

Consultation on the evaluation of the Innovation Fund

CurrENT response to the EC's public consultation

Your experience with the Innovation Fund

Q) How familiar are you with the Innovation Fund?

Current's response: I have a detailed knowledge of its objectives and activities.

Q) *Where do you get information about the Innovation Fund?*

Current's response: Innovation Fund's website; DG CLIMA and/or CINEA press releases or articles; Colleagues or partners;

Q) *Has your organisation benefited from the Innovation Fund?*

Current's response: No, we have not applied

Q) *If your organisation has received support from the Innovation Fund, please specify all the types of support received:*

Current's response: Not applicable / Unsure

Q) *Did you apply to an Innovation Fund call for proposal or auction?*

Current's response: No

Q) *Beyond the application process, is participating in the Innovation Fund burdensome (reporting requirements, resources needed, etc.)?*

Current's response: Yes

Q) *Please explain your answer:*

Current's response: Based on our members' experiences, it has taken significant financial and human resources to assess whether innovative grid technology would be compatible with the greenhouse gas reduction criteria. For small to medium companies, the process of assessing whether to make a bid is extensive and a significant drain on resources.

Q) Are you a National Contact Point and/or representing a national authority?

Current's response: No

Objectives of the Innovation Fund

The overall objectives of the Innovation Fund are:

- to support projects that demonstrate highly innovative technologies, processes or products, are sufficiently mature, have significant potential for reducing greenhouse gas emissions and are aimed at scaling up these technologies, processes or products to achieve broad commercial roll-out across the EU;
- to offer financial support tailored to market needs and risk profiles of eligible projects while attracting additional public and private resources;
- to ensure that the revenues of the Innovation Fund are managed in accordance with the objectives of EU ETS.

Q) In your view, how relevant are the objectives of the Innovation Fund compared to current societal, technological and environmental challenges?

Current's response: Relevant

Q) Are there any additional objectives the Innovation Fund should pursue to maximise its impact?

Current's response: Yes

Q) Please specify:

Current's response: Energy independence; Contributing to increased electrification, cross-border electricity interconnection and the development of "a genuine Energy Union" as requested by EU leaders in March 2025.

No innovative electricity grid technology has ever received funds under the Innovation Fund, despite EU leaders and the Commission president's ambitions to "enhance



electrification using all net-zero and low-carbon solutions, and investment in grids, storage and interconnections at national and EU level"

Q) *In your view, which areas should the Innovation Fund focus on? In up to down order*

Pilot

First of a kind

Scaling-up technology

Small Technology demonstration

Large-scale technology demonstration

Research and development

Q) *In your view, how relevant is the Innovation Fund in terms of supporting the following sectors?*

	Not relevant	Somewhat relevant	Relevant	Very relevant	No opinion/I am not sure
*Aviation		x			
*Cement & lime		x			
*Chemicals		x			
*Geothermal			x		
*Glass, ceramics & construction material			x		
*Hydro/ocean energy			x		
*Hydrogen		x			
*Intra-day electricity storage				x	
*Iron & steel		x			
*Manufacturing of components for energy-intensive industries			x		
*Manufacturing of components for energy storage			x		
*Manufacturing of components for the production of renewable energy				x	

*Maritime			X		
*Non-ferrous metals			X		
*Other energy storage			X		
*Pulp & paper		X			
*Refineries		X			
*Road transport			X		
*Solar energy			X		
*Use of renewable energy outside Annex I of the EU ETS Directive			X		
*Wind energy			X		
*Other				X	

Q) *If other, please specify which sector(s):*

Current's response: Innovative grid technologies.

Action 7 of the Commission's European Grid Action Plan establishes that Innovative Grid Technologies such as dynamic line rating (DLR), high-temperature superconductor (HTS) cables, static synchronous compensators (STATCOM), voltage source converters (VSC) in HVDC systems, HVDC breakers and phase shifting transformers (PST) can greatly improve the functioning of the electricity grids and lead to lower costs to consumers by reducing network losses.

