National Info day Slovenia

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Ljubljana, 10 February 2026

European Commission

Agenda

1. Introduction
2. Net Zero Technology Call 2025 - General Provisions
3. Net Zero Technology Call 2025 – Lessons Learned
4. Net Zero Technology Call 2025 – Award Criteria
5. Heat Auction 2025
6. Do Not Significant Harm
7. Hydrogen Auction 2025

Disclaimer

The event and its recording as well as the presentation support materials, are made public to provide potential applicants with general guidance to help them complete their proposals.

If there is any conflict between:

- the information provided during the Info day session itself, its recording, the Financial Information File tutorial recording, and the presentation support materials on the one hand, and the provisions set out in the **official call text** for the Innovation Fund calls for Industrial Heat Decarbonisation Auction, Hydrogen Auction and Net Zero Technologies as well as the **related FAQs** posted on the EU Funding & Tenders portal on the other,

*the latter two documents **take precedence** over the materials from the Info day and act as the text of reference for the IF25 Industrial Heat Decarbonisation Auction, the IF25 Hydrogen Auction and the IF25 Net Zero Technologies calls*.

The information provided at the Info Day is not of a binding nature and without prejudice to the assessment of the submitted proposal(s).

Evolution of the Innovation Fund

Adapting to an evolving industrial and political context

2020 - 2022

- Two calls per year
  - Small- & Large-call

Since 2023

- Net-zero call (5 topics)
  - Large, medium and small-scale projects
  - Dedicated budget for clean-tech manufacturing and for pilots
  - Raised CAPEX for Small-scale (€20M)
- RFNBO-H_2 auction call
  → **EU H_2 bank**

2024

- Net-zero call (5 topics)
- RFNBO-H_2 auction
  - Topic dedicated maritime
- Battery manufacturing call

2025

- Net-zero call (5 topics)
- Hydrogen Auction
  - For both RFNBO and low carbon H_2
  - Topic dedicated to maritime and *aviation*
- Heat Auction **(new)**

11 calls successfully closed, ~2000 proposals received, over €15.8 billion awarded

Innovation Fund portfolio

Ongoing projects + Projects from IF24 calls*

276 projects

197 ongoing +
79 under GAP

~€15.8 billion

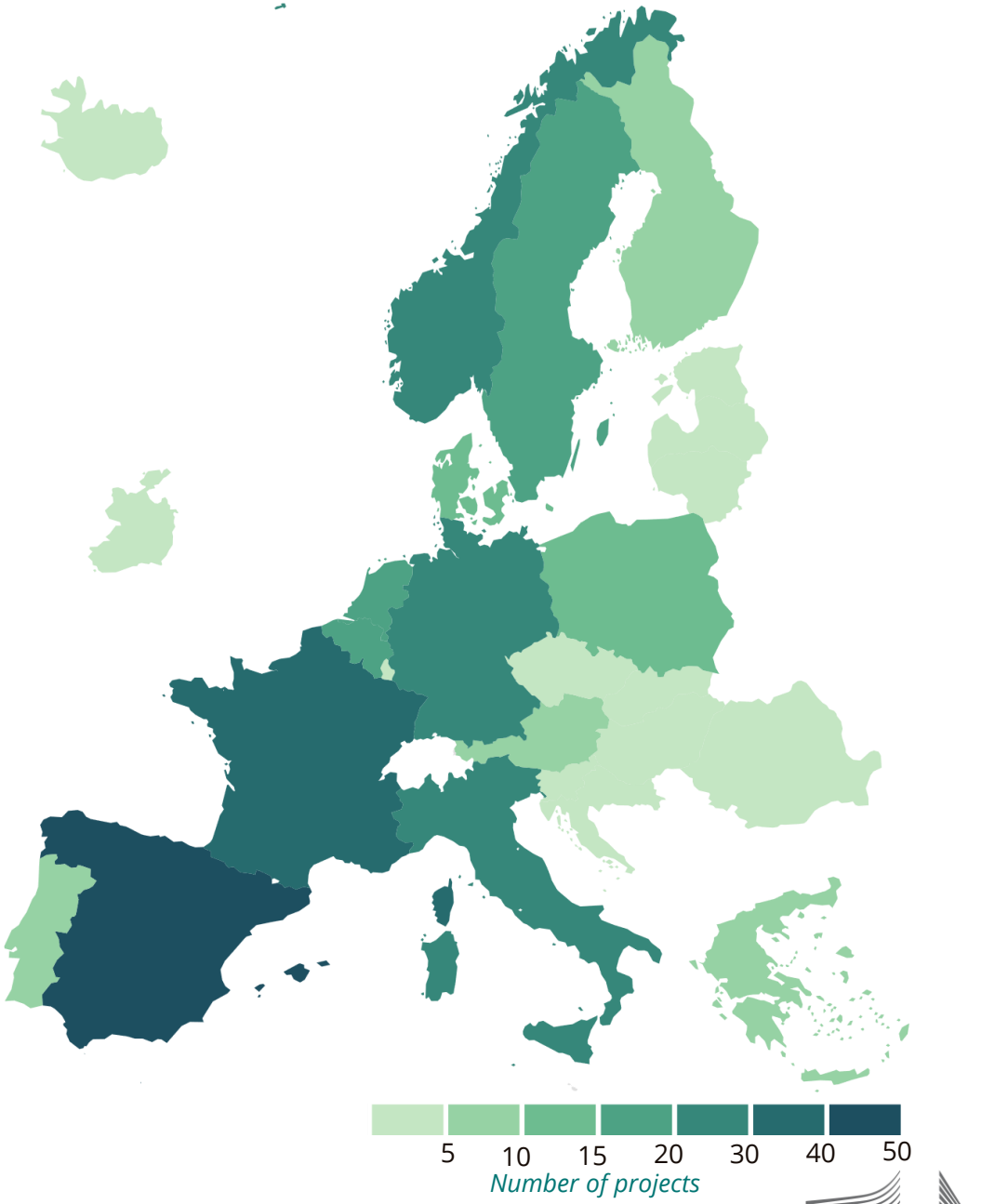
€11.8 billion allocated
+ €4 billion under GAP

~1 160 $MtCO_2e$

to be avoided

28

countries

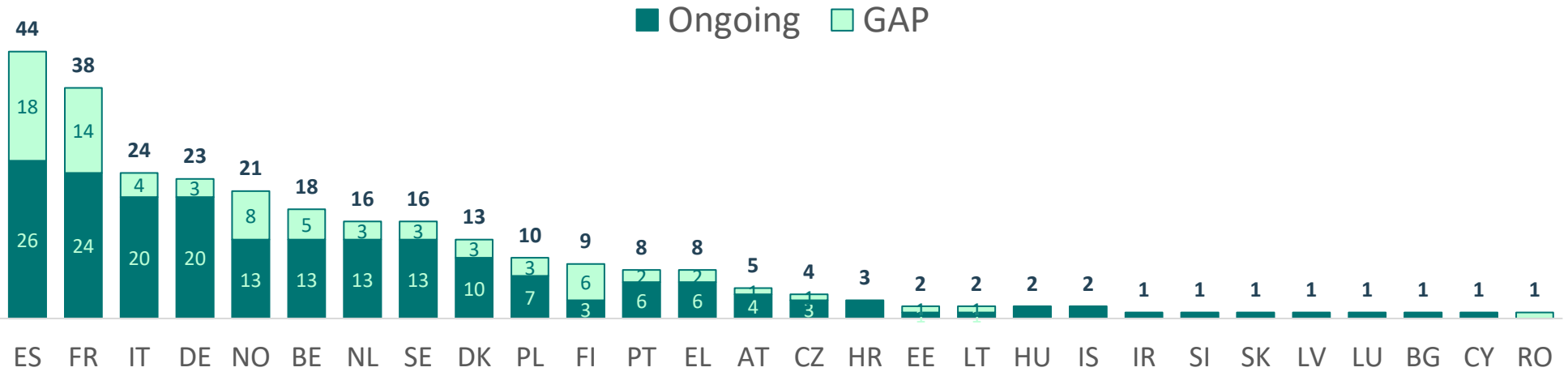


New country in portfolio: Romania

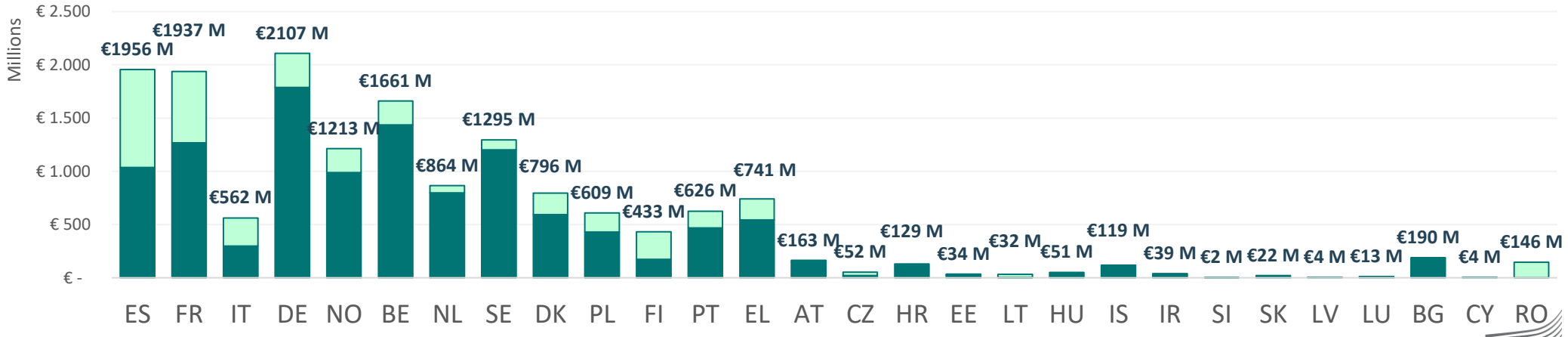
GAP: Grant Agreement Preparation
**Projects ongoing as of 30/09/2025, recently signed IF24-Batt and projects from IF24 calls (IF24-RFNBO-AUC + IF24 NZT)*

Geographical distribution of the portfolio*

Projects per country #

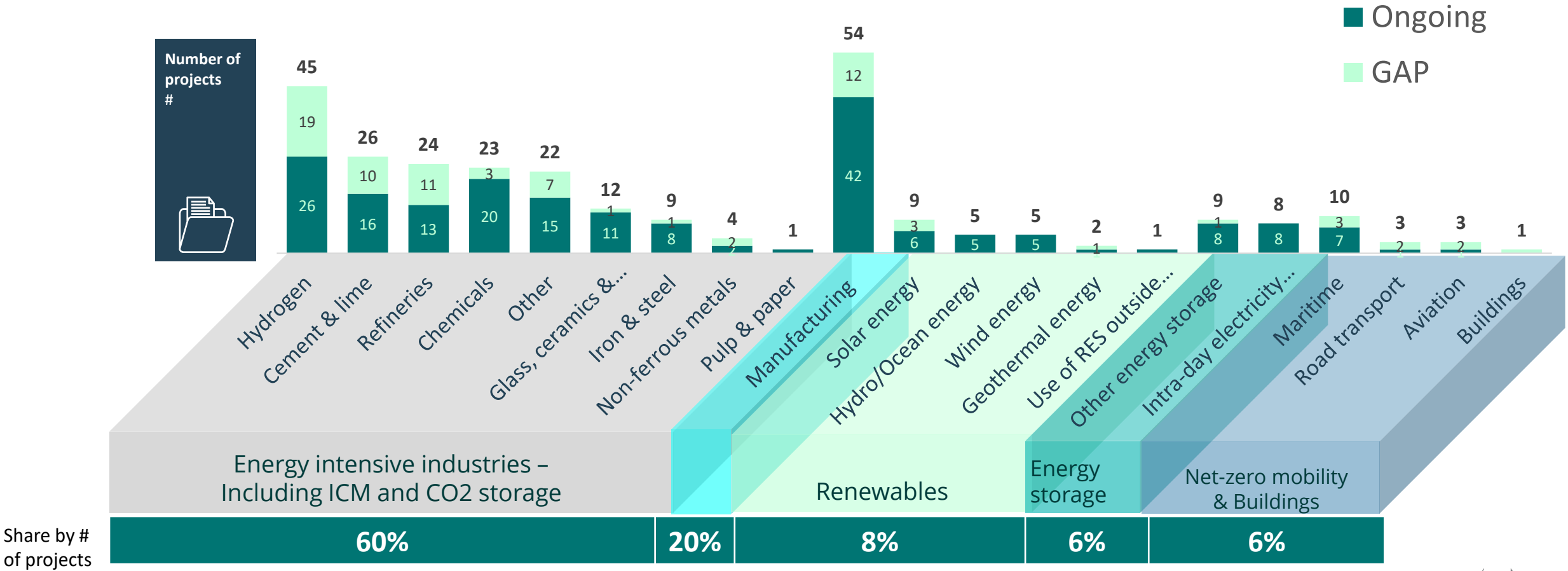


Budget €, Mn



*GAP: Grant Agreement Preparation
Ongoing projects as of end of Q3-2025, including recently signed IF24-battery projects and selected projects from IF24-Calls under GAP

Innovation Fund Portfolio by sector



GAP: Under Grant Agreement Preparation

Slovenia

1
Project[1]

2.2 million €
EU contribution

96.4 ktCO_2 eq
first 10 years

Sectoral distribution

Glass, ceramics & construction material; 1

Slovenia

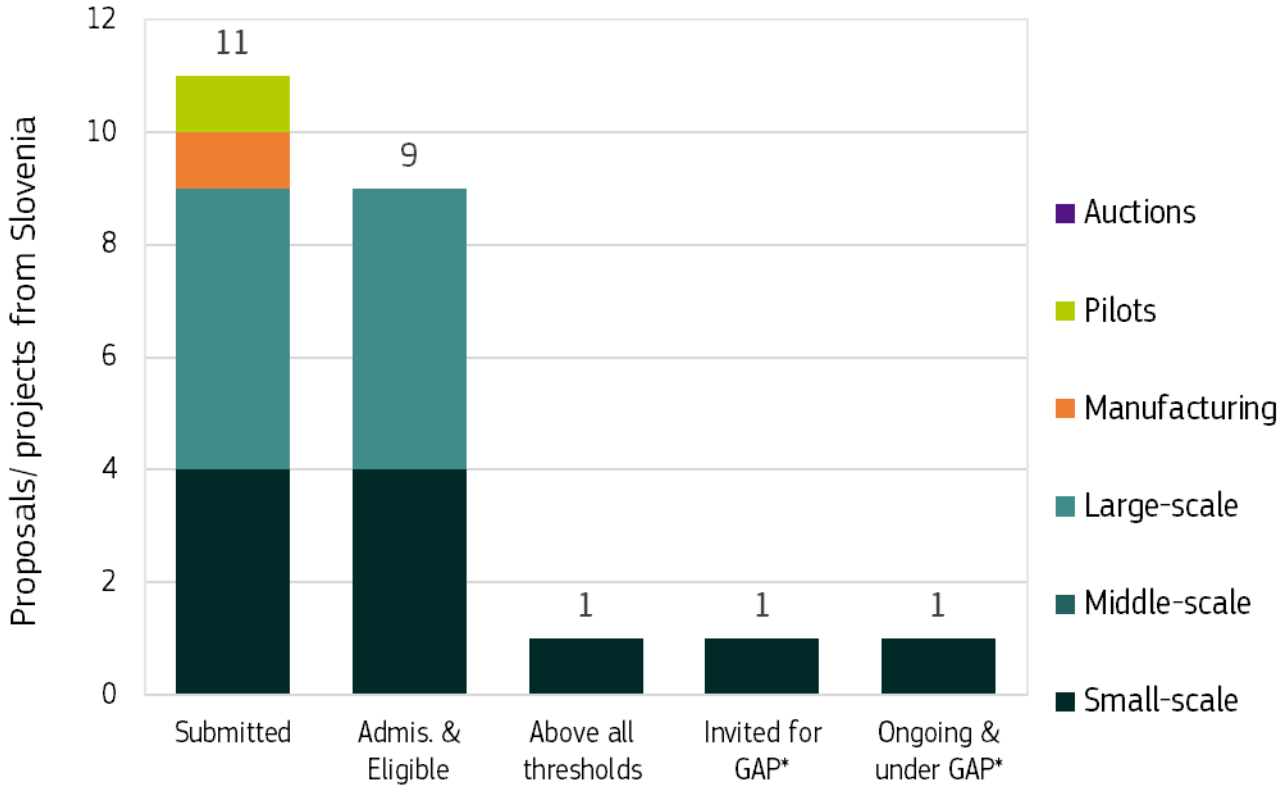
[1]Based on ongoing projects by 30/09/2025

Slovenia

Performance through Innovation Fund calls

9% success rate

0 projects with STEP seal[1]



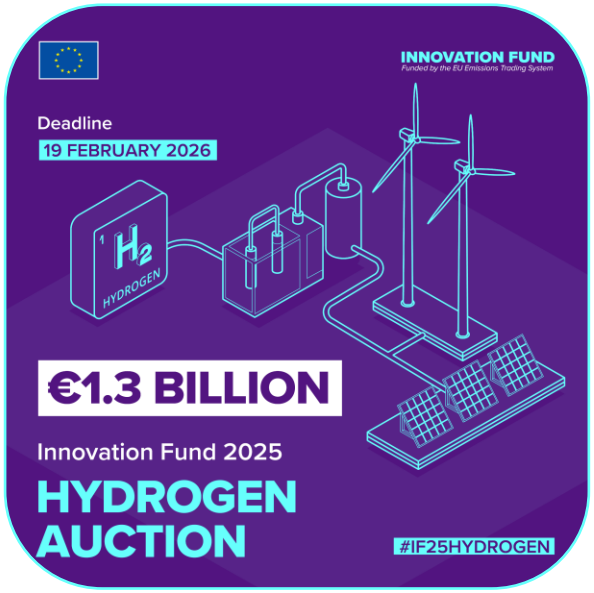
If applicable, IF24-Batt projects are aggregated as manufacturing projects

The STEP seal has been awarded to proposals passing the evaluation process for the NZT-2023, NZT2024 and IF24 Battery call

*GAP: Grant Agreement Preparation

1 Based on ongoing projects by 30/09/2025 + projects from IF24 Calls

Which call should you apply for?



