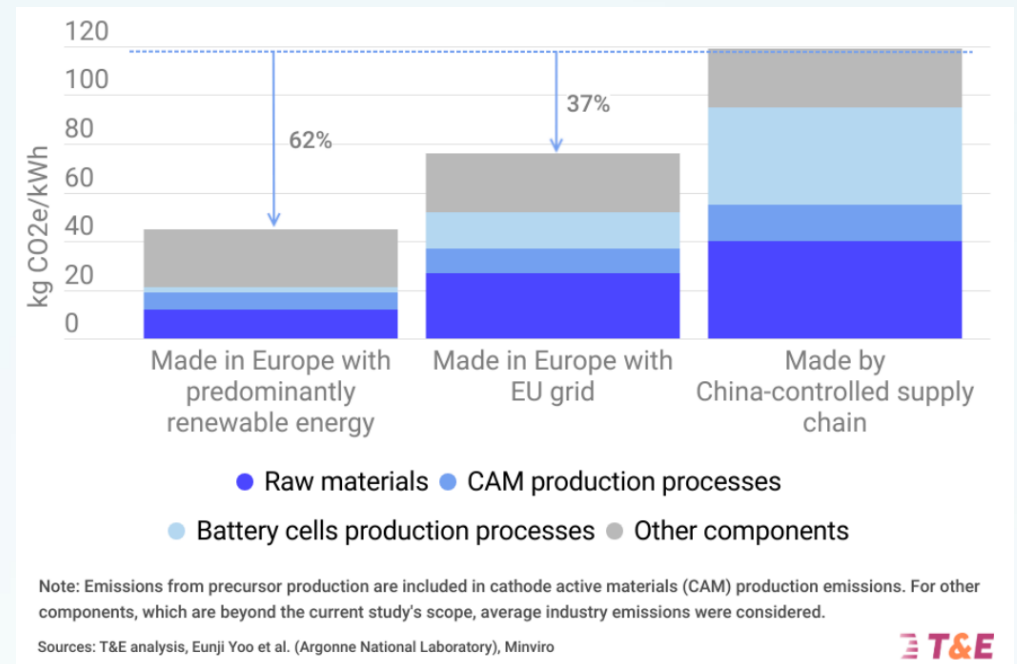
# Resilience

- Announcement of EVP Šefčovič: *This new instrument will provide support (...) of the most sustainable batteries creating important spill-over effects on the entire value chain, including its upstream segment.*
- Key priority for the EU, in line with Open Strategic Autonomy of the EU and NZIA Regulation.
- Since ETS Directive revision, “resilience” criterion has been added to the IF “regular” calls for proposals.
- Under **“Replicability criterion”**: contribution to EU industrial leadership and competitiveness + (possibly) similar clause as in the IF hydrogen auction on sourcing from China of anode and cathode active material
- **Reporting requirements:**
  - Financial Close: are the claims reflected in contracts
  - Entry into Operation: e.g. cooperation with universities or recycling activity
  - For each year of operation: output, EEA-originated content,
  - End of monitoring period: reporting on how the claims were fulfilled

# A new, suitable GHG methodology for batteries manufacturing

- In the existing IF manufacturing call, only emissions from use are calculated and scored.
- The dedicated batteries call will include a methodology for the manufacturing part of the project as well:
  - A battery production scenario will be constructed based on the principal production steps of a battery cell.
- Use phase emission avoidance will be evaluated under standard **“GHG emission avoidance” award criterion**; production phase emission avoidance under a **new “Manufacturing carbon footprint” criterion**

A recent study (T&E) discusses GHG emissions of battery production



T&E, 2024, Fig. 25: <https://te-cdn.ams3.digitaloceanspaces.com/files/An-industrial-blueprint-for-batteries-in-Europe-How-Europe-can-successfully-build-a-sustainable-battery-value-chain.pdf>

# New InvestEU top-up for additional EIB lending to battery value chain projects

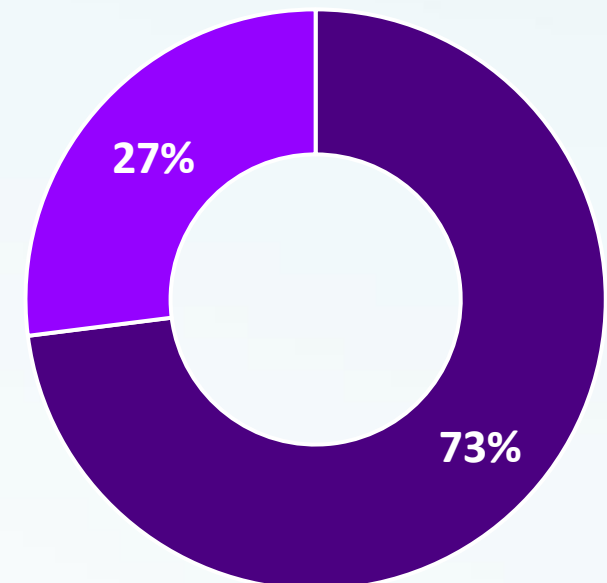
- In addition to the planned €1bn call for grants for EV cell manufacturing, the IF will provide a **€200m loan guarantee to the EIB** (thematic top-up under Invest EU).
- Lending under the top-up will be open to battery manufacturing projects (beyond EV) along the value chain, excluding mining and pure assembly projects.
- Loan facility to complement the calls and leverage EIB and private financing.
- The facility will support innovative projects with **venture debt**.

