

Innovation Fund

Call for small-scale projects 2021

Main features, Award Criteria and selection procedure in a nutshell

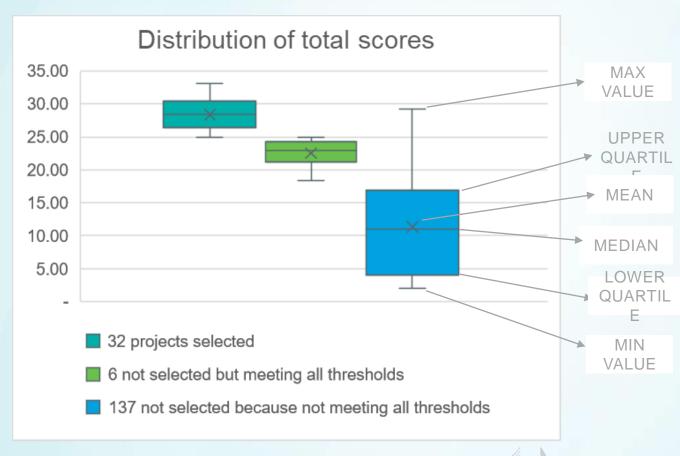
Roman Doubrava, Head of Innovation Fund Unit, CINEA C4



LEARNINGS FROM SMALL-SCALE CALL RESULTS – TOTAL SCORES

SELECTED PROJECTS WERE SCORING HIGH IN ALL CRITERIA

- Most of the 32 selected projects received high marks in all award criteria
- 6 projects met all thresholds but received lower overall score
- 137 projects failed at least one award criterion (nearly 80% of eligible projects), demonstrating there is significant room for improvement for better understanding of key criteria requirements





30 Innovation Fund small-scale projects already started!

Examples of running small-scale projects focusing on:

- decarbonisation of glass production in France
- renewable heat for an energy-intensive malt production process in Croatia
- direct air CO₂ capture and geological storage in Iceland
- production of green hydrogen to cover local demand from mobility and industry in Italy
- renewable energy and energy storage solutions in a green port in Spain





2021 Small-scale projects call: key features



Launch31 March 2022Deadline31 August 2022ResultsQ1 2023



€ 100 000 000 for grants

Project Development Assistance



Same scope as previous calls: innovative projects close to market

AWARD CRITERIA

Degree of innovation

GHG emission avoidance*

Project maturity

Scalability

Cost efficiency

*incl. quality of calculations, net carbon removals and other GHG emission savings

GRANT DISTRIBUTION

LUMP-SUM contribution grant up to 60% of capital expenditure

- up to 40% of grant at financial close
- remaining amount of at least 60% after financial close
- generally, at least 10% after Entry into operation.



Payment upon completed work-packages

Financial Close

End of project

Possible to agree payments at justified milestones

(e.g. drilling with geothermal project)

Possible to agree payments at justified milestones during construction phase

Entry into

Operation

(subject to recovery in case that emission avoidance will not be achieved)

Annual payments for achieved GHG emissions avoidance during 3 years after entry in operation

Up to 40%

independent of achieved emissions avoidance

At least 60%

depending on achieved emissions avoidance





Criteria slightly modified!!!

Degree of innovation

Beyond state of the art and beyond incremental innovation

GHG emission avoidance

- Absolute and relative GHG emission avoidance
- Relative GHG emission avoidance
- Quality of the GHG calculation, minimum requirements, net carbon removals, other GHG savings

Project maturity

Technical, financial and operational maturity

Scalability

- Scalability at the level of regional economy, sector, and economy wide scale
- Knowledge sharing, including communication and dissemination

Cost efficiency

- Cost efficiency ratio (Requested grant per ton of CO2e)
- Quality and credibility of the cost calculation