IF25 Hydrogen Auction

- RFNBO hydrogen production
- RFNBO and/or low-carbon **electrolytic** hydrogen production
- RFNBO and/or low-carbon **electrolytic** hydrogen production for **maritime** and **aviation** sectors

IF25 Industrial Heat Auction

- 100-400°C - thermal capacity 3-5MW
- 100-400°C - thermal capacity > 5MW
- > 400°C - thermal capacity > 3 MW

IF25 NZT Call

Innovative commercialisation, demonstration, pilot plant or scale up of technologies, business models and processes that reduce GHG emissions

Q&A
Funding and tender portal

IF25- CALLS – additional information

IF25 H2 AUCTION

Closing date: 19/02/2026
Budget: € 1.3 billion

Info day recording and presentation

Q&A
Funding and tender portal

IF25 HEAT AUCTION

Closing date: 19/02/2026
Budget: € 1.0 billion

Info day recording and presentation

Q&A
Funding and tender portal

IF25 NZT

Closing date: 23/04/2026
Budget: € 2.9 billion

Info day recording and presentation

Q&A
Funding and tender portal

IF25 Net Zero Technology Call

IF25 NZT call in a nutshell

Launch 4 Dec. 2025
Deadline 23 April 2026
Results Q4 2026

- **€2.9 billion for grants**
- **Project Development Assistance**
- **STEP Seal**
- **Possibility of "Grants-as-a-Service"**

Five topics

AWARD CRITERIA

- Degree of innovation
- GHG emission avoidance potential
- Project maturity
- Replicability
- Cost efficiency

Bonus points: Net Carbon Removals, SMEs, Projects in the Maritime Sector

GRANT DISTRIBUTION

LUMP-SUM contribution grant up to 60% of relevant costs

- 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

IF25 NZT call – Topics

Topic	Capital Expenditure	Topic budget	Sectors covered
Large-scale projects	above €100 million	€1 200 million	• Annex I and Annex III to the EU ETS Directive 2003/87, including CCU and development of substitute products • Carbon Capture and Storage (CCS) • Renewable energy and energy storage technologies • Maritime and aviation
Medium-scale projects	between €20 million and €100 million	€300 million	
Small-scale projects	between €2.5 million and €20 million	€100 million	
Clean-tech manufacturing for components*	above €2.5 million	€1 000 million	• Renewable energy • Electrolysers and fuel cells • Energy storage solutions • Heat pumps
Pilot projects	above €2.5 million	€300 million	Validating, testing and optimising highly innovative, deep decarbonisation solutions in all sectors eligible for Innovation Fund support

* Components also include final equipment such as wind turbines, solar panels, batteries, heat pumps or electrolysers.

IF25 NZT call award criteria

Degree of Innovation	GHG emission avoidance potential	Project maturity	Replicability	Cost efficiency
Innovation beyond state of the art at European level (except SSP – European or national level) ***! Consider ongoing IF projects !***	Absolute emission avoidance Relative emission avoidance Quality of calculation and minimum requirements	Technical maturity Financial maturity Operational maturity	Efficiency gains and multiple environmental impacts (including DNSH) Contribution to Europe's industrial leadership and competitiveness	Cost efficiency ratio (different formula for Pilot projects) Quality of the relevant cost calculation and minimum requirements

Bonus points:
1) Net Carbon Removals
2) Projects coordinated and implemented by SMEs
3) Maritime sector projects

Limited changes compared to IF24 NZT call

DNSH compliance

Project activities need to comply with the “do not significant harm” principle. DNSH alignment is assessed during proposal evaluation.

Changes in eligibility criteria

Manufacturing of EV battery cells now eligible. Activities primarily aimed at electricity generation from non-recycled fossil fuels, as well as activities for fossil fuel production based on non-recycled fossil feedstocks are not eligible.

Rationalising access of hydrogen production projects to IF funding

Hydrogen production projects eligible for the IF25 H2 Auction are excluded from the Large and Medium-scale Projects Topics, but are still eligible under the Pilot and Small-scale Projects Topic.

Changes in the Bonus Points – New Bonus Point for SMEs

New bonus point for projects coordinated and implemented only by SMEs. Replacing previous bonus points for (a) other GHG savings, and (b) electricity from additional RES or to use RFNBOs.

Refinements and clarifications

Improved call text clarity, most notably on: (a) scope of Pilot topic and its evaluation under DoI, (b) refinement of Replicability award criterion, (c) clarifications on required supporting documents.

Innovation Fund Self-check Questionnaire

- Provide an early high-level orientation on potential fit and readiness of project ideas for the Innovation Fund

- Entirely independent from the official Innovation Fund application and evaluation process

➢ Available here

General provisions

How to apply?

Tutorials

CINEA produces a series of **tutorials** to help you throughout the application process.

Application procedure	How to fill in PART C
The extra file for data collection (Extended PART C)	Financial Information File (FIF)
Introduction to Business Plan and lessons learned on financial maturity	

GHG methodology

Find here a set of videos on the overview and guidance on the GHG calculations for each project category.

Main principles and step-by-step of the GHG calculation	Energy storage (ES)
Energy intensive industry (EII)	Carbon capture utilisation and storage (CCUS)
Mobility including maritime, road transport and aviation (MOB)	Renewable energy sources (RES)

GHG calculation

Find here a set of videos explaining how to perform calculations for a selection of examples.

RES - Manufacturing of components (wind blades)	ES – Reactive services
EII - Production of methanol	MOB – Aviation plus modal switch

Additional supporting material

To complete the GHG Methodology tutorial and help you with your proposal, templates and examples of **GHG calculations** are available through the following link.

As in previous years to support project promoters in understanding the objectives, scope and key requirements of the Innovation Fund, you can use the "self-check questionnaire" to assess if your project idea fits the IF25 NZT call.

Check out the **Q&A document**. If you still need further assistance, don't hesitate to contact the Innovation Fund Helpdesk.

Check all relevant information to apply

- Funding and Tenders Portal link
- CINEA website
  - Tutorials:
    - Application process
    - How to fill in PART C and the extended Part C form
    - Financial Information File tutorial
    - Introduction to Business Plan & Lessons Learned on Financial Maturity
    - GHG methodology
    - GHG calculation
  - Info Day recording and slides (available after the event)
  - Additional supporting material
    - Frequently Asked Questions
    - Helpdesk

Call text and mandatory documentation

IF25 NZT Call text on Funding and Tenders Portal

Application form A	Application form B	Part C	Mandatory annexes and supporting documents
• Administrative information • Summarised budget	• Technical description • Up to 70 pages	• Project's contribution to EU programme KPIs	• Detailed budget table/relevant cost calculator • Participant information • Timetable/Gantt chart • GHG emission avoidance calculator • Feasibility study • Business plan • Detailed financial model • Project shareholders' financial resources • Support to project • Terms of supply • Extended Part C form

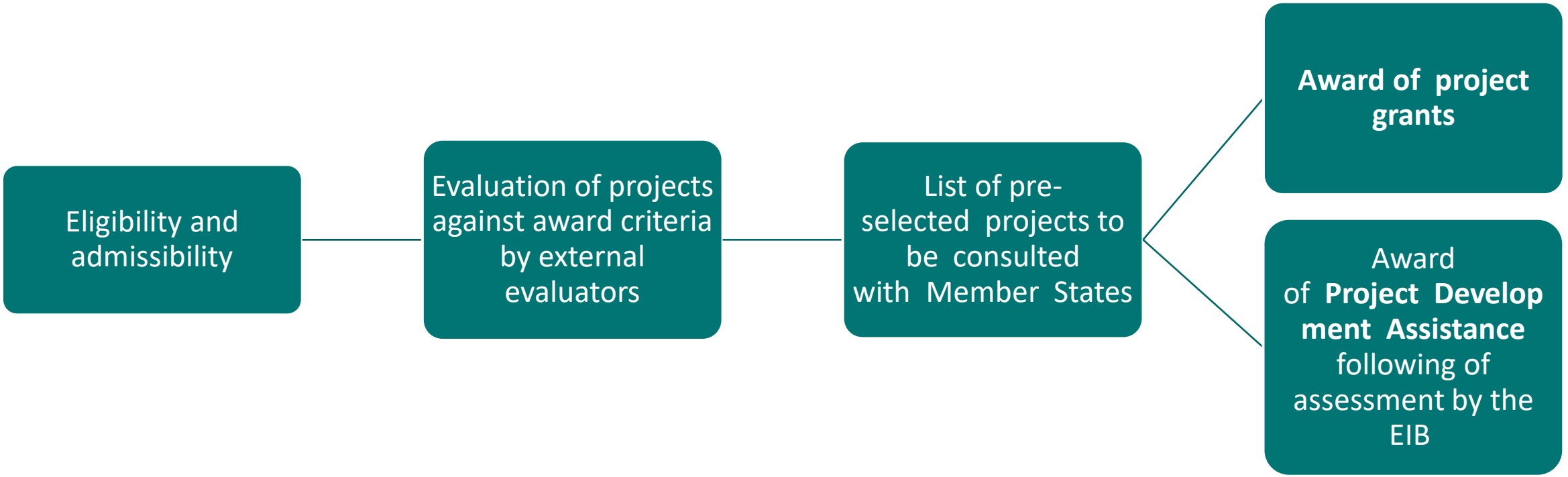
Guidance for PART A, **Abstract**

- CINEA and the European Commission will use the abstract (Part A) to **extract key information**
- Evaluators rely on it to understand your proposed work
- **Do not insert confidential or sensitive information**

4 short paragraphs

- **objective(s)**/key advantage(s)/key features of the technology
- Explain what makes your project innovative? Describe how your project goes beyond the state of the art and explain the innovation(s) in terms of technologies, size, commercialisation, etc.
- Highlight the **contribution** of your project to the **key policy areas**
- Describe the **impact** of your project with specific references to the contributions to local and/or regional economy, job creation,...

Selection Procedure



Admissibility and eligibility criteria

Admissibility:

- Submitted **before** call **deadline 23 April 2026, 17.00**, electronically and using forms in the Submission System
- **Complete** all the application forms and **include all mandatory annexes** and supporting documents
- Your application must be **readable, accessible and printable** (please check carefully the layout of the documents uploaded). **Respect the page** limit indicated in the call.

Eligibility:

- Participants have to be legal entities; can be established anywhere in the world
- Projects must be located in the EEA (EU Member States and Iceland, Liechtenstein, and Norway)
- The project must:
  - Reach **financial close within four years** after grant signature (maximum time to financial close)
  - **Operate at least** (minimum GHG emission avoidance monitoring period) **five years** after entry into operation (except PILOTS and SSP)
- SSP and PILOTS – operate at least **three** years after entry into operation
- Project budget: the maximum grant amount must not exceed **60% of the relevant costs**
- Your project must relate to **eligible activities**

Geographical location for maritime projects

- When the projects concern investments on ships, those **ships must**:
  - Carry a flag of an EU Member States or an EEA country* and call ports under the jurisdiction of an EU Member State or EEA country at least 15% of their calls on ports over two years
  - Or must call ports under the jurisdiction of an EU Member State or EEA country* at least 30% of their calls on ports over two years
  - Or perform service or support activities in ports under the jurisdiction of an EU Member State or EEA country

- When the projects concern investments in ports infrastructure, the ports must be under the jurisdiction of an EU Member States or an EEA country
  - Some examples: renewable alternative fuel bunkering infrastructures in ports, including container transhipment ports

**(see the list in the call text)*

Cascade approach

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 GHG min. requirements are not met or score in any of the sub-criteria is below threshold, the evaluation is stopped)

4. Assess **Cost efficiency** sub-criterion

(if the score for 'Quality of the cost calculation and min. requirement' is below threshold, the evaluation is stopped)