# Combined public support SWD - objectives

- Under IF “regular grants” up to 60% of the funding gap can be covered
- There are **rules on combined public support** that are difficult to navigate for the projects because **multiple documents have to be consulted**.
- **SWD aims to gather information** on how the combination of an IF grant with other public support, (be it EU or Member States’)
  - can be managed and reflected in the IF application, and
  - might be assessed by (i) competent national authorities (for State aid) or (ii) funding bodies/managing authorities of other EU funding programmes.

Number of IF laureates

- do not need combined public support
- require combined public support



# Combined public support SWD - contents

## included

- **No new rules created or interpreted** – SWD is merely pulling the information on rules in one place
- **Overview of EU funding programmes** with scope overlapping with IF
- **Overview of State aid regimes** with scope overlapping with IF
- Overview of the **key conditions** for combining IF grants with other public support, be it
  - from other EU funding programmes
  - State aid
- **Explanation on the procedures** vis-à-vis CINEA/other EU implementing bodies or national State aid authorities

## not included

- **Confirmation that combined public support will be possible/no support reduction necessary.**

Applicants seeking to receive public support in addition to an IF grant should consult the relevant sources of information and contact competent authorities.

# Agenda





# The STEP Seal: how does it look



The project proposal

**[Number] — [Acronym]**

**[Title]**

by

**[Coordinator legal name] [and other participants]**

submitted under the **[Programme name]** call

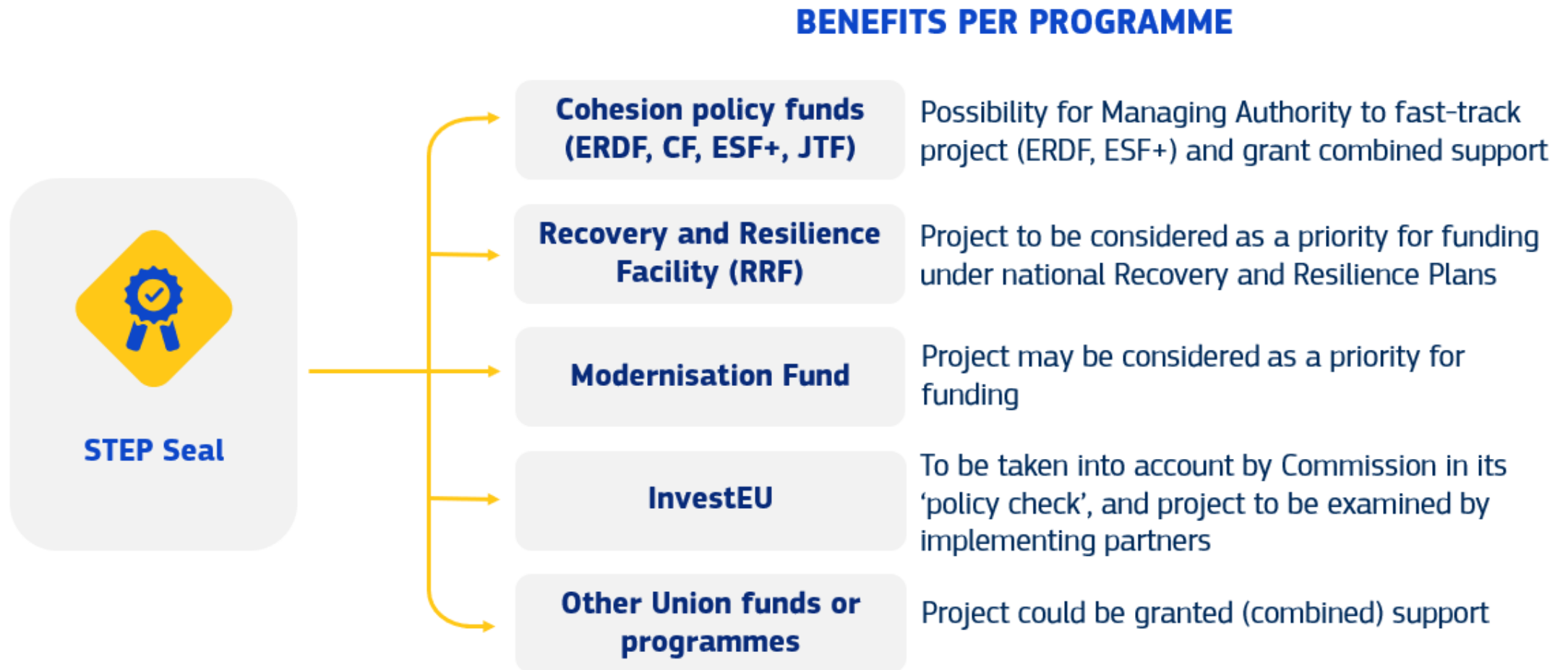
**[Topic ID] — [Topic description/title]**

was recognised as a **high-quality project** proposal in a highly competitive evaluation process and contributes to the **Strategic Technologies for Europe Platform (STEP)** objectives, following evaluation by an international panel of independent experts.

The STEP (Sovereignty) Seal is a quality label awarded by the European Commission aimed at facilitating access to funding opportunities under other Union programmes covered by STEP. For further information, visit <https://strategic-technologies.europa.eu/>

Brussels, **[date]**

# The STEP Seal: what benefits it will bring



# Next steps (indicative)

	IF24 Auction	IF24 Call	IF24 Battery
Calls publication	3 December 2024		
Info Day	10 December 2024	17 December 2024	18 December 2024
Closing	February 2025	April 2025	
Evaluation	Spring 2025	End 2025*	

*\*Period may be shortened depending on the number of applications*