CASCADE APPROACH – CONSEQUENCES ON EVALUATION RESULTS

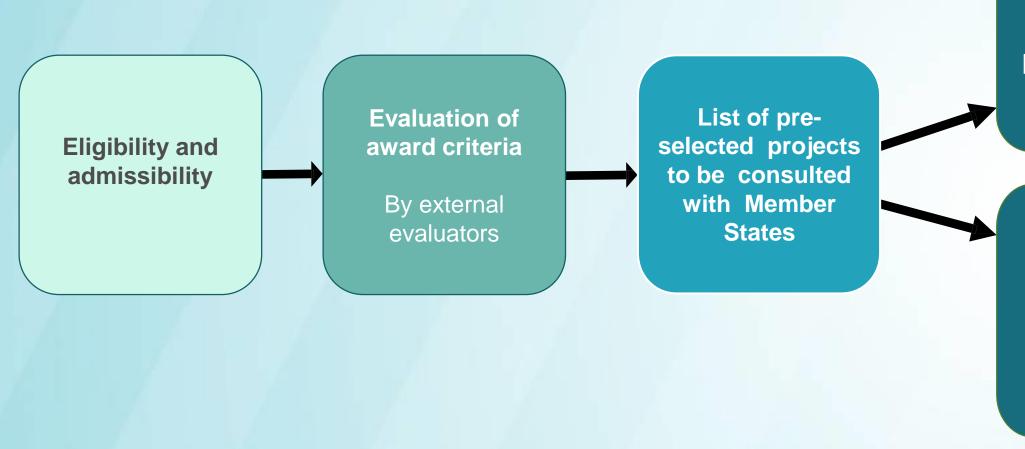
- 1. Check eligibility and admissibility
- (if all requirements are not met, the evaluation is stopped)
- 2. Assess **Degree of Innovation** criterion
- (if the score is below threshold, the evaluation is stopped)
- 3. Assess GHG Emissions Avoidance and Project Maturity criteria
- (if all requirements are not met or score is below threshold, the evaluation is stopped)
- 4. Assess **Scalability** and **Cost efficiency** criteria



Different scoring system!!!

Award criteria	Minimum pass score	Maximum score
Degree of innovation	9	15
GHG emission avoidance potential:		
Absolute GHG emission avoidance	n/a	5
Relative GHG emission avoidance	n/a	5
 Quality of GHG calculation, minimum requirements, net carbon removals, other GHG savings 	2	5
Total GHG emission avoidance potential	-	15
Project maturity:		
Technical maturity	3	5
Financial maturity	3	5
Operational maturity	3	5
Total Project maturity	-	15
Scalability	9	15
Cost efficiency:		
Cost efficiency ratio	n/a	12
Quality of cost calculation	1.5	3
Total Cost efficiency	-	15
Total	n/a	75

Selection Procedure



Award of project grants

Following of assessment by the EIB, award of Project Development Assistance



Some recommendations

- Read carefully the call documents and understand well the requirements (including the admissibility and eligibility ones)
- Get familiar with and follow the call methodologies and guidance (GHG methodology)
- <u>Check whether your project fulfils all the requirements</u> of the call please use the self-check questionnaire!
- Check our websites for further guidance, statistics and lessons learnt!
- Start early preparing your application and make sure to have all the supporting documents ready on time
- Do not wait the last day to submit, use our helpdesk
- Before submitting, please <u>check consistency</u> between different parts and documents of your application

NEXT CALLS FOR PROPOSALS

Next Large-Scale Call

- Expected launch of single-stage call in Autumn 2022
- Expected deadline for submission
 Spring 2023
- Expected results in <u>Autumn 2023</u>
- Expected volume tbc

Next Small-Scale Call

- Expected launch of single-stage call in Spring 2023
- Expected deadline for submission
 Autumn 2023
- Expected results in Spring 2024
- Expected volume tbc



Join as expert supporting evaluations!



Technical experts



GHG experts



Financial experts



Rapporteurs + quality checkers

- Individual evaluation
 - To be organised fully remotely from your office or home at your best convenience
- Consensus group
 - Discussion with other fellow evaluators
 - Either in Brussels or virtually
- Confidentiality and conflict of interest rules apply

Check <u>CINEA website</u> for the application process!