5. Assess **Replicability** criterion and **Bonus points**

Evaluation timeline

4 December 2025

Call opening

23 April 2026

Call closing

April- October 2026

Evaluation

Q4 2026

Results

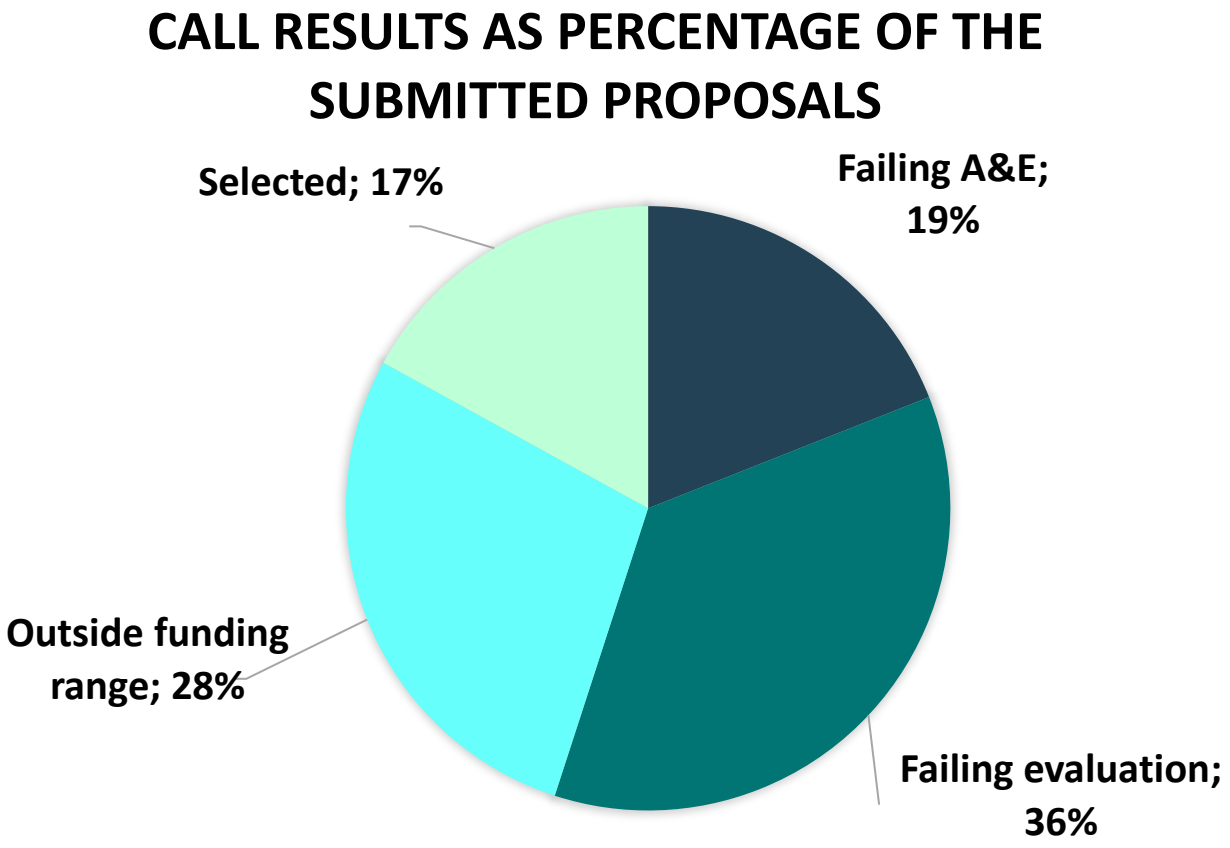
March 2027

Latest Grant Agreement signature

Indicative timeline

Lessons learned from IF24 Net-Zero Technologies call

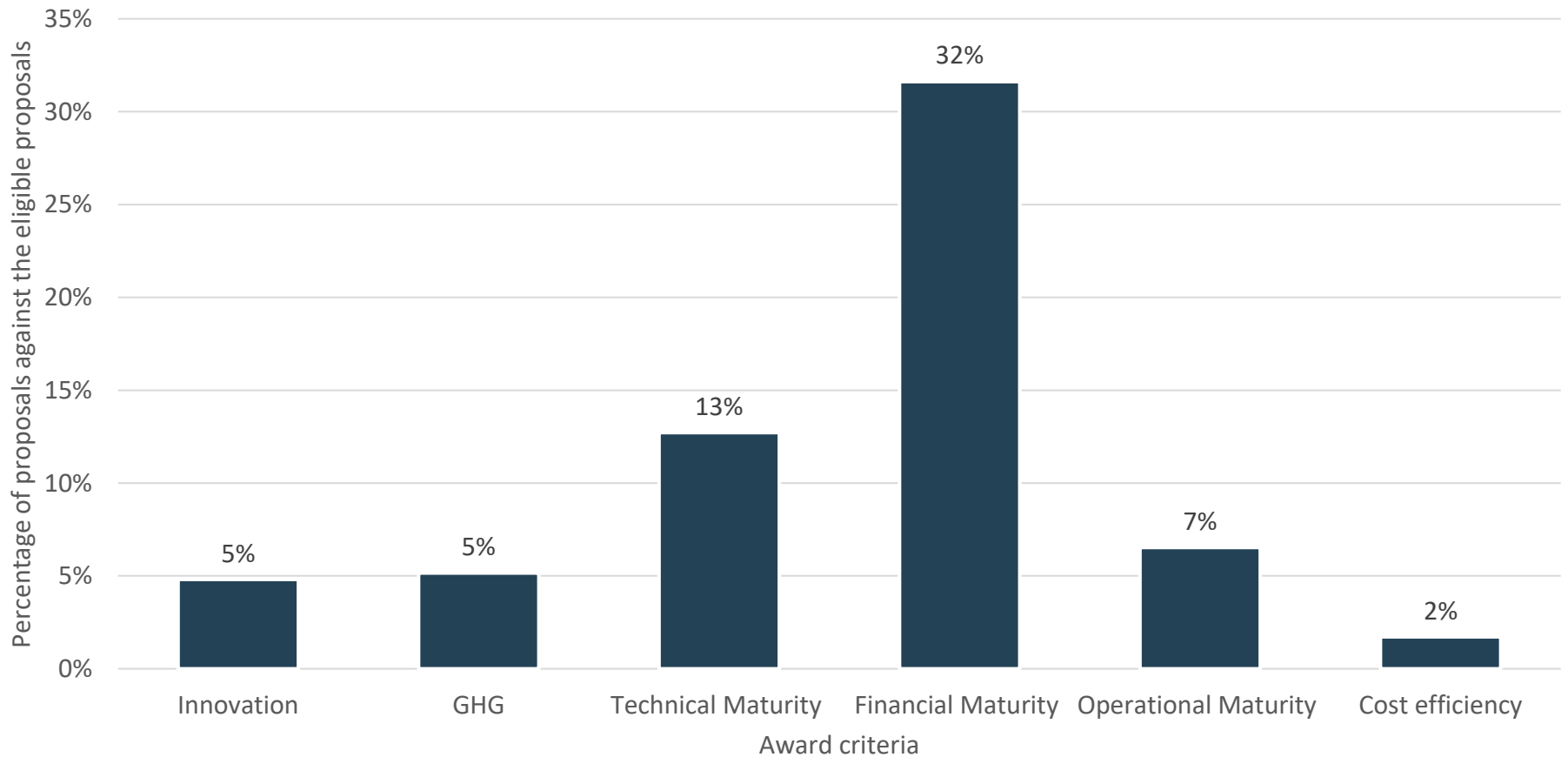
IF24 NZT Call Results



- **359** received proposals
- **291** proposals were A&E
- **100** resubmissions
- **61** invited for Grant Agreement Preparation;
- **55%** of the evaluated proposals passed all evaluation criteria

IF24 NZT Call results: Failure rate per award criterion

Proposals failed against the eligible proposals (291)

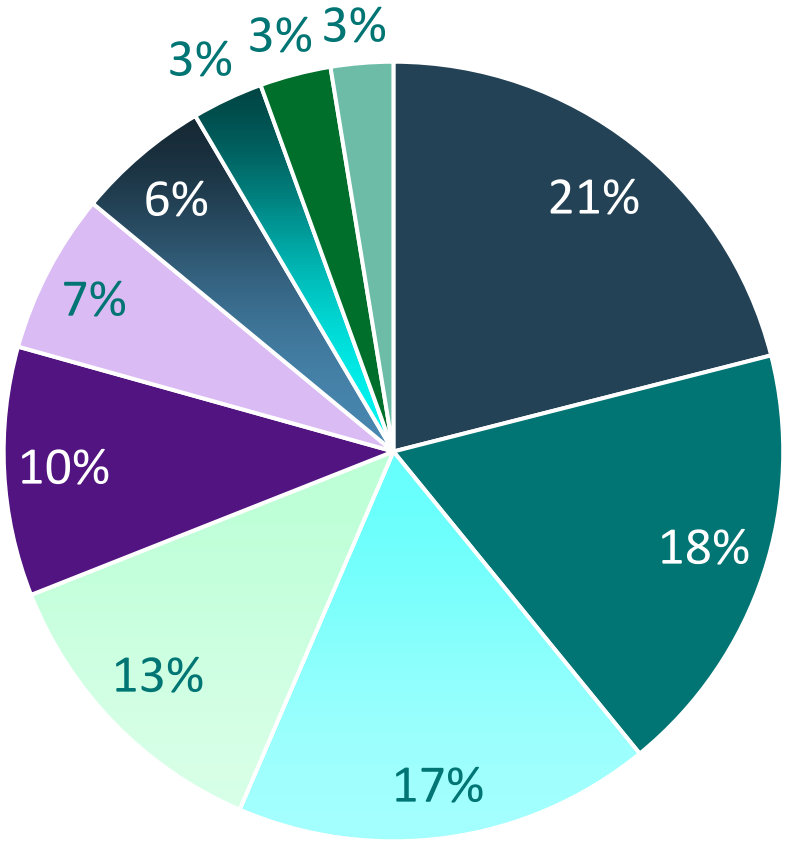


**Some proposals failed under more than one criterion*

IF24 NZT Call results: Admissibility and Eligibility (A&E)

Main reasons for not passing A&E*

- Incomplete or missing financial documents (*submitted business plan or financial model does not follow the required template and does not contain the required minimum information*)
- Incomplete or missing technical documents (*e.g. part B does not use the required template; feasibility study does not contain the required minimum information; the Gantt chart is missing*)
- Budget > 60% Relevant Costs
- Minimum operation duration not respected
- Incorrect CAPEX
- Ineligible activities (not in scope)
- Financial close after 4 years after GA signature
- Ineligible country of implementation
- Ineligible applicant
- Not readable, accessible, and printable set of documents



** Some proposals could not pass the checks due to more than one raison*

Lessons learned: Admissibility & Eligibility

Follow the call text guidance precisely

- Use the official Innovation Fund **templates** for the proposal, budget, and annexes
- **Respect page limits**, file formats, font and formatting rules
- Provide **all requested documents** to be admissible
- **Make sure that the information is complete**
- **Watch budget limits and submission deadline**
- **Be consistent across the call documents**
- **Be realistic and conservative**

Innovation Fund 2025 Net-Zero Technologies Call

Award Criteria

European Commission

Degree of Innovation

Degree of Innovation

Application form, Part B

Section 1: Degree of innovation

Innovation **in relation to the state of the art**

Innovation **beyond the state of the art**

Feasibility study (mandatory document)

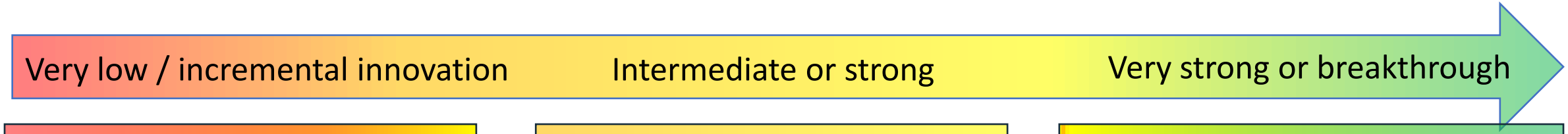
A template for the Feasibility study is available in the Submission System (under "Part B templates").

Template recommended to be used!

Any due diligence report (if any)

Degree of Innovation

The Innovation Fund aims at supporting projects beyond incremental innovation on a scale from intermediate to breakthrough, including scaling-up, considering the European level as reference point (for SSP topic the European or national level)



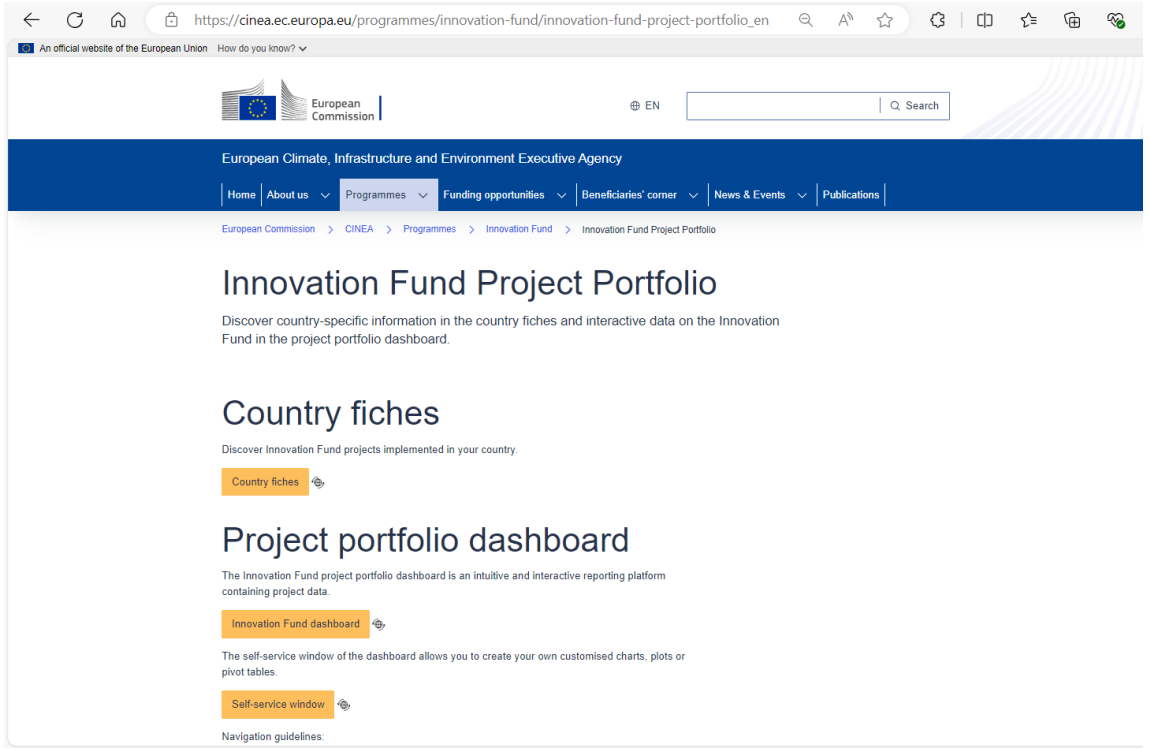
Incremental innovation: minor changes or improvements to existing products, processes or business models; implies limited new knowledge / technology; such projects **will not be retained.**

Intermediate or strong: new or considerably changed technologies or processes or business models; novel combinations of mature technologies; scale-up of innovative technologies

Very strong or breakthrough: completely new technologies or processes or business models; innovations leading to significant changes that transforms entire markets or industries or creates new ones

References to Innovation Fund projects

- Proposals focusing on innovations similar to the ones of ongoing Innovation Fund projects, must clearly justify where the new innovative elements lie
- Such projects may receive a lower score
- Consult the list of funded Innovation Fund projects (Innovation Fund Project Portfolio Dashboard)



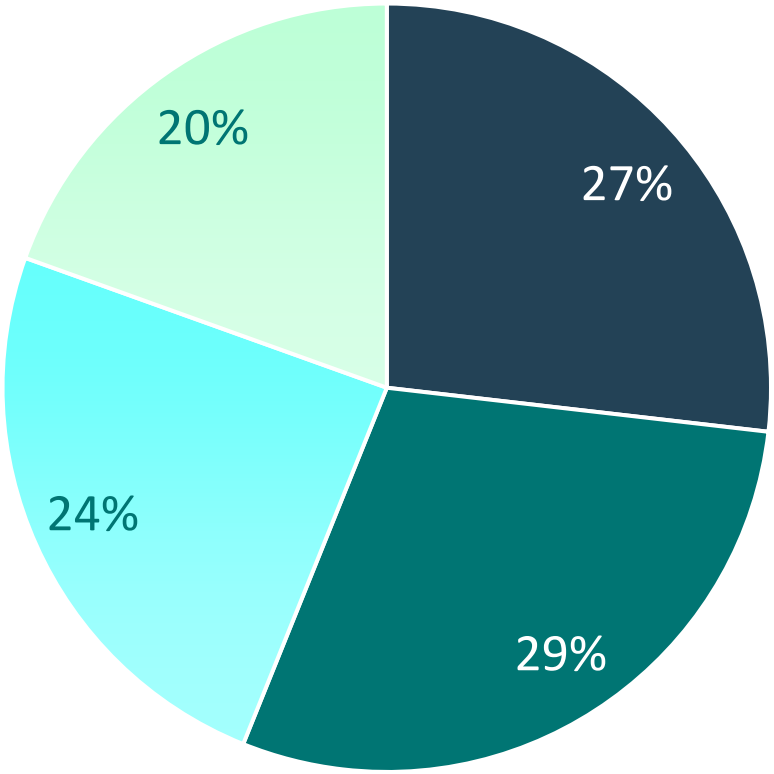
Degree of Innovation for topic General - SSP

Innovation at national level:

- For **small-scale projects** (INNOVFUND-2025-NZT-GENERAL-SSP), the reference point can be at **European** or **national level**
- For **innovations at national level**: the geographical reference of the **state of the art must be the country where the project will be implemented**. The proposal should demonstrate how it goes beyond this national state-of-the-art
- Proposals going beyond state of the art at national level can meet the minimum threshold of this criterion; however, if a proposal is also going beyond the state of the art at European level, it may receive a higher score

IF24 NZT Call results: Degree of Innovation

14 proposals out of 291 failed under Degree of Innovation



- The progress beyond the state-of-the-art (commercial and technological) of the proposed solution (or of the combination of its individual elements) is not sufficiently substantiated with evidence and reference
- The credibility of the claimed innovations and improvement of performance are not supported by quantified data
- The benchmark state of the art is not adequately identified/described
- Similar ongoing IF projects are not (appropriately) identified and/or a relevant analysis is not provided

** Some proposals failed for more than one raison.*
The percentages are calculated vs the total number of raisons for failure.

Lessons learned: Degree of Innovation

Describe

Describe relevant state of the art

Include both technological & commercial aspects

Provide quantitative inputs and evidence for:

- Costs
- Technical characteristics & performance
- TRL/SRL

Identify

How does your innovation go beyond state of the art?

- Compare with previous & ongoing EU and IF projects
- Provide geographical reference point

Consider barriers: for scaling up & for technology integration

Evidence

Compare key performance data vs state of the art

Relevant parameters

Consider also energy efficiency and circularity

Provide patent data (when relevant)

Consider how will the innovation be implemented or integrated?

GHG emission avoidance

GHG emission avoidance potential

Purpose

Critical criterion in awarding funding, prioritising projects that demonstrate substantial, measurable, and verifiable reductions.

Incentivises adoption of innovative technologies and practices that deliver emissions reductions beyond business-as-usual scenarios

Part B, sections:

Section 2: GHG emission avoidance potential

- 2.1 Absolute GHG emission avoidance
- 2.2 Relative GHG emission avoidance
- 2.3 Minimum requirements

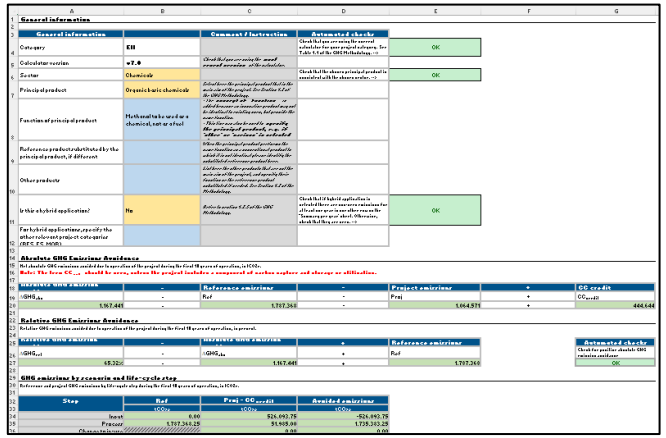
GHG emission avoidance calculator (mandatory annex)

GHG emission avoidance potential

Emission Avoidance

- **Absolute GHG emission avoidance**: difference between the expected GHG emissions of the proposed project and the GHG emissions in the reference scenario during 10 years after entry into operation

- **Relative GHG emission avoidance**: absolute GHG emission avoidance divided by the GHG emissions in the reference scenario over the same 10 years period



The calculation must be done:

- using the relevant GHG emission avoidance calculator
- following the Methodology for GHG Emission Avoidance Calculation

GHG emission avoidance potential

Quality and Credibility

- **Quality of the GHG emission avoidance calculation and minimum requirements:**
  - External experts will assess the quality and credibility of your calculation of GHG emission avoidance potential
  - In case of issues in the quality of the calculation (including reliability and margin of uncertainty of key parameters and/or key assumptions), points may be reduced
  - In case the GHG emission avoidance calculation methodology is incorrectly applied or in case the application documents have not been filled correctly, the score for this sub-criterion will be below the minimum threshold and the proposal will be rejected

