

EU Innovation Fund Secures Grant Agreements for 77 Decarbonization Projects, Invites Six More from Reserve List

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The European Union's Innovation Fund has finalized grant agreements with 77 groundbreaking decarbonization projects, following the results of the 2023 Call (IF23) announced in October 2024. These projects, spanning 18 European countries and slated for operation between 2025 and 2031, will receive funding derived from the EU Emissions Trading System (ETS) revenues.

The grants, ranging from €1.4 million to €262 million, will support projects with the potential to reduce emissions by an estimated 397.6 million tonnes of CO₂ equivalent over their first ten years. In addition to these 77 projects, the European Climate, Infrastructure, and Environment Executive Agency (CINEA) has extended invitations to six projects from the reserve list, potentially contributing an additional 24.6 million tonnes of CO₂ equivalent in emissions reductions.

The 83 projects were selected from a pool of 337 applications, demonstrating strong interest across large, medium, and small-scale initiatives, including pilot projects. The IF23 call emphasized cleantech manufacturing, aligning with the Net-Zero Industry Act (NZIA), and will accelerate decarbonization in critical sectors such as energy-intensive industries, renewable energy, energy storage, industrial carbon management, net-zero mobility, and buildings.

These investments underscore the EU's commitment to achieving a net-zero economy while bolstering industrial competitiveness, strengthening supply chain resilience, and establishing the EU as a global leader in clean technology. The projects were evaluated based on innovation, greenhouse gas avoidance potential, project maturity, scalability, and cost efficiency.

Furthermore, 149 projects exceeding all evaluation thresholds have been awarded the STEP Seal, the EU's quality label for high-quality projects in clean, resource-efficient, deep, and digital technologies. This label aims to facilitate investment in cutting-edge strategic technologies.

With an estimated €40 billion in revenue from the EU ETS between 2020 and 2030, the Innovation Fund, managed by CINEA, is a key driver for investment in low-carbon and net-zero technologies. The current Innovation Fund 2024 (IF24) calls, focused on net-zero tech and battery manufacturing, remain open for proposals until April 24, 2025, continuing the EU's commitment to driving climate neutrality.