It should be a priority of the Innovation Fund to provide funding for first of a kind pilots and scaling of such Innovative Grid Technologies. It would require adjustments to the greenhouse gas reduction criteria in the general calls or the introduction of sector specific calls for Innovative Grid Technologies, to reflect that grid technologies are enabling technologies.

The Innovation Fund in depth

Q) *Which type of support do you believe is most effective for achieving the Innovation Fund's objectives?*

Grants through regular calls for proposals

Grants through auctions

Grants combined with loans or equity investments (e.g. blending operations between Innovation Fund and InvestEU)

Support provided by DG CLIMA and/or CINEA (helpdesk, info day, tutorial, etc.)

Support provided by National Contact Points (guidance, info day, etc.)
Project development assistance (PDA) National funding through the 'Auctions-as-a-Service' scheme or upcoming 'Grants-as-a-Service' scheme

Q) What other type of support (financial or other) currently not available would you consider relevant and why?

Current's response: It should be a priority of the Innovation Fund to provide funding for first of a kind pilots and scaling Innovative Electricity Grid Technologies. It would require adjustments to the greenhouse gas reduction criteria in the general calls or the introduction of sector specific calls for Innovative Grid Technologies, to reflect that grid technologies are enabling technologies.

Q) What criteria should the EU prioritise when selecting Innovation Fund projects?

Degree of innovation
Potential for market replication and scale-up
Contribution to broader societal challenges (resilience, competitiveness, etc.)
Team expertise and consortium strength
Potential for emissions reduction
Cost-effectiveness and return on investment
Geographical balance

Q) What other criterion currently not used would you consider relevant and why?

Current's response: A project's contribution to the energy efficiency first principle (now applied to electricity transmission in the revised Energy Efficiency Directive); circularity, critical raw material use or other relevant criteria relevant for "EU's access to a secure and sustainable supply of net-zero technologies needed to safeguard the resilience of the EU's energy system," as its formulated in the revised Delegated Act in the Innovation Fund. Grid technologies are included in the Net Zero Industry Act's list of Strategic Net Zero Technologies.

Q) In your view, are there any particular barriers that could limit the effectiveness of support provided by the Innovation Fund? (Pick the three most relevant)

Current's response: Complex, long or unclear application procedures (e.g. administrative burden, confusing guidelines); Eligibility requirements that are too

restrictive or difficult to meet; Insufficient support for applicants and beneficiaries (e.g. from the European Commission and/or National Contact Points; Other.

Q) Please specify:

Current's response: The main problem is that enabling technologies like Innovative Grid Technologies do not fit the funding criteria applied, which puts heavy weight on GHG reductions. This is unfortunate, especially given the fact that the revised delegated Act on the Innovation Fund now makes it possible for the Commission to make sector specific calls or sector specific topics within a sector with adjusted award criteria or requirements in accordance with Article 11,3 of the revised delegated act from November 2023. Of the EUR 3.1 billion allocated since 2020, 74% of total funding has gone to Hydrogen (24%) and CCUS (50%) Projects, while Renewables and Storage has only received a combined 18 % of funding. No innovative transmission technology funding has ever been allocated for demonstration or manufacturing projects under the Innovation fund. From our perspective, there is an urgent need to adjust the evaluation criteria for electricity transmission.

Q) What would your recommendations be for simplifying access to the Innovation Fund for interested organisations?

Current's response: CurrENT have called for the Commission to publish sector specific calls for innovative electricity transmission technologies with adjusted evaluation criteria that better fit enabling technologies such as grid technology.

Expected benefits, impacts and added value of the Innovation Fund

Q) To what extent is the Innovation Fund helping achieve the following impacts?

	Great extent	Some extent	Very limited extent	Not at all	No opinion/I am not sure
*Emissions avoided		X			
*De-risked innovation (e. greater confidence that riskier endeavours will meet the conditions for success)			X		



*Increased renewable energy production, energy storage and carbon capture, utilisation and storage		x			
*Improved EU competitiveness and growth			x		
*Job creation and skill acquisition			x		
*Other					x

Q) To what extent does financial support from the Innovation Fund enable sectors to meet decarbonisation requirements under the EU ETS Directive?