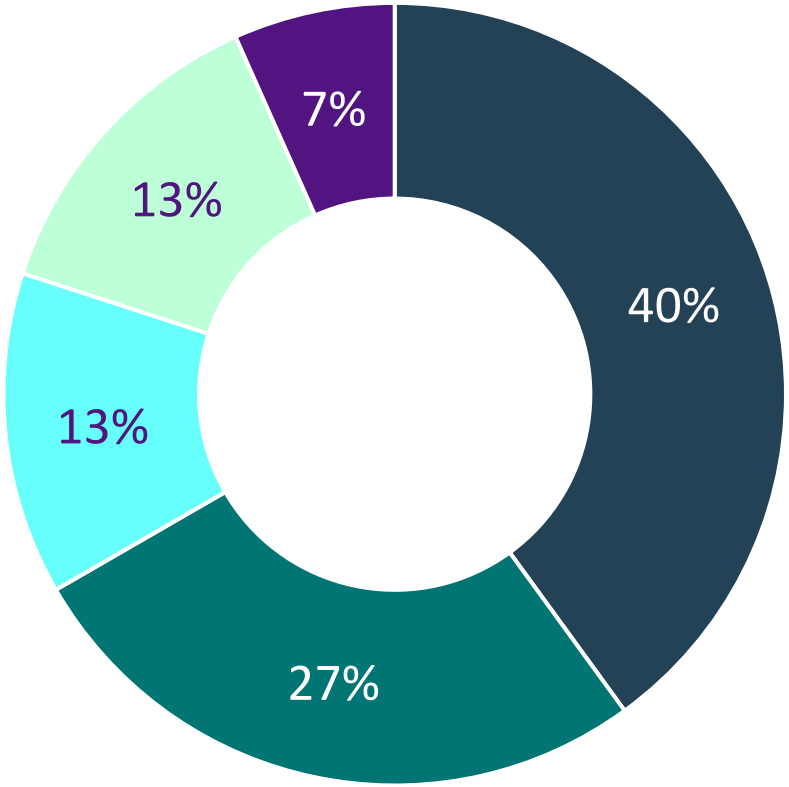
GHG emission avoidance potential

Minimum Requirements

- **When relevant, the proposal should demonstrate whether the proposed project meets or not the minimum requirements:**
  - For projects producing products with an EU ETS benchmark: the process emissions of the project per unit of product must be below the EU ETS benchmark(s) applicable at the call deadline
  - For projects using biomass feedstocks: the biomass used will at least meet the sustainability requirements of the Renewable Energy Directive
  - All projects must demonstrate compliance with the DNSH principle for the environmental objective 'climate change mitigation'.
  - For all projects: the relative GHG emission avoidance must be:
    - for all topics except INNOVFUND-2024-NZT-PILOTS: at least 50%
    - for INNOVFUND-2024-NZT-PILOTS topic: at least 75%
- **Proposals not meeting minimum requirements will be rejected!**

IF24 NZT Call results: GHG emission avoidance calculation and methodology

15 proposals (out of 291 proposals passing A&E) failed under GHG criterion



Main reasons for failures under GHG emission avoidance*

- Wrong assumptions, data not provided, or not backed with supporting evidence
- Errors in the definition of the reference scenario
- Issues with the system boundaries or time boundaries of the GHG calculations
- Wrong application of a specific provision of the GHG Methodology
- Minimum requirement for relative GHG emission avoidance not met

**Several proposals failed on GHG emissions avoidance criteria for more than one reason. The shown percentages are calculated vs the total number of GHG significant weaknesses. More generally, these reasons also happen to be the most common mistakes in this criterion that lower the respective score.*

Lessons learned: GHG Emission avoidance potential

GHG Methodology

Follow the IF GHG emission methodology for calculation and reporting:

- Identify **principal product(s)**, select sector, reference scenario and methodology accordingly
- Use correct **emissions factor(s)**

Explain

Justify choices made in the application of the GHG emission avoidance methodology, when relevant

Assumptions must be robust and properly justified

Evidence

Back all assumptions and claims with the necessary supporting evidence

Project Maturity

Technical maturity

Financial maturity

Operational maturity

Technical Maturity

Technical Maturity

Application form, Part B, sections:

Section 0: Technical characteristics and scope and Technology scope

3.1 Technical maturity

Feasibility study (mandatory annex)

Any due diligence report (if any)

Technical Maturity: technical feasibility

Explain the degree of technology readiness of the proposed solution and the technical feasibility of delivering the expected output (e.g. in terms of quality and volume of the products):

- Has the technology already been proven in a pilot scale demonstration?
- Are the characteristics of the proposed plant credible and in line with basic engineering principles?
- Are the technical assumptions realistic and conform with the state of technology development?

Technical feasibility

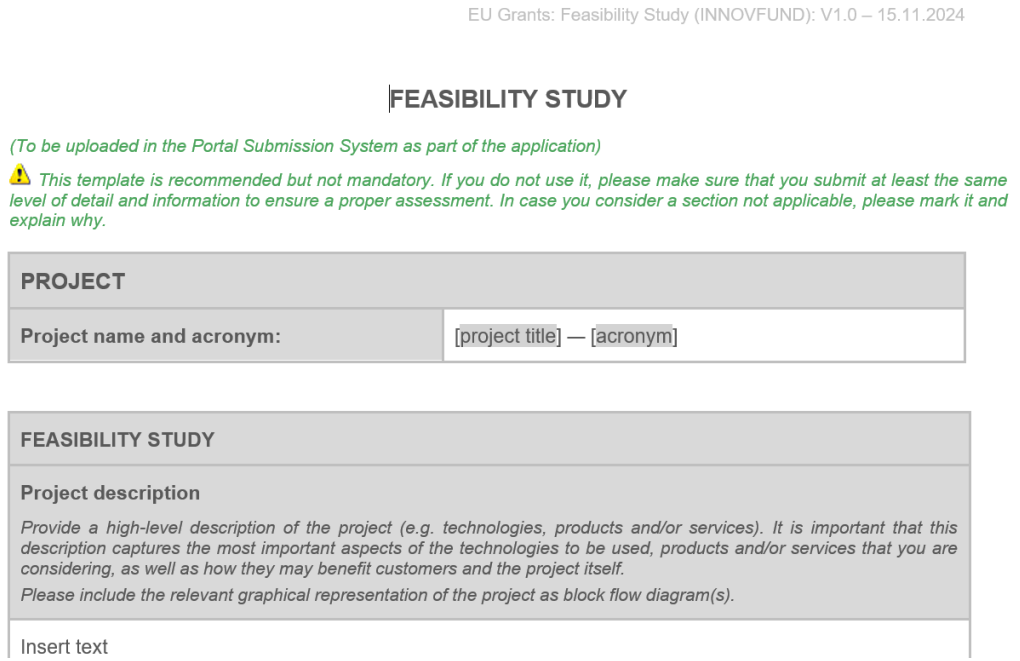
Provide a summary of the following information provided in the feasibility study annex:

- *project description, including:*
  - *block flow diagrams (if applicable)*
  - *technical and operational requirements*
  - *for maritime sector projects: the description of the existing vessel(s) (if applicable) and details on the operational area, shipbuilding location and servicing network*
- *technical maturity, including:*
  - *assumptions used for operational characteristics*
  - *technology readiness level*
  - *process flow diagram(s)*
  - *schematic (preliminary) layout(s) and design(s) (including capacities)*
  - *mass and energy balances (including before and after the project, if applicable)*
  - *volume of the final product(s)*
  - *technical assumptions and figures used for the estimation of the GHG emissions avoidance.*

- Provide robust and credible assumptions used for operational characteristics of the plant and estimation of the expected outputs
- Provide clear reference to relevant parts of the Feasibility study and other supporting documents
- For maritime sector projects: the description of the existing vessel(s) (if applicable) and details on the operational area, shipbuilding location and servicing network

Feasibility study

- Template available in the Submission System (under "Part B templates")
- If the template is not used make sure that you submit at least the same level of detail and information to ensure a proper assessment.
- The feasibility study should include:
  - Project description
  - Background information (existing situation)
  - Location analysis and strategic approach
  - Objectives
  - Resources and feedstock availability
  - Technical assessment
  - Expected project output
  - Techno-economic analysis



EU Grants: Feasibility Study (INNOVFUND): V1.0 – 15.11.2024

FEASIBILITY STUDY

(To be uploaded in the Portal Submission System as part of the application)

⚠ *This template is recommended but not mandatory. If you do not use it, please make sure that you submit at least the same level of detail and information to ensure a proper assessment. In case you consider a section not applicable, please mark it and explain why.*

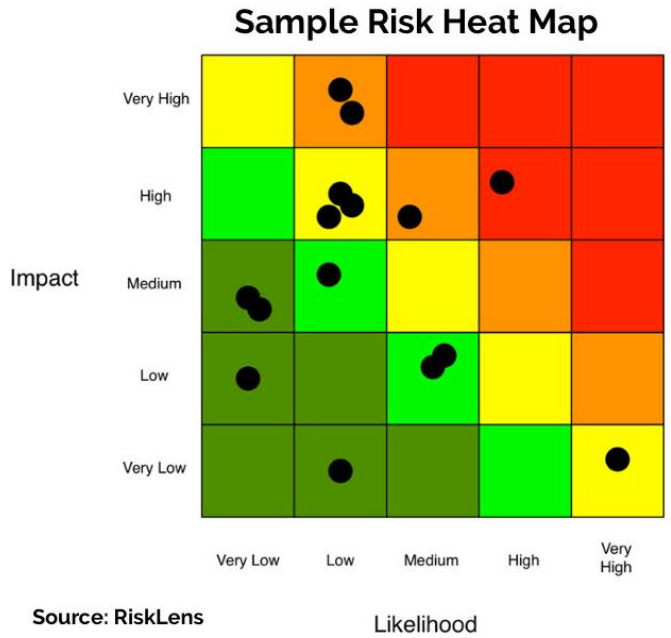
PROJECT	
Project name and acronym:	[project title] — [acronym]

FEASIBILITY STUDY
Project description *Provide a high-level description of the project (e.g. technologies, products and/or services). It is important that this description captures the most important aspects of the technologies to be used, products and/or services that you are considering, as well as how they may benefit customers and the project itself.* *Please include the relevant graphical representation of the project as block flow diagram(s).*
Insert text

Risk analysis and management

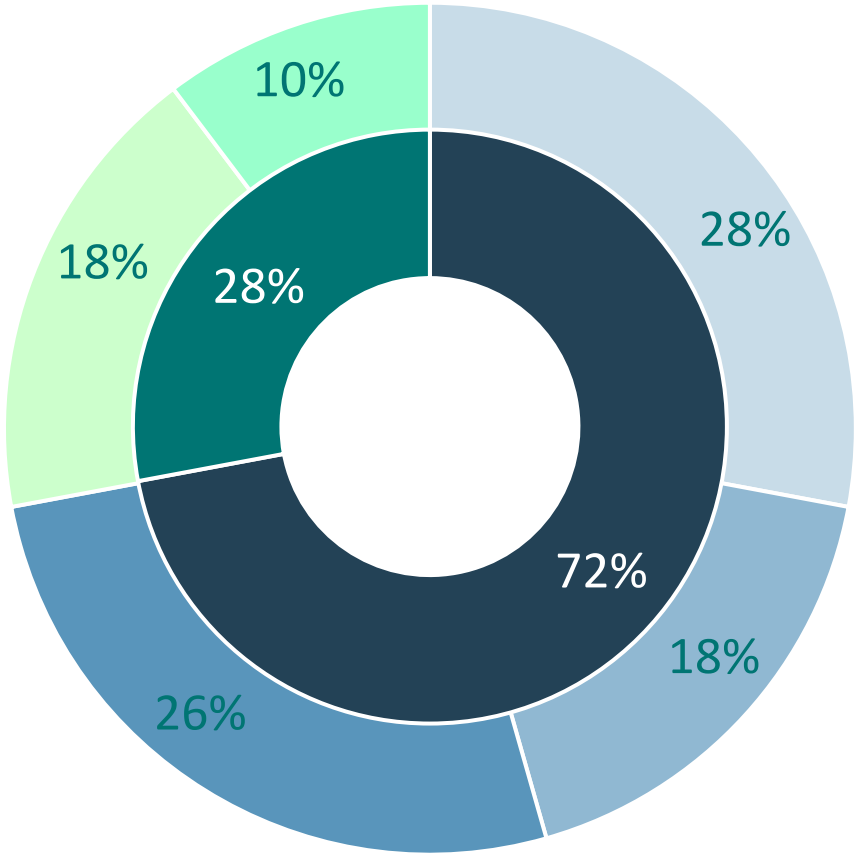
Risks are included **only** in the Feasibility Study (mandatory annex) which must:

- Describe key risks that could impact the technical feasibility of the proposed technology/process
- Describe the impact if the risk materializes and the proposed risk mitigation measures and explain why they are suitable
- Summarize your analysis in a table (see template)
- Provide a risk heat map



IF24 NZT Call results: Technical Maturity

37 proposals (out of 291 proposals passing A&E) failed under Technical Maturity



- Technical feasibility of achieving the expected project outputs
  - The proposed technology has not been sufficiently/convincingly proven in a pilot scale demonstration
  - The technology readiness of the project is not substantiated with sound data
  - Characteristics of the proposed plant are not in line with basic engineering principles
- Technical risks and proposed risk mitigation measures
  - Failure to identify risks
  - Failure to provide risk mitigation measures

** Several proposals failed under Technical maturity criterion for more than one reason..*
The shown percentages are calculated vs the total number of Technical Maturity significant weaknesses.

Lessons learned: Technical Maturity

Ensure **full consistency** between documents: Feasibility study, business plan, GHG calculations

Readiness level

Describe actual readiness level of your technology based on credible data:

- Be concise
- Be realistic
- Provide **key facts and figures**

Identify

Relevant data – from your previous stages: pilots / projects

Include all relevant critical **risks** and **mitigation** strategies

Evidence

Due diligence report

Procurement quotes

MoU

Signed letters of intents/ support

Resubmissions are welcome, especially when TRL is improving!

Financial Maturity

Financial Maturity award criterion

Objective: assess the project's ability to reach Financial Close as soon as possible and no later than 48 months after GA signature

Business plan	Credibility of the business model and plan Robustness of cash flow projections and viability
Financing plan	Soundness of the financing plan Solidity and commitment of project funders
Risks	Understanding of business and financial risks Mitigation measures

Financial Maturity - key documents (1/2)

Relevant proposal sections and mandatory annexes to be provided

- **Business plan (mandatory annex)** - IF template highly recommended
- **Application Form Part B** - Financial maturity (section 4.2)
- **Financial Information File ('FIF') - (mandatory annex)** - To be filled with projections over expected project lifetime - includes the Relevant costs calculation, the grant disbursement schedule and the cost efficiency ratio calculation
- **Applicant's detailed Financial Model (mandatory annex)-** Project assumptions (i.e. with use of formulas, no hard coded figures, nor macros); funding sources and uses; forecasted P&L, cash flow and balance sheet statements, sensitivity analysis

Financial Maturity - key documents (2/2)

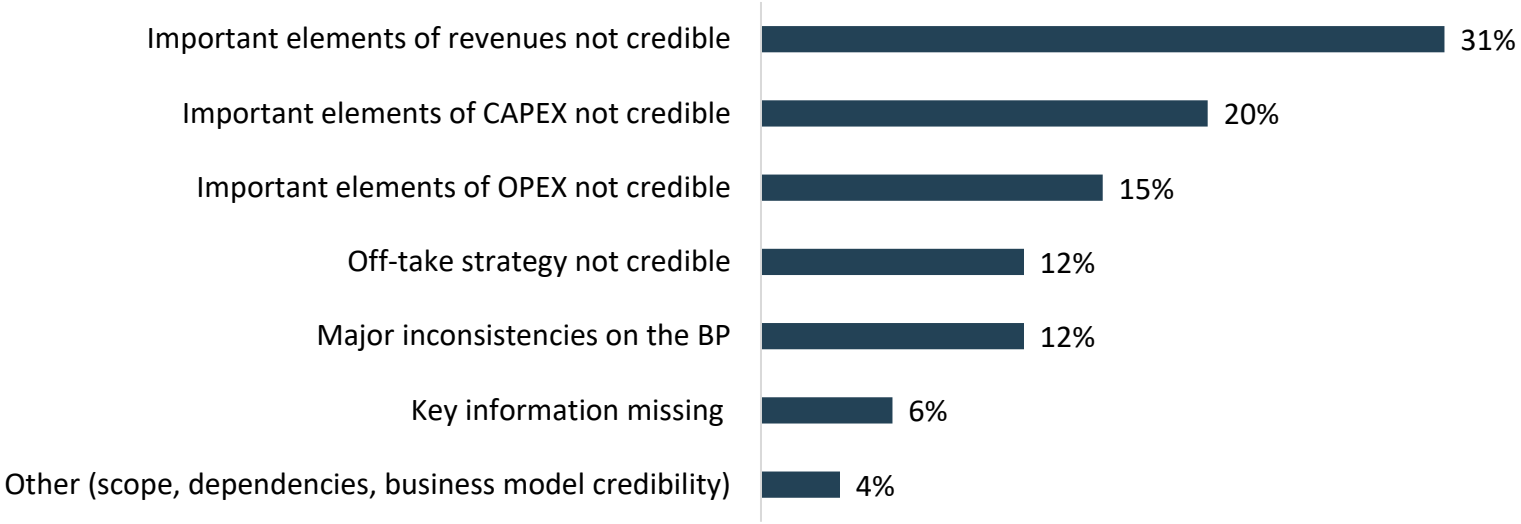
Relevant proposal sections and mandatory annexes to be provided

- **Project shareholders' financial resources (mandatory annex)** - Financial statements over last 3 years – further guidance in Annex 3
- **Project funding support (mandatory annex)** - Minimum requirements in call text Annex 3
- **Project contract terms (mandatory annex)**- Minimum requirements in call text Annex 3
- **Any existing due diligence report (optional - supporting document)**

Lessons Learned IF24 Call

92 proposals (out of 291 proposals passing A&E) failed under Financial Maturity with 53 proposals failing on FM only (18% of evaluated proposals)

