

SUSTAINABLE TRANSPORT

Innovation Fund

EU fund for climate policy, with a focus on energy and industry. It aims to bring to the market solutions to decarbonise the European industry and support its transition to climate neutrality while fostering its competitiveness.

Budget (2021-2027): €16 billion ⁽³⁾

Key Areas	<ul style="list-style-type: none"> • Aviation and road transport • Waterborne transport • Smart mobility 			
WHO can apply?	<ul style="list-style-type: none"> • Legal entities: Private or public bodies, established in any country in the world • International organisations <p>Projects must be located in EU Member States or EEA countries (i.e. Norway, Iceland or Lichtenstein). Projects may also be located in Northern Ireland on the condition that they concern the generation, transmission, distribution or supply of electricity.</p>			
WHAT activities can be funded?	Highly innovative technologies, processes, business models or products/services that are sufficiently mature and have a significant potential to reduce greenhouse gas emissions.			
Range of EU Contribution	Up to 60% (in case of regular grants) and up to 100% (in case of competitive bidding) of the relevant costs calculated according to the methodology indicated in each call for proposals (usually covering capital and operational costs minus revenues over the first ten years of operation).			
Links to relevant calls	IF calls for proposals			
Target Technology Readiness Level (TRL)	From 7 (System prototype demonstration in an operational environment) to 9 (Actual system proven in an operational environment - competitive manufacturing in the case of key enabling technologies, or in space) As detailed in the TRL scale annexed to the Work Programmes of the Horizon Europe EU funding programme .			
Project examples	<p>Waga 4 World (W4W) (January 2022 – August 2026)</p> <p>The project aims at producing cost competitive and grid compliant biomethane from landfill gas using the WAGABOX® technology, developed by Waga Energy.</p> <p>The objective is to implement an upgraded version of the WAGABOX® unit at the Can Mata landfill, one of the largest ones in Spain.</p> <p>The biomethane production will be injected into the grid of the Spanish operator Nedgia with an expected biomethane production of 70 gigawatt hours per year (GWh/y), equivalent to the annual gas consumption of 14,000 Spanish households.</p>	<p>GreenH2CY (June 2023 – August 2028)</p> <p>The project's objective is to produce hydrogen for the transport sector from renewable energy, refuel trucks and replace diesel vehicles.</p> <p>It plans to include a refuelling station and hydrogen storage facilities, which will allow for flexible usage of the electrolyser that produces the hydrogen and for the station to run during off-peak electricity times.</p>	<p>EVVE (April 2021 – December 2027)</p> <p>The project aims to demonstrate a first-of-a-kind, large-scale vehicle-to-grid technology in Europe, based on the implementation of a virtual power plant, which draws upon the energy storage capacities of hundreds of Electric Vehicles (EV) across the EU.</p> <p>The project has an innovative business model based on the smart management of EV batteries.</p>	<p>SustainSea (July 2023 – December 2027)</p> <p>The project will deploy a rigid wind sail system in maritime transport.</p> <p>The system will use wind energy to reduce fuel use and greenhouse gas emissions in the sector. Within the project, the wind propulsion system developed by Bound4Blue will be integrated into five large cargo vessels operating mainly in EU waters.</p>

⁽³⁾ The Innovation Fund is financed by the [EU Emissions Trading System](#) (ETS) revenues. Budget (2020-2030): €40 billion, calculated by using a carbon price of €75/tCO₂.