Current's response: Very limited extent

Q) In your view, could projects in the following sectors have been carried out without the Innovation Fund's support?

	Unlikely	Likely	No opinion/I am not sure
*Aviation	x		
*Cement & lime		x	
*Chemicals		x	
*Geothermal		x	
*Glass, ceramics & construction material		x	
*Hydro/ocean energy	x		
*Hydrogen	x		
*Intra-day electricity storage	x		
*Iron & steel		x	
*Manufacturing of components for energy-intensive industries		x	
*Manufacturing of components for energy storage		x	

*Manufacturing of components for the production of renewable energy		X	
*Maritime			
*Non-ferrous metals			X
*Other energy storage			X
*Pulp & paper		X	
*Refineries		X	
*Road transport		X	
*Solar energy		X	
*Use of renewable energy outside Annex I of the EU ETS Directive			X
*Wind energy		X	
*Other	X		

Q) Please explain why projects in the above sector(s) could have been carried out without the Innovation Fund's support:

Current's response: Of the EUR 3.1 billion allocated since 2020, 74% of total funding has gone to Hydrogen (24%) and CCUS (50%) Projects. Renewables and Storage have only received a combined 18 % of funding. No innovative transmission technology funding has ever been allocated for demonstration or manufacturing projects under the Innovation fund.

From our perspective, there is an urgent need to adjust the evaluation criteria for electricity transmission and distribution.

Q) Which of the following benefits will be most significant for your sector/ organisation if supported by the Innovation Fund?

Current's response: Access to new markets or customer segments; Financial support; Opportunity to collaborate with top-tier research institutions or industry partners; Risk reduction through shared investment or partnership

Q) In your view, are more sector-specific calls and/or auctions needed (such as for sectors included under the EU's Carbon Border Adjustment Mechanism) ?

Current's response: Yes

Q) In your view, what is the main added value of the Innovation Fund compared to other European or national funding programmes in the field of innovation, energy and climate?

Current's response: Higher funding amounts (e.g. suitable for large-scale demonstration projects); Focus on transformative, high-risk innovations near to deployment; Increased visibility/improved reputation.

Synergies and consistency with other funding instruments, legislation and policy strategies and initiatives

Current's response: The Innovation Fund is designed to complement to and provide synergies with national funding opportunities/instruments in the field of innovation, energy and climate, working coherently with them while avoiding overlaps.

Q) In your view, is the Innovation Fund consistent (i.e. shares similar objectives and is compatible) with national funding opportunities/instruments?

Current's response: Not consistent

Q) Which EU programme(s) do you think have the most complementarities (e.g. facilitating a follow-through from innovation to scale-up) with the Innovation Fund?

Current's response: Horizon Europe and Horizon 2020; Connecting Europe Facility; European Investment Bank lending; Important Projects of Common European Interest (IPCEIs); European Innovation Council (Pillar III of Horizon Europe).

Q) Was your project previously supported by the EU Framework Programme for Research and Innovation (including Horizon Europe and Horizon 2020) ?

Current's response: Yes

Q) In your view, how consistent is the Innovation Fund with the objectives of the following legislation?



	Very consistent	Somewhat consistent	Only slightly consistent	Not at all consistent	No opinion/I am not sure
*EU ETS Directive	X				
*European Climate Law		X			
*Batteries Regulation					X
*REPowerEU			X		
*Renewable Energy Directive			X		
*ReFuelEU Aviation					X
*FuelEU Maritime					X
*Other					X

Q) In your view, how consistent is the Innovation Fund with the following EU policies/strategies?

	Very consistent	Somewhat consistent	Only slightly consistent	Not at all consistent	No opinion/I am not sure
*European hydrogen strategy	X				
*Net-Zero Industry Act			X		
*Strategic Technologies for Europe Platform			X		
*Integrated SET plan			X		
*ERA industrial technology roadmaps					X
*New industrial strategy for Europe			X		



CURRENT

Enabling Network Technology
throughout Europe

*Green Deal industrial plan			X		
*Circular economy action plan			X		
*Industrial carbon management strategy					X
*Offshore energy strategy				X	
*EU solar strategy				X	
*Other					X