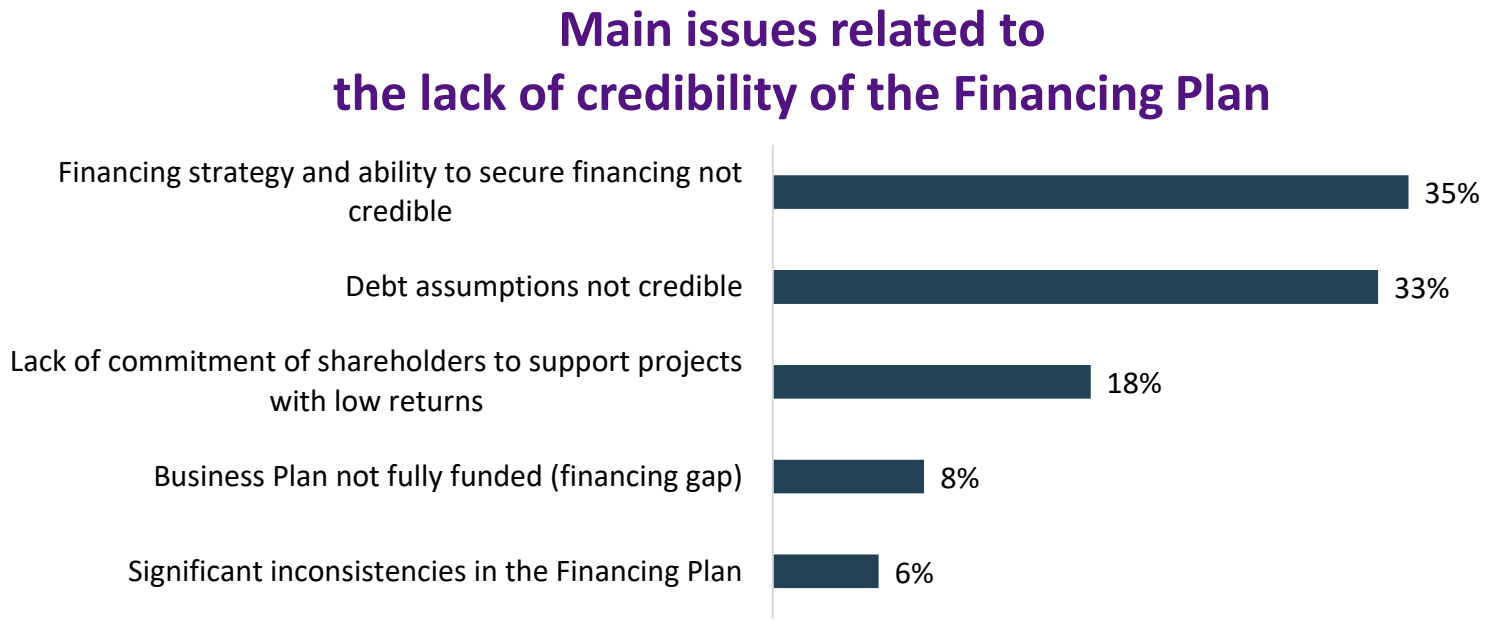
Main issues related to the lack of credibility of the Business Plan



- Fully **describe, substantiate and evidence the main revenues, CAPEX and OPEX assumptions** and include a **detailed breakdown** for all assumption of the Business Plan
- See **Annex 3** of call text for minimum requirements on project contract terms

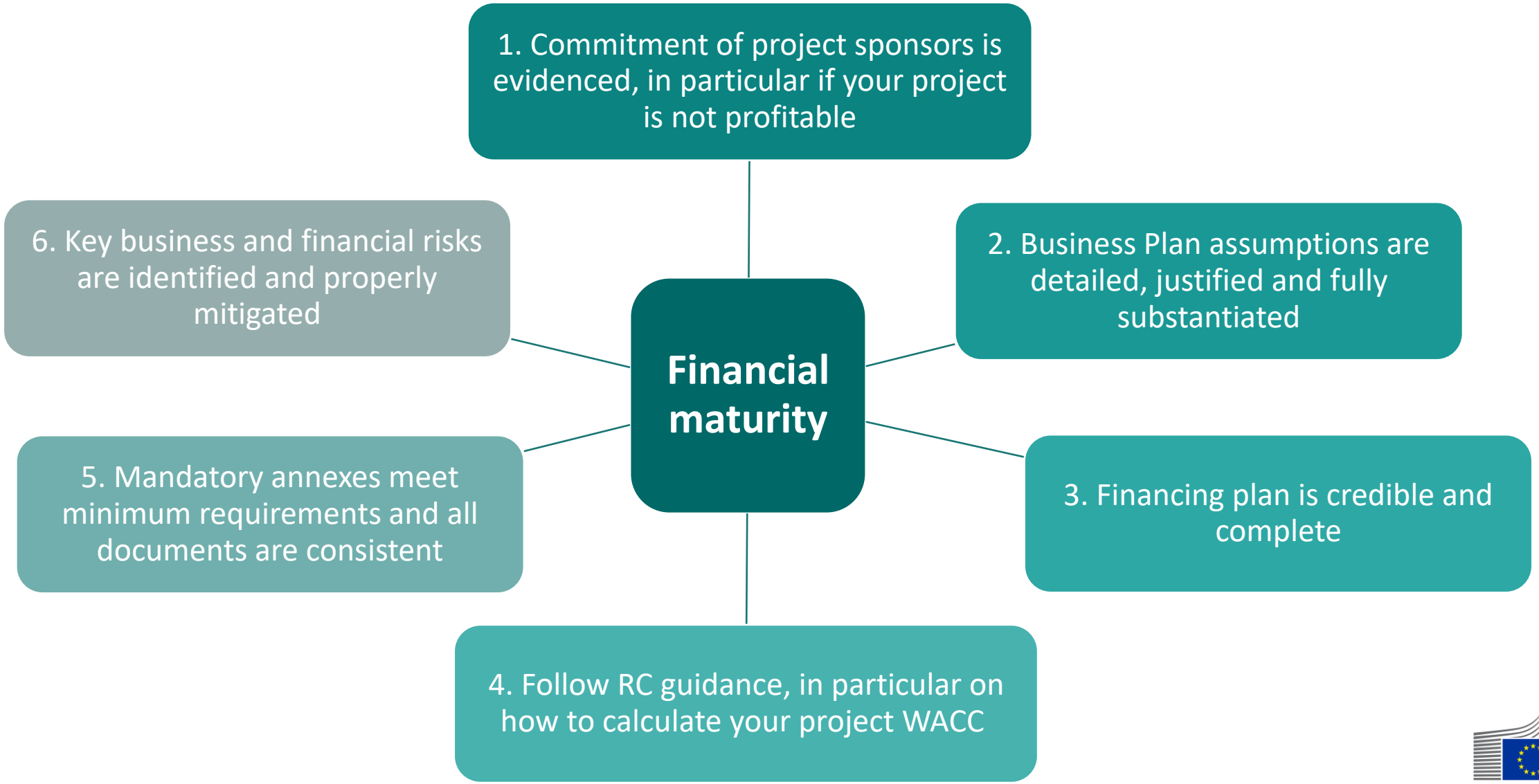
Lessons Learned IF24 Call

92 proposals (out of 291 proposals passing A&E) failed under Financial Maturity with 53 proposals failing on FM only (18% of evaluated proposals)



- Clearly **identify all funding sources** with their terms and conditions and the progress made in defining and/or negotiating them with funding counterparts.
- Provide **financial statements of the shareholder entities** and **evidence for debt assumptions**
- See **Annex 3** of call text for minimum requirements on project funding support

6 Golden Rules of Financial Maturity



Operational Maturity

Project Maturity: Operational Maturity

Application form, Part B, sections:

3.3 - Operational maturity

7.1 - Work Plan

7.2 – Work Packages, activities, resources and timing

Timetable-Gantt chart (mandatory document)

Participant information, including CVs and previous projects, if any (mandatory document)

Feasibility Study (mandatory document)

Due diligence report (if any)

Permits, licences, authorisations (if any)

Operational Maturity

Credibility and level of detail of the project implementation plan covering all project milestones & related deliverables

- Project milestones must include at least financial close, entry into operation and annual reporting after the entry into operation (guidance provided in the call text and application form Part B)
- Provide a clear timeline from signature of the grant agreement up to the end of the operation period; ensure consistency between the text in the application form Part B and the Gantt chart (mandatory annex)
- Key aspects: strategy to reach financial close and entry into operation; ensure adequate timing of planned activities during plant construction; regular operation of the technology during operation period
- The project implementation plan must be consistent with work packages, milestones and deliverables described in section 9 of the application form Part B
- Ability to reach entry into operation in line with market standards in the sector or faster

Operational Maturity

State of play and credibility of the plan for obtaining required permits, rights or licences, and other regulatory procedures

Included a summary of the key information provided in the project description section of the feasibility study:

- Key aspects to be covered: detailed analysis of the regulatory framework; any intellectual property rights or licence; other relevant regulatory procedures; relevant permitting processes needed (including permits related to environmental impacts)
- State of play: description of permits already obtained and still needed and the plan for obtaining them, including timeline indicating the relevant permit application dates, expected reception dates and measures planned to ensure timely granting

Operational Maturity

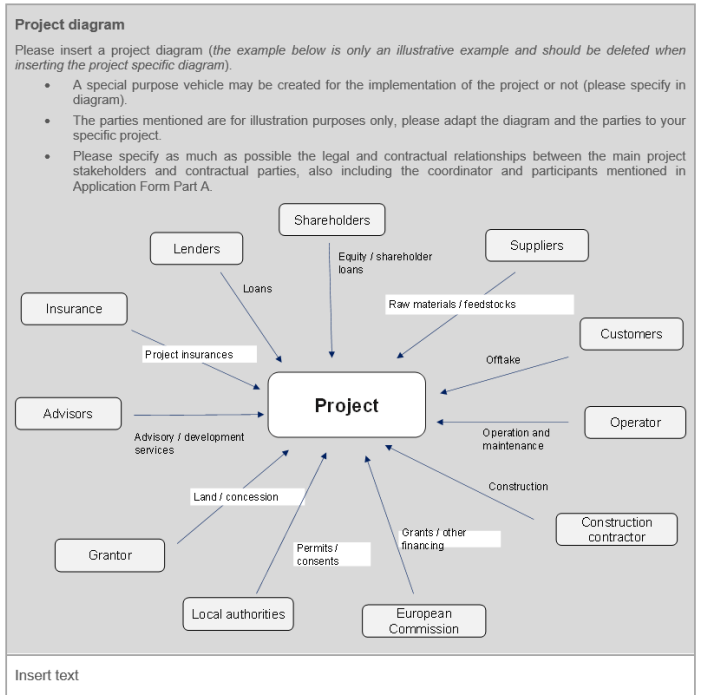
Soundness of the public acceptance strategy

- Detailed description of all environmental impacts expected throughout the whole project life-cycle (from construction to operation to decommissioning), and associated mitigation measures
- Degree of public acceptance of the technology and the project
- Clear and specific steps planned be ensured public acceptance (please do not limit to generic explanations of the issue)

Operational Maturity

Relevance & track record of the project management team and soundness of the project organisation

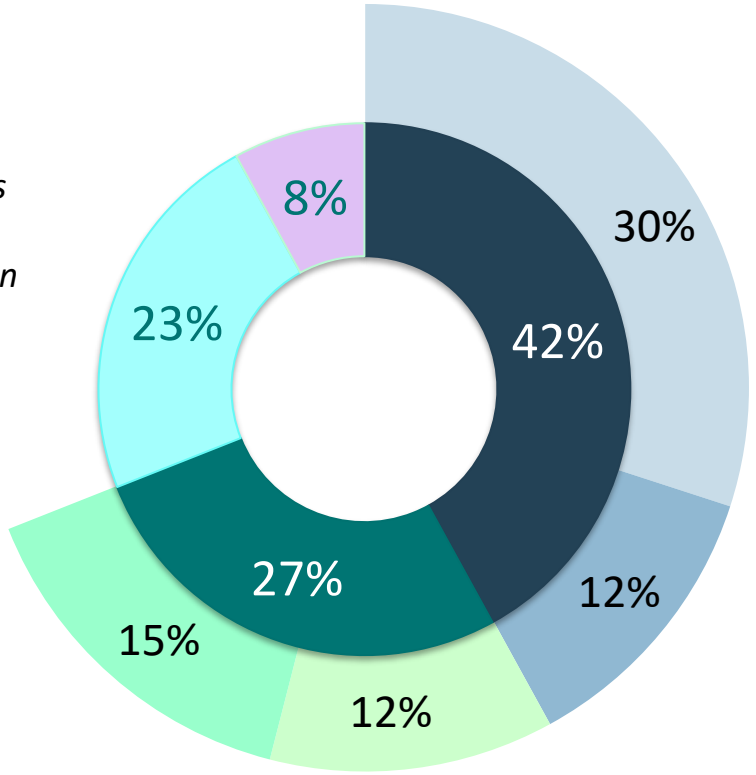
- Project management team, e.g.: key qualifications and track record; sufficient coverage of all necessary skills; provide justifications on the need for additional outside resources
- Project organisation, e.g. project management structure; governance, responsibilities and decision-making mechanisms and processes within the consortium; quality management, health and safety
- Provide a project diagram visualising the involved actors and organisation of the project



IF24 NZT Call results: Operational Maturity

19 proposals (out of 291 proposals passing A&E) failed under Operational Maturity

- Project implementation plan
  - Work plan: *Work package description does not cover all necessary engineering tasks for successful project implementation*
  - Timeline: *The timing and duration of critical work packages are not compliant with the Call text, e.g. achievement of financial close before entry into operation is not considered; The Gantt Chart does not appropriately indicate the timeline for the tasks and there are inconsistencies regarding the timing of entry into operation*
- Project management team and project organization
  - Project management team: *The proposal does not demonstrate that the project management team has all the necessary skills to deliver the project*
  - Project organization: *The project management structure is not convincing*
- Permits, rights, licences and regulatory procedures and public acceptance
- Operational risks and proposed mitigation measures



**Several proposals failed under Operational Maturity criterion for more than one reason.*
The shown percentages are calculated vs the total number of Operational Maturity significant weaknesses.

Replicability

Replicability

- 4.1 – Replicability in terms of efficiency gains and multiple environmental impacts
  - **Including Compliance with DNSH TSC criteria for environmental objectives other than 'climate change mitigation'**

- 4.2 Contribution to Europe's industrial leadership and competitiveness
  - **Including Knowledge sharing — Communication, dissemination and visibility**

Efficiency gains and environmental impacts

- Explain how the project addresses possible resource constraints through:
  - efficient use of resources
  - reduction in consumption of critical raw materials
  - sustainable biomass and other scarce resources
  - or other ways to address resource constraints in terms of efficiency, circularity, recycling and recyclability of such resources

- Describe the potential or the proposed solution to address multiple environmental impacts (for example, increasing biodiversity protection, reducing land, air and water pollution)

Contribution to Europe's industrial leadership and competitiveness

- Contribution to new industrial ecosystems (e.g.: clusters, working with the European suppliers) and/or integration with strategic energy infrastructure (e.g.: projects connected to PCIs)
- Building the European know-how: creation and retention of intellectual property (IP) and technologies within the EU/EEA; cooperation with EU/EEA-based universities, research institutions and industry actors, capacity-building activities (e.g., trainings), knowledge sharing plan outline, demonstrated efforts on due diligence on the supply chain.

Knowledge sharing
Communication, dissemination and visibility

Knowledge sharing goals:

De-risking innovative low-carbon technologies with regard to wide-scale commercialisation

Acceleration of deployment

Increasing the undertaking of, and confidence in these technologies by the wider public

Maintenance of a competitive market for the post-demonstration deployment of the technologies

Cost efficiency / Relevant costs calculation

Cost efficiency criterion- key documents

Relevant proposal sections and mandatory annexes to be provided

Please use to the **Relevant Costs methodology** as reference document

- **Application Form Part B-** Relevant cost and cost efficiency ratio (section 7.1)
- **Financial Information File ('FIF') / detailed financial model**
- **Other annexes (see section 5 of the call text)** - Only for projects using 'reference plant' calculation methodology for relevant costs

Cost efficiency ratio

Requested Innovation Fund grant + other public support

=

Absolute GHG emission avoidance
During 10 years after entry into operation

Maximum requested IF grant is 60% of total relevant costs

Applicants choosing not to apply for the maximum grant will be more competitive when ranked against other applicants in 'Cost Efficiency ratio'

Cost efficiency award criterion

- **Cost efficiency is split in two sub-criteria:**
  - Cost efficiency ratio – automatic score
  - Qualitative assessment on the computation of Relevant costs and the Cost Efficiency ratio

- Cost efficiency ratio level has **minimum requirements**

(a) for all topics (except Pilots):

If cost efficiency ratio is *lower than or equal to* **€200/tCO$_2$eq**, score will be based on formula

12 – (12 x (cost efficiency ratio/200)

If cost efficiency ratio is *higher than* €200/tCO$_2$eq, proposal will be **rejected** under 'Quality of the cost calculation and min requirements'

(b) for Pilots:

If cost efficiency ratio is lower than or equal to **€2000/tCO2eq**, score will be based on formula

12 – (12 x (cost efficiency ratio/2000)

If cost efficiency ratio is higher than €2000/tCO2eq, proposal gets **zero score** under 'Quality of the cost calculation and min requirements' but is **NOT rejected**

Relevant Costs: Definitions

Relevant costs ("RC") = The Relevant Costs shall be the net extra costs that are borne by the project proponent as a result of the application of the innovative technology related to the reduction or avoidance of the GHG emissions.

Relevant costs =
best estimate of CAPEX and NPV of OPEX, Maintenance CAPEX net of Revenues and Operational Benefits of the project over a 10-year period

The estimation of relevant costs should not include (examples):

- Expansion Capex incurred after entry into operation
- Terminal Value
- Any costs incurred prior to Innovation Fund grant submission
- Depreciation

*Please refer to the **RC methodology** for full list of non-eligible items*

Weighted Average Cost of Capital (WACC)

Updated

- Cost of equity:

  *Re = Rf + (β * ERP)+ IP*

  - Rf = risk free rate
  - *β* = beta of the project
  - ERP = equity risk premium
  - IP = innovation premium

Estimation

- **Rf:** use values in the RC methodology (appendix 2)
- **Beta** : fixed value of 1
- **ERP:** default value of 6% should be applied, with the potential for a +/- 2% adjustment if properly justified by applicants (lack of justification may be penalized)
- **Innovation premium:** default value of 2.5% should be applied, with the potential to increase to 3% upon justification for highly innovative projects (lack of justification may be penalized)

- Cost of debt:

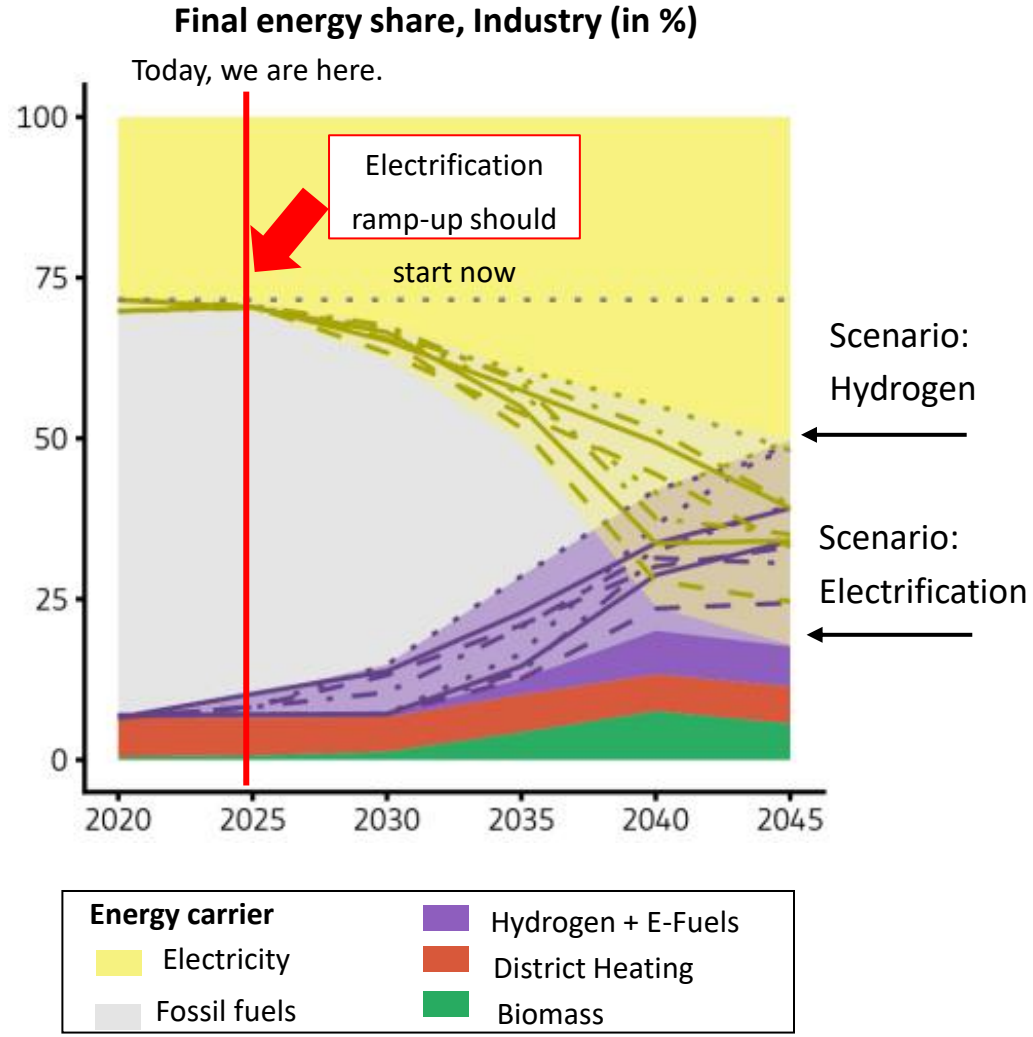
  Rd = base rate + credit spread

- Base rate: swap rates consistent with average debt maturity
- Credit spread: based on terms expected by debt providers, in line with market standards

Innovation Fund 2025
Heat Auction

Why decarbonisation of industrial process heat?

- Electrification: **main vector of industry decarbonisation by 2030** and beyond
- Industrial process heat today **is largely fossil fuels based**, only 4% of industry's energy needs for process heat are electrified
- **Cost gaps** compared with fossil-fuels-based technologies **hinder market ramp-up**
- Type of projects **underrepresented in IF portfolio**
- With such a large potential across the EU, applications are possible by companies of **all sizes, in all industrial sectors** and in **all EEA countries**



Data: Falko Ueckerdt et al. (2021): *Taking off despite uncertainties: Key points of an adaptable hydrogen strategy. How policymakers can find hydrogen pathways to climate neutrality by 2045. Ariadne policy brief*

The heat auction in a nutshell

Objectives:

- Reduce **GHG emissions cost-effectively** by supporting the **market ramp-up** of **industrial process heat decarbonisation technologies**
- Act as a pilot for the **Industrial Decarbonisation Bank as** announced in the Clean Industrial Deal

Eligible technologies:

- Projects **that electrify industrial process heat** via technologies such as heat pumps, electric boilers, resistance heating, induction heating, plasma torches, electric shockwave heating
- Projects **that use direct renewable heat** (solar thermal and geothermal) for industrial processes
- **Hybrid projects** of the above-mentioned technologies

Auction Topics and eligible activities

Medium Temperature Small Scale

- € 150 Million + Spanish AaaS of € 30 Million
- >=3 <5 MW_{th}
- 100-400 ºC
- €100 Million max grant amount

Medium Temperature Larger Scale

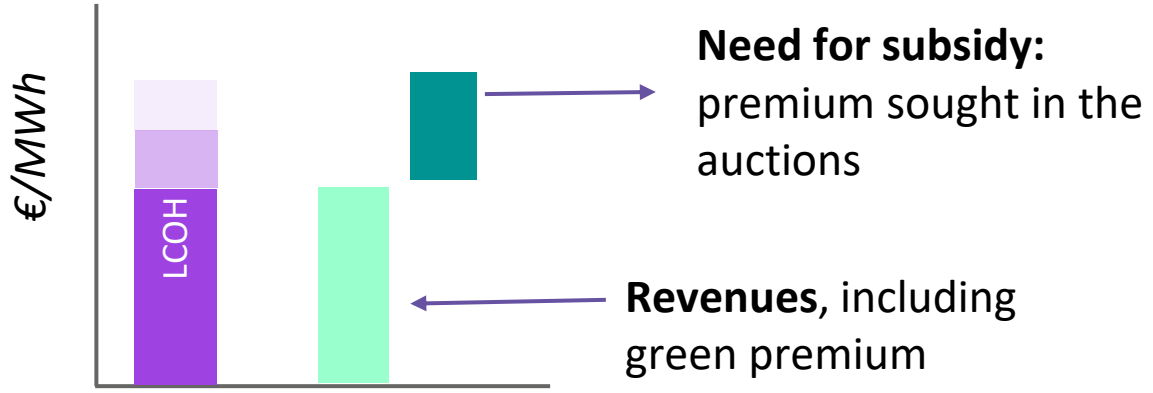
- € 350 Million + Spanish AaaS of € 20 Million
- >=5 MW_{th}
- 100-400 ºC
- €100 Million max grant amount

High Temperature

- € 500 Million
- >=3 MW_{th}
- >400 ºC
- €250 Million max grant amount

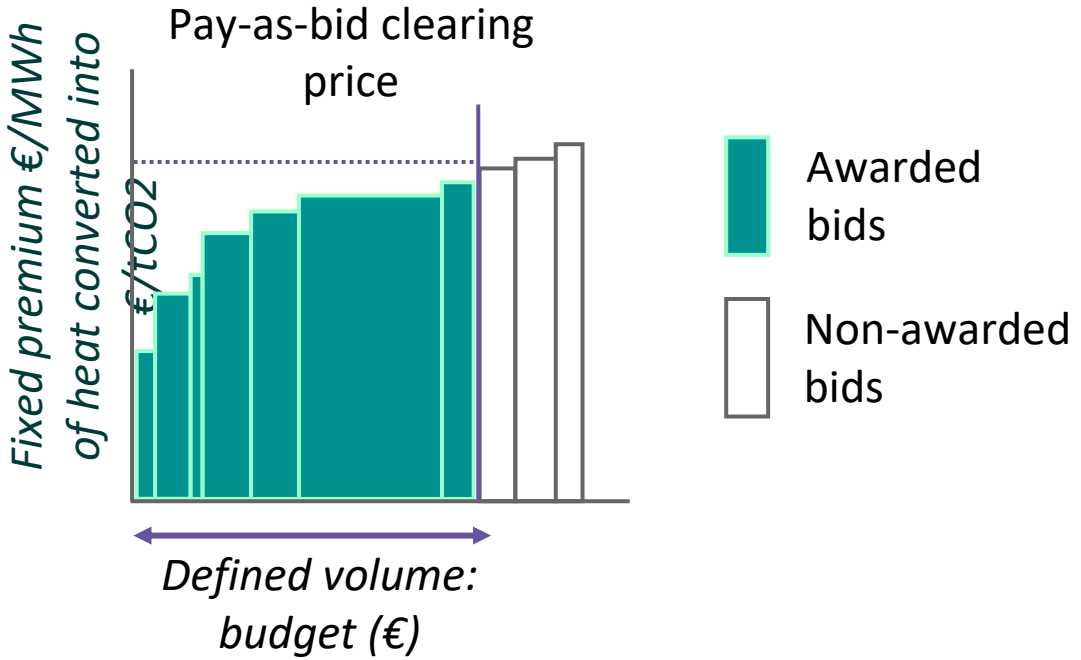
Auction Design: (1) bid ranking

Fixed-premium auction



Bids ranked on price only

MWh of heat are converted into tCO_2



Auction Design: (2) qualifications

WHAT

- **Admissibility**
- **Eligibility**
- **Relevance:** will the project produce decarbonized heat (with electrified or direct RES solution)? **Will it lead to the direct GHG abatement?**
- **No 'resilience' requirements** for heat equipment or components because no established dependencies (or risks)
- **Quality:** is the project sufficiently mature (basic technical, financial, and operational maturity checks)?
- **Do No Significant Harm (DNSH) check**

NB: A financial capacity and legal entity check before the grant agreement to ensure that successful applicants can implement the project

How to think about bid definition

- Bidders request a **fixed-premium** in EUR/tonne of CO_2 abated through electrified or direct renewable process heat technologies.
- The subsidy need (=the bid) is **determined by the bidder**. There are no restrictions on the level of the bid (i.e. no specific IRR or NPV; applicant's choice which costs to price in).
- A rational bidding strategy is to base the bid on the **gap between costs and revenues**.
- It is the responsibility of the bidder to submit a bit that is **competitive**, but **as high as needed to make the project financially viable**, given the completion guarantee, and rules on cumulation of support.
- There is **no automatic indexation of support.** Inflation, potential cost increases, foregone other public support etc. should be factored into the bidding strategy.
- The **bid defines the support that will be received** once project enters into operation

Bid definition: Subsidy for GHG Abatement

Project Input:

€/MWh

Automatic Conversion with **applicants choosing** either:

1. the **phase 4 ETS heat benchmark** (default) *or*
2. the **emissions factor** of the fuel replaced in the installation

Bid:

€/tCO_2

- Incentivises decommissioning of fossil fuel installations
- Choice of bidders
- Bidders must provide proof of decommissioning if selecting option #2

Natural gas	0.202 tCO2/MWh
Hard coal	0.341 tCO2/MWh
Lignite	0.364 tCO2/MWh
Heating oil	0.264 tCO2/MWh

Bid definition: flexibility requirements

Objective: supporting electricity grid balancing and avoid emissions/system costs linked to peak hours – flexible demand or energy storage are encouraged.

Option 1: Default

- Maximum payment equal to 70% of hours

Option 2: Flexible Ramping Schedule

- Maximum payment equal to 80% of hours
- Indicate can follow a flexible ramping schedule
- Checked ex-post, penalties apply if not implemented

Option 3: Energy Storage

- Maximum payment equal to 100% of hours
- Storage sufficient to replace electricity consumption from the grid for 4h by 20% within 1h
- Checked ex-ante only

Option 4: Heat Pump/Direct Renewables

- Maximum payment equal to 100% of hours
- Heat Pumps with CoP > 2.0; or
- Direct Renewable Heat

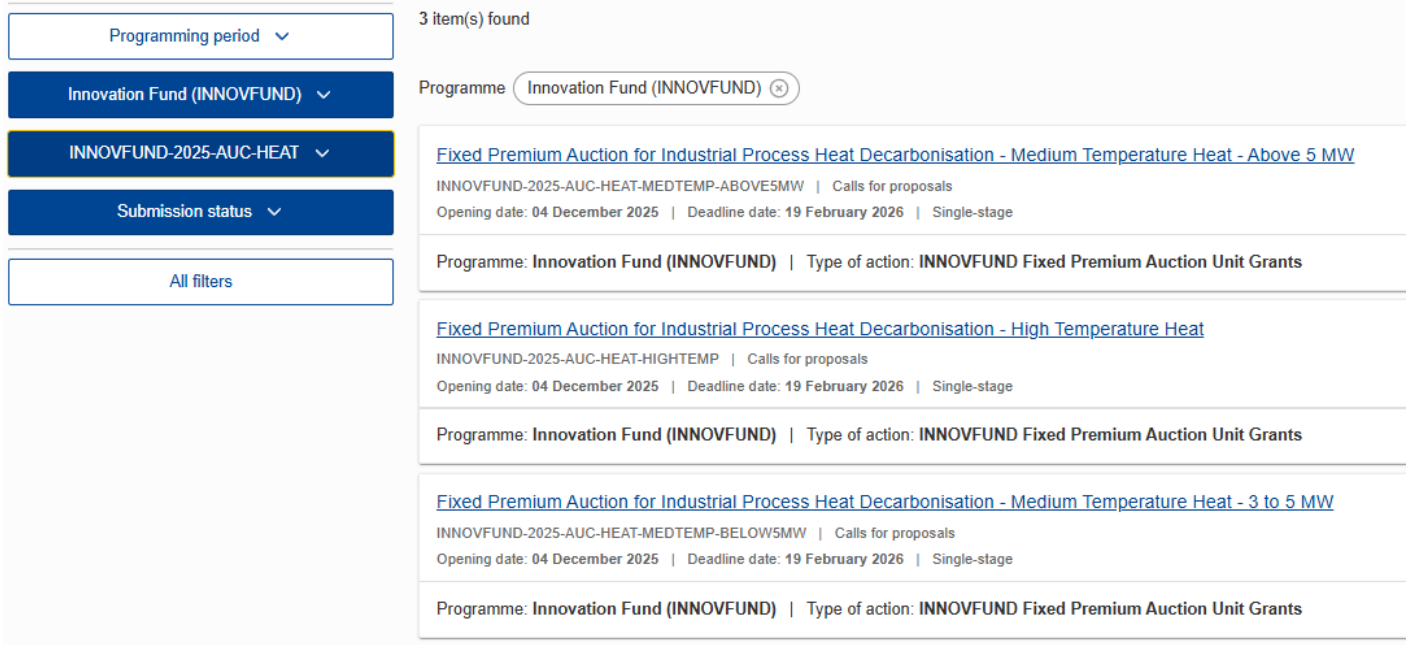
Obligations

Max time to reach Financial Close	• **2 years** after signing the Grant Agreement • Demonstrating that all contracts are signed and conditions in them fulfilled • To be **approved by the granting authority** • **Sanctions:** the grant agreement terminated, calling the completion guarantee
Max time to reach Entry into Operation	• **4 years** after signing the grant agreement. • **Demonstrating as operational a nameplate thermal capacity** (and eligible temperature levels) for the equipment of at least 100% of that expressed in the bid. • To be **approved by the granting authority**. • Sanctions: the grant agreement terminated, calling the completion guarantee
Reporting every 6 months after EiO	• **Direct or indirect measurement of industrial process heat volume** and **temperatures** according to ISO 50001 management system • Automatic formula will translate it into the **GHG abatement** • **Level of output should not decrease below 30% of expected annual volume (for 3 years in a row)**

Application process – *How to apply & mandatory documents*

All relevant information to apply:

- **EU Funding & Tenders Portal**
- Application process video tutorials
- Financial Information File (FIF) tutorial
- How to fill in the PART C
- Info Day recording and slides
- Innovation Fund Helpdesk
- Q&A on the general design of the IF25 Heat Auction
- All the Call's relevant templates

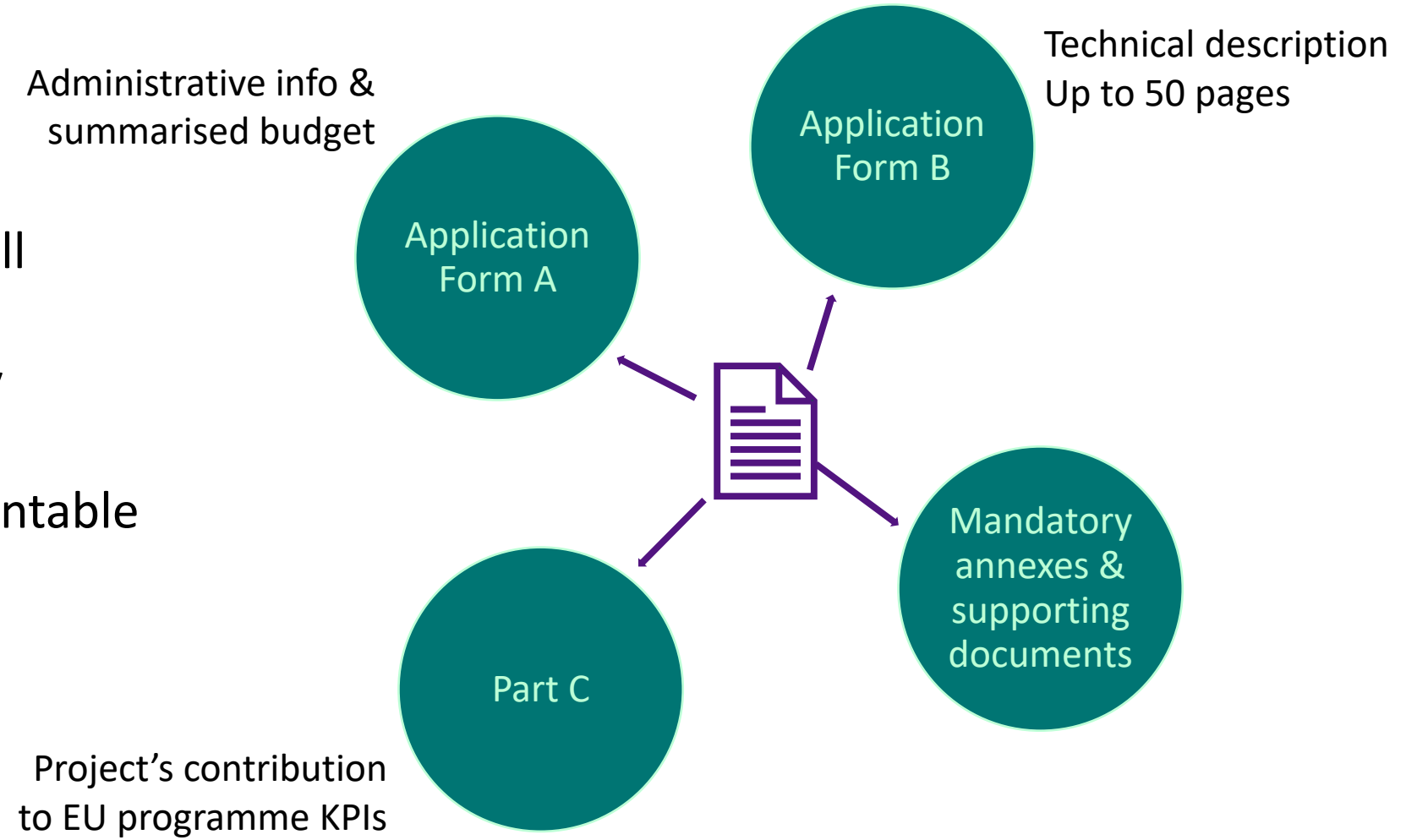


Call information
on EU Funding & Tenders portal

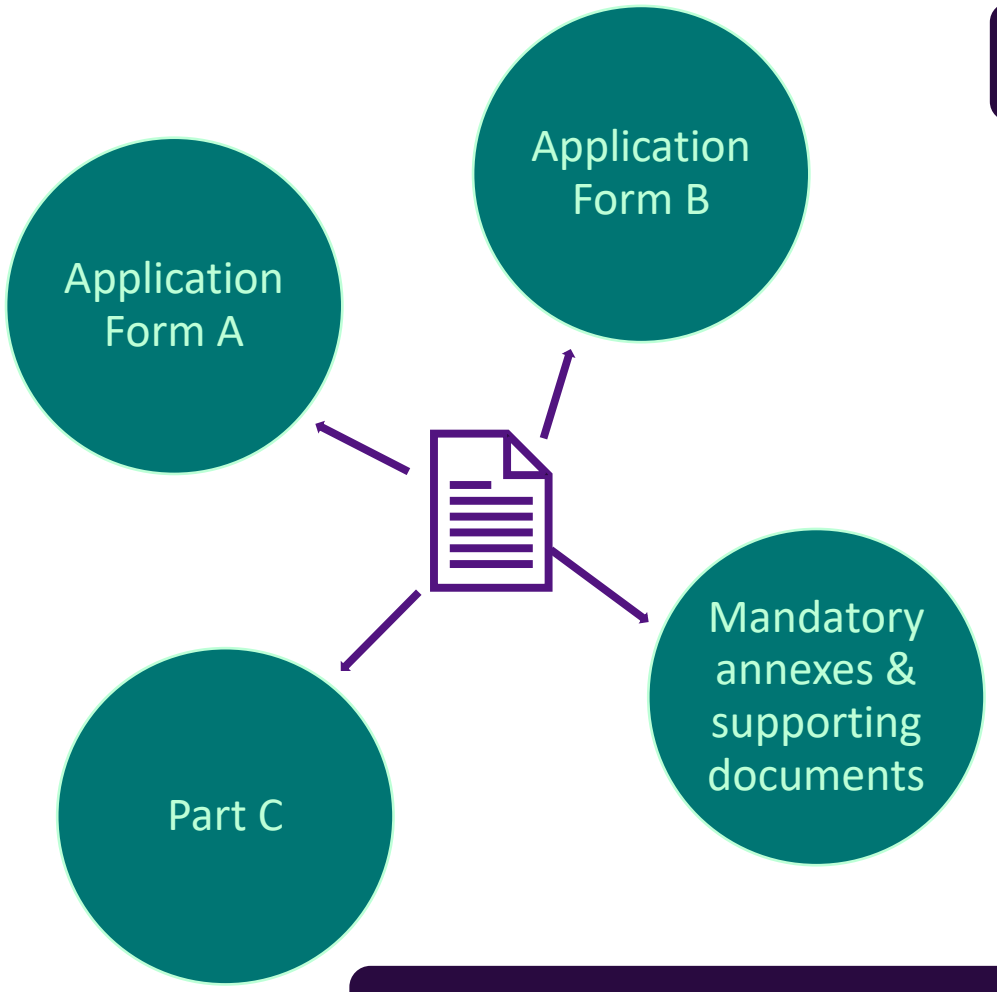
Application process – *Admissibility and compulsory documents*

Proposals ***must*** be:

1. submitted before the call deadline
2. submitted electronically
3. complete
4. readable, accessible, printable



Application process – *Compulsory documents*



Provide all mandatory annexes!

- detailed budget table/calculator
- participant information
- timetable/Gantt chart
- feasibility study
- electricity sourcing supporting evidence
- off-take supporting evidence
- equipment procurement supporting evidence
- *equity supporting evidence*
- permits, licenses, authorisations, etc.
- completion guarantee letter of intent (at proposal) and completion guarantee (during GAP)
- extended Part C form
- other annexes only for projects that deviates for the Default ETS heat benchmark

Templates to be downloaded from the Portal Submission System, completed, assembled and re-uploaded

Application process – *Eligibility (1 / 2)*

Eligible Activities

Production of industrial process heat and resulting in GHG abatement by:

- Projects **electrifying industrial** process heat via technologies such as heat pumps , direct and indirect resistance heating, electromagnetic and dielectric heating, plasma heating; or
- Projects using **direct-renewable** (solar thermal or geothermal) heat for industrial heat processes ; or
- **Hybrid projects** of the above-mentioned technologies.

Not Eligible Activities

- activities that do not comply with the '**do no significant harm**' principle
- heat production for **space heating** or sale to **district heating**
- **biomass or hydrogen** use for industrial heat production
- **electrolysis processes** (e.g. in the aluminium sector)
- **electric arc furnaces for steel making**
- installation of **new fossil fuel-fired capacity** as part of the same installation as concerns the project

Application process – *Eligibility (2 / 2)*

Slido
#IF25Heat

Participants - *legal entities established in any country in the world*

- Comply with EU restrictive measures
- Comply with EU conditionality measures

Geographic location

Projects located in EU Member State or EEA country

Duration

- Reach Financial Close within 2 years after the GA signature
- Entry into Operation within 4 years after the GA signature
- Operate for normally 5 years

Project's budget & bid price

- Project budgets (requested grant amount) and applicant bid price must be calculated using the calculator provided in the 'financial information file'
- Project's budget must not exceed the topic thresholds in the call

Completion Guarantee & Letter of Intent

The completion guarantee

- **Letter of Intent** for completion guarantee to be submitted with the proposal
- **6% of the maximum grant amount** in EUR
- **Guarantee** to be issued two months after receiving the evaluation results
  - The guarantee should be issued by an approved bank/financial institution established in an EEA (with adequate rating)
  - The guarantee shall be valid from the date of issuance until **6 months after the maximum time to EiO**
- For LoI and the guarantee itself, a **template will be made available and will be mandatory**
- If EiO is reached earlier, the guarantee can be released earlier

- When **will** the **completion guarantee** be **called** by the granting authority?
  - if the project does not reach entry into operation within 4 years (after signing the grant agreement)

The Guarantee **may be called**

if the project does not reach financial close within 2 years

Evaluation - Evaluation & award procedure (cascade approach)

Ranking according to the **bid price**

- From lowest to highest

Proposals will be assessed if…

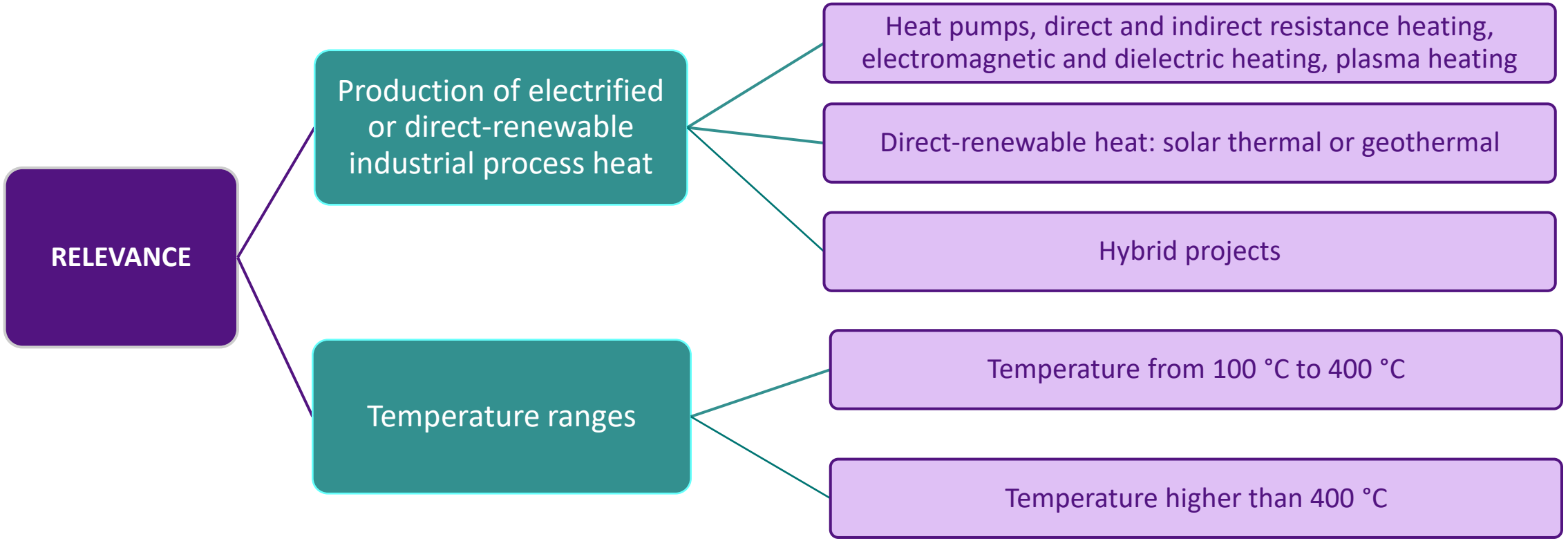
- The maximum grant amounts fit within the **topic** budget
- The proposal fits the budget from national funding windows
- The proposal is necessary to fill the reserve list (if any)

Evaluating the proposals against the **award criteria**

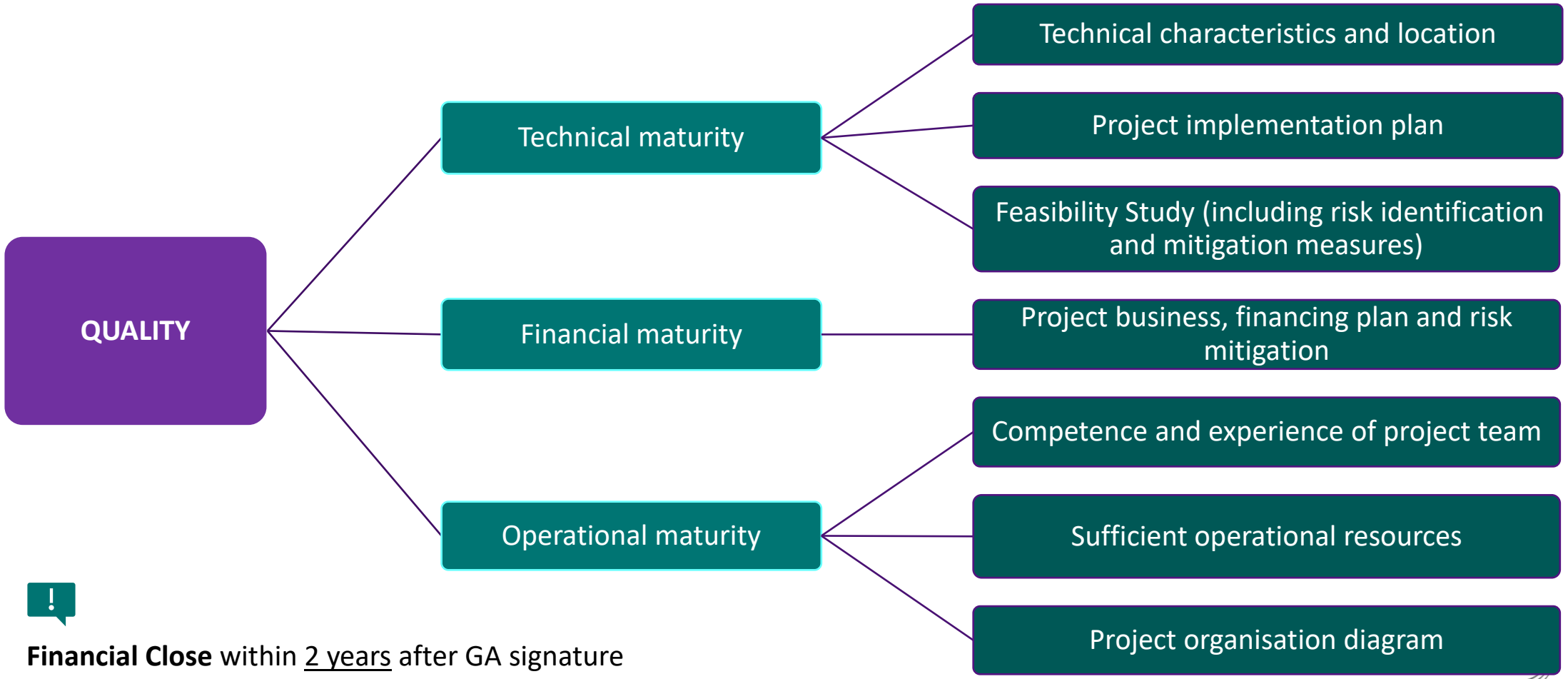
- Relevance
- Quality
- Assessment result: Pass/Fail
- Ranking based on price

The first proposal proposed for funding (‘marginal bid’) exceeding the call/topic budget will be added to the reserve list and the total auction budget volume will be decreased accordingly.

Award criteria – Relevance



Award criteria – Quality



Financial Close within 2 years after GA signature

Entry into Operation within 4 years after GA signature

Do No Significant Harm Principle

‘Do No Significant Harm’ (DNSH) in the IF

Requirements

- Innovation Fund must ensure[1] that all projects (both auctions and regular grants) meet “do no significant harm” criteria from IF25 onwards
- Screening must be done against the **Technical Screening Criteria (TSC)** listed in the Climate Delegated Regulation and Environment Delegated Regulation supplementing the EU Taxonomy Regulation

Key Points

- Not all EU Taxonomy obligations apply (e.g. no need for ‘significant contribution’)
- **All previously eligible sectors remain eligible** to the Innovation Fund, with conditions

Environmental Objectives

Climate Change Mitigation	Climate Change Adaptation
Water and Marine Resources	Circular Economy
Pollution Prevention and Control	Biodiversity and Ecosystems

[1] *Article 10f of the ETS Directive*

DNSH Assessment & Compliance Process

Application

DNSH Compliance Plan

End of Operation

DNSH Compliance Report

Evaluation of DNSH Compliance Plan

Additional monitoring and verification may be added during the Grant Agreement Preparation Phase

Report demonstrating DNSH Compliance throughout the project lifetime

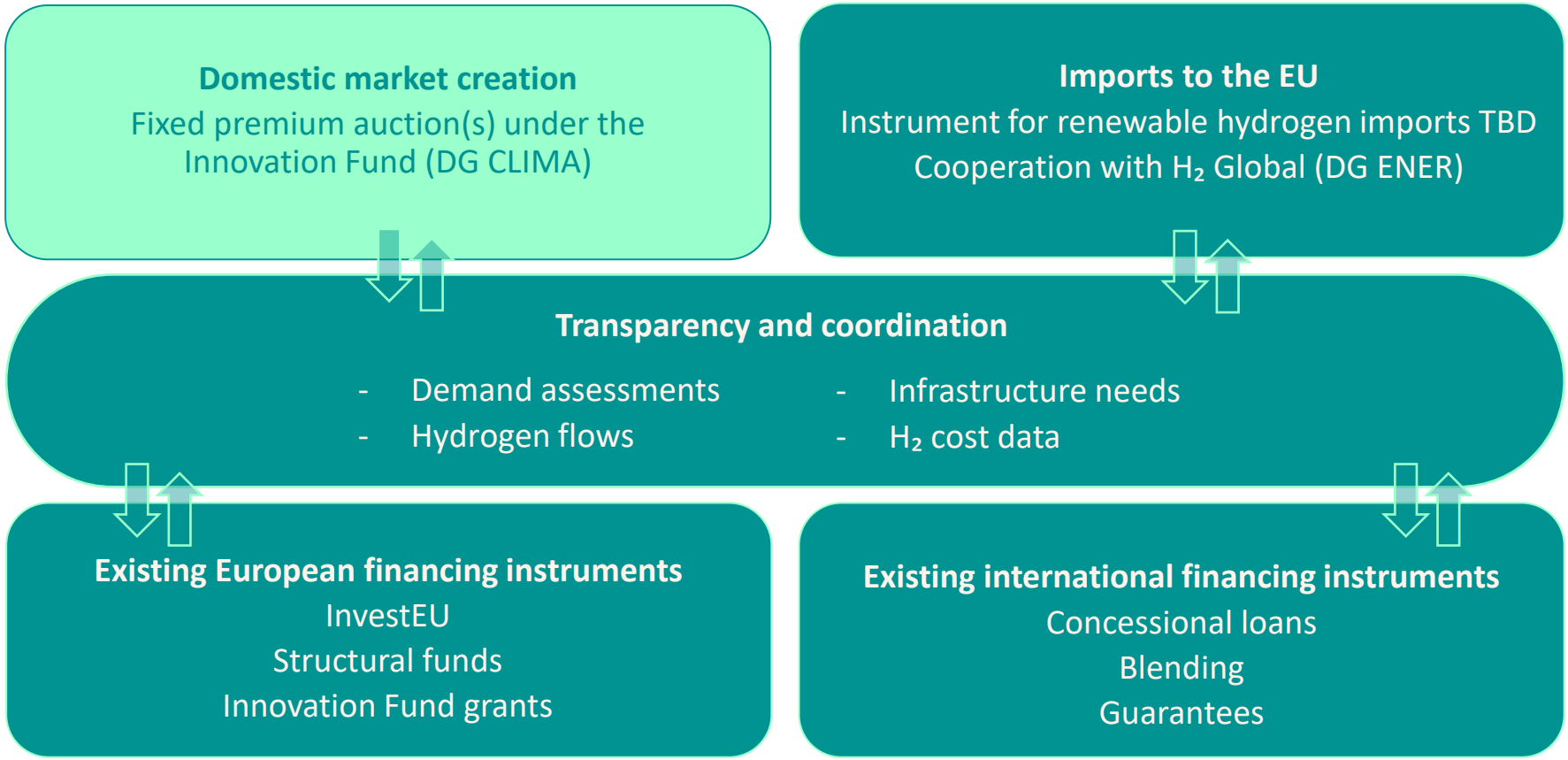
Preparing the DNSH Compliance Plan

Step 1	• Select relevant economic activity(ies)
Step 2	• Find Technical Screening Criteria (TSC) for those activities • Assess compliance and identify necessary actions
Step 3	• Prepare the DNSH Compliance Plan for Application Form Part B

Innovation Fund 2025
Hydrogen Auction

European Commission

The European Hydrogen Bank - Overview



IF H2 Auctions so far

2023

IF23 Auction [*Pilot*]

- **€ 800 M**
- RFNBO Hydrogen
- 1 topic - general

- 132 proposals received
- **6 awarded projects**

2024

IF24 Auction

- **€ 1 200 M**
- RFNBO Hydrogen
- 2 topics:
  1. General (€ 1 000 M)
  2. Maritime (€ 200 M)

- 61 proposals received
- **15* pre-selected projects**

7 projects withdrew and 10 additional ones from reserve list invited

2025

IF25 H2 Auction

- **€ 1 300 M**
- RFNBO and ELC Hydrogen
- 3 topics:
  1. General RFNBO(€ 600 M)
  2. General RFNBO & ELC (€ 400 M)
  3. General RFNBO & ELC for Maritime & Aviation (€ 300 M)

** Projects invited to Grant Agreement Preparation: final list of awarded projects only by December 2025*

General eligibility conditions

- Location of the project: **within the EU/EEA** (no virtual production)
- Installed capacity: min. **5 MWe, new** capacity, **single location** (no virtual capacity pooling)
- Projects must limit the sourcing of electrolysers and its components from China
- Off-takers: restrictions depending on the topic
- Bid ceiling price: **€ 4 / kg RFNBO or Electrolytic Low Carbon Hydrogen (ELC)**
- Maximum size of the grant: **Topic budget for all topics**

Key implementation arrangements

- Financial close: within **2.5 years** after signing Grant Agreement
- Entry into Operation (EiO): within **5 years** after signing Grant Agreement
- Completion guarantee: **8%** of the requested grant - *covers reaching Financial Close & EiO under the call requirements*
- Payments: no payments before EiO; then, **biannual** basis - €/kg of Hydrogen produced, **certified & verified (RFNBO and/or ELC)** for a maximum period of **10 years**

Key implementation arrangements *2/2*

- Production requirements: semi-annual production may be increased to **up to 140%** of planned. Total grant amount cannot be increased. Production of volumes that are part of the bid **cannot fall < 30%** of planned production for more than 3 rolling consecutive years

- Compliance with the criteria during implementation: for Topic#3, monitoring of aviation-maritime off-takers, resilience criteria, and certification of 70% GHG savings on overall production

- Cumulation with other public funding: limitations apply

New: Electrolytic Low Carbon Hydrogen

- *The adoption of the Delegated Act (EU) 2025/2359 now provides a clear methodology to certify and verify the production of low carbon hydrogen. For the IF25 H2 Auction, eligibility is limited to low carbon hydrogen that is produced from an electrolyser.*

- This product will only be eligible for projects applying into **Topics 2 and 3.** Projects applying to Topic 1 can still produce non-RFNBO H2, but will receive no payments for it.

- Definition of Low Carbon Hydrogen (DIR(EU) 2024/1788): *"means hydrogen the energy content of which is derived **from non-renewable sources**, which meets the **greenhouse gas emission reduction threshold of 70 %** compared to the fossil fuel comparator for renewable fuels of non-biological origin set out in the methodology for assessing greenhouse gas emissions savings from renewable fuels of non-biological origin and from recycled carbon fuels, adopted pursuant to Article 29a(3) of Directive (EU) 2018/2001"*

New: Electrolytic Low Carbon Hydrogen

- There will be a **single bidding price** covering ELC and RFNBO hydrogen volumes
- At application stage, the **electricity sourcing strategy** will need to demonstrate that the project will be able to produce electrolytic low carbon hydrogen with the installed capacity of the electrolyser that will comply with the minimum emissions thresholds of the definition of Directive 2024/1788 and following the GHG calculation methodology of its Delegated Act.
- During implementations, **sub-volumes of ELC and RFNBO hydrogen** may vary, as long as the total volume of hydrogen produced respects the production requirements.
- Payments will only be received upon **certified and verified volumes**. Voluntary Schemes for low carbon fuels are expected to be ready during 2026.

New: Resilience Criteria

The adoption of NZIA Implementing Act (REG (EU) 2025/1176 creates reference pre-qualification and award criteria for auctions for the deployment of energy from renewable sources, including resilience contribution criteria for electrolysers. The IF25 H2 Auction is now fully aligned with NZIA requirements.

- At least **75% of the electrolysers** included in the project must originate in a country different than China. For those at least 75% of the electrolysers:
  - **stacks** must originate in a country different than China
  - no more than **two of main specific components** may originate in China (stacks cannot count for these two components).
- Simplification: In IF25 H2 Auction, **no ISO standards** are required anymore and the information requested from the electrolyser manufacturer has also been simplified (e.g no information CRM content

New: Aviation and Maritime topic

The Sustainable Transport Investment Plan (STIP) adopted in November 2025, announced that the Innovation Fund would open under its European Hydrogen Auctions a dedicated EUR 300M topic to hydrogen producers supplying to aviation and maritime off-takers.

- Projects applying to **Topic 3** must supply **at least 60% of the expected total volume** of hydrogen production that is part of the bid to **off-takers** belonging **either** to the **maritime or aviation sector.**

- At application stage, the off-take strategy must credibly demonstrate that the project will comply with this requirement. The required **Head of Terms with off-takers** must include a **self-declaration** from the off-taker confirming that they belong to the maritime or aviation sector together with documentation supporting it.

- **Monitored throughout the project's operation**

New: Financial Maturity requirements

Based on the experience of previous auctions, we want to ensure higher levels of information concerning the financial maturity of the projects at application stage.

- More substantiated information for the progress **financing and business plan**.
- More detailed information about **understanding of risks of credible mitigation measures**, particularly concerning infrastructure the project may be dependent on.
- commitment from main project sponsors - through **MoU/Letter of Intent** from **Equity Providers**

Call & assessment structure

RELEVANCE

(pass/fail)

- Contribution to **objectives of the call**
- Achieving **security of supply of essential goods** & **contribution to Europe's industrial leadership & competitiveness**

QUALITY

(pass/fail)

- Technical maturity
- Financial maturity
- Operational maturity

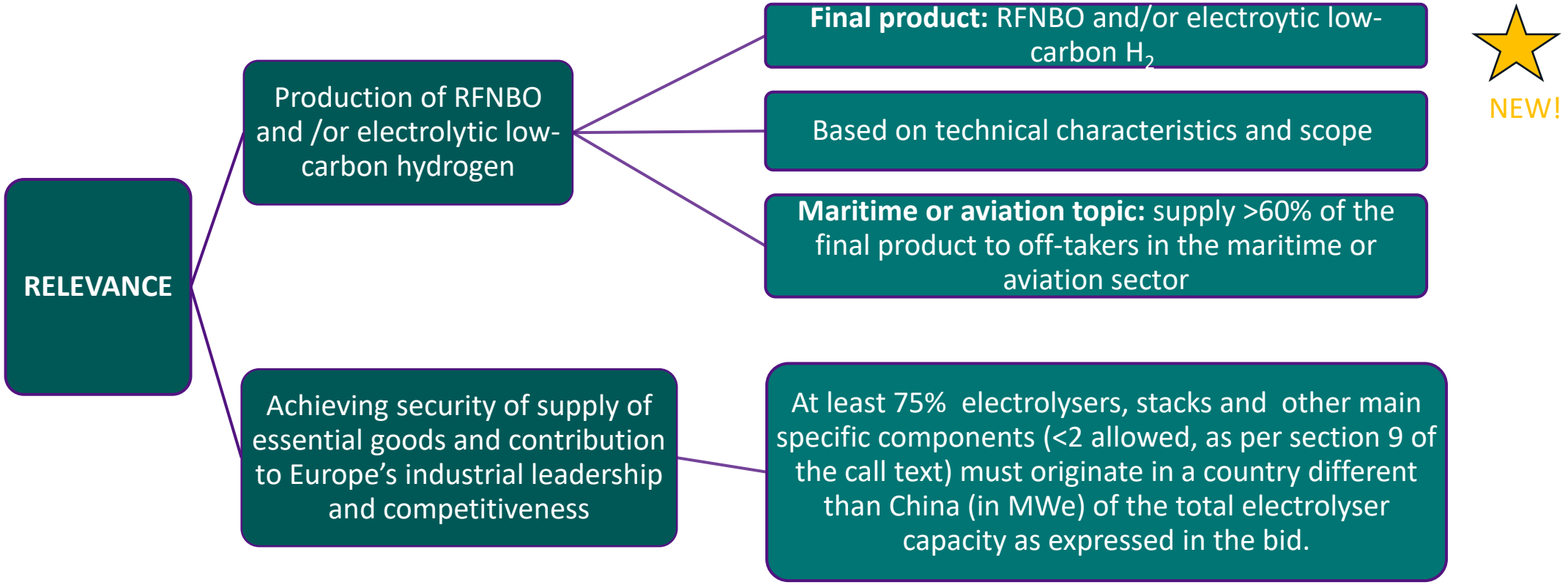
RANKING

- according to the bid price (€/Kg H_2)
- within the limits of the available budget

Mandatory annexes

1. *Detailed budget table/ calculator*
2. *Participant information*
3. *Timetable/ Gantt chart*
4. *Feasibility Study*
5. *Sourcing strategy - Electricity sourcing supporting evidence*
6. *Off-take strategy - Hydrogen off-take supporting evidence*
7. *Procurement strategy - Electrolyser procurement supporting evidence*
8. ***Support to project - Equity supporting evidence***
9. *Environmental permits –evidence of initiated process*
10. *Grid connection permits –evidence of initiated process*
11. *Completion guarantee letter of intent*
12. *Extended part C form*

Award criteria – *Relevance 1/2*



Award criteria – *Relevance 2/2*

Contribution to achieving security of supply of essential goods and contribution to Europe's industrial leadership and competitiveness

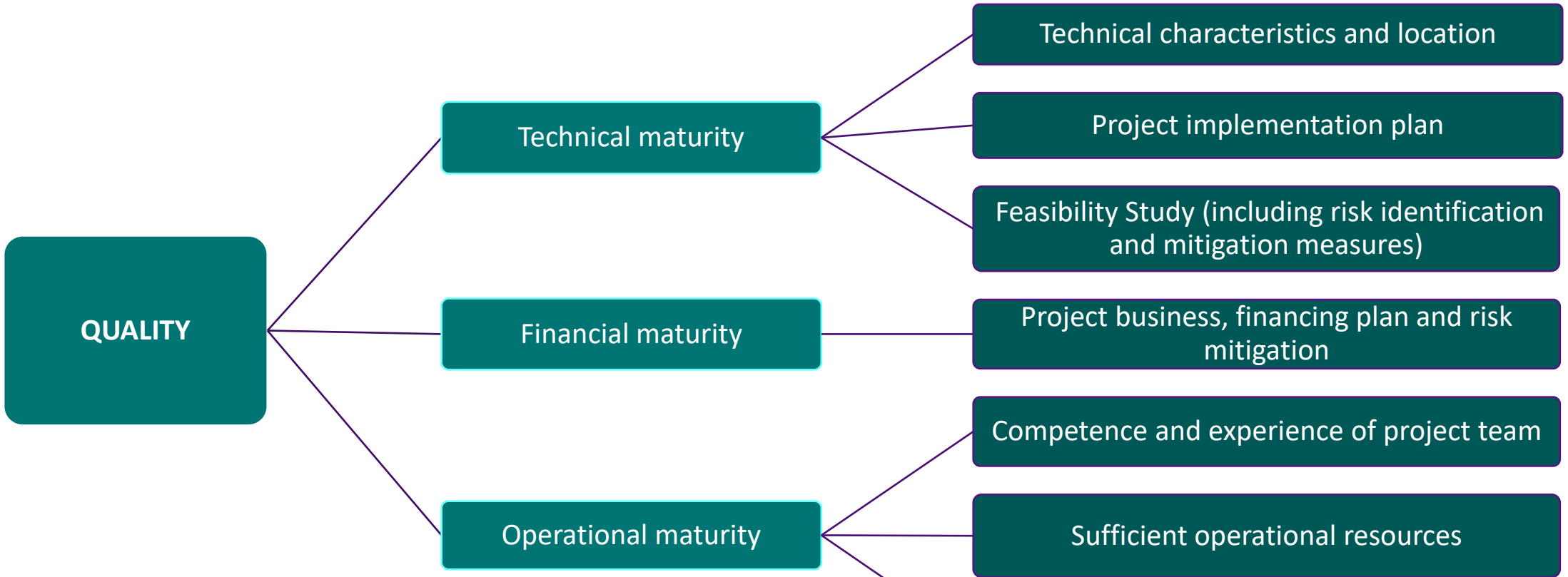
NEW!

- At least 75% of the electrolysers included in the project of the bid (hydrogen production unit excluding the BoP) must originate in a country different than China. For these 75%:
  - stacks must originate in a country different than China
  - no more than two of main specific components* may originate in China (stacks cannot count for these two components)

Applicants must provide **sufficient evidence in the application to underpin the claims** made under this sub-criterion (e.g. MoU/LoI/ precontractual signed term sheets with electrolyser manufacturer)

***as defined in section 9 of the call text.**

Award criteria – *Quality*



Financial Close within 2.5 years after GA signature

Entry into Operation within 5 years after GA signature

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Thank you