

CALL FOR EVIDENCE FOR AN EVALUATION	
TITLE OF THE EVALUATION	Innovation Fund – evaluation of its operation
LEAD DG – RESPONSIBLE UNIT	1. Directorate-General for Climate Action (DG CLIMA.C.2 Low Carbon Solutions (II): Research & Low Carbon Technology Deployment)
INDICATIVE TIMETABLE (PLANNED START DATE AND COMPLETION DATE)	Planned start date: Q4-2024 Planned completion date: Q4-2025
ADDITIONAL INFORMATION	https://climate.ec.europa.eu/eu-action/eu-funding-climate-action/innovation-fund_en
<i>This document is for information purposes only. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the document, including its timing, are subject to change.</i>	

A. Political context, purpose and scope of the evaluation

Political context

The [Innovation Fund](#) is one of the world's largest funding programmes supporting the deployment of innovative net-zero technologies. It aims to bring solutions to the market to:

- decarbonise the energy, industry, mobility, and building sectors,
- reduce greenhouse gas emissions,
- support Europe's transition to climate neutrality while promoting competitiveness.

The [EU Emissions Trading System \(EU ETS\)](#) - the world's largest carbon pricing system - provides the revenues for the Fund from the monetisation of about 530 million ETS allowances. The Fund's total budget depends on the carbon price. It may amount to about EUR 40 billion from 2020 to 2030, based on a carbon price of EUR 75/tCO₂.

The Fund supports projects in renewable energies, energy-intensive industries, energy storage, carbon use and storage, net-zero mobility and buildings. It mainly awards support for projects through competitive procedures: [calls for proposals](#) for regular grants, and [auctions](#). The Fund has already awarded about EUR 12 billion for over 200 innovative projects (including projects under grant agreement preparation).

In 2025 and every five years thereafter, the Commission will evaluate the Innovation Fund's operation ([Delegated Act 2019/856](#)).

This Evaluation is taking place at the same time as the evaluations of the Modernisation Fund and the EU ETS Directive.

Purpose and scope

The Commission will evaluate the implementation of the Innovation Fund from 2020 to 2024. The evaluation will focus primarily on assessing synergies between the Fund and other EU programmes, including Horizon Europe, and the procedures for disbursing financial support. The findings of the evaluation will be utilised to enhance various aspects of the Fund's implementation.

The evaluation will assess five criteria:

Effectiveness: the degree to which the Fund has succeeded in achieving its objectives of:

- i. supporting projects that demonstrate highly innovative technologies, processes and products that are (a) sufficiently mature, (b) possess significant potential to reduce emissions, and (c) aim to be scaled up for broad commercial rollout across Europe;
- ii. providing financial support tailored to market needs and risk profiles of eligible projects while attracting additional public and private resources;
- iii. ensuring that Innovation Fund revenues are managed to accomplish the objectives of the ETS Directive.

Efficiency: how ETS allowances have been employed to achieve the expected effects of the Fund (outputs, results and impacts), alongside the administrative burden associated with application, evaluation, and project implementation.

Relevance: the connection between the Fund's objectives and the attainment of EU climate targets, particularly emissions reduction and necessary technology development, while strengthening competitiveness and resilience. The evaluation will also look at the Fund's objectives in view of the forthcoming Clean Industrial Deal, including supporting the industry's sustainable competitiveness and large-scale decarbonisation.

Coherence: how the various elements of the Fund (calls for proposals, blending operations, project development assistance, support for National Contact Points, communication and knowledge-sharing activities, etc.) function cohesively to achieve its objectives (internal coherence) and how they synergise with the EU's policy objectives and other programmes, such as Horizon Europe, the Recovery and Resilience Fund, and InvestEU.

EU added value: the extent to which the results and impacts of the Fund contribute to changes prompted by the Commission's intervention over what could reasonably have been expected from national actions.

B. Better regulation

Consultation strategy
<p>DG CLIMA will hold a 12-week public consultation on the evaluation of the Innovation Fund starting in Q1 2025. The consultation will be accessible via Have Your Say.</p> <p>DG CLIMA invites representatives from eligible countries, National Contact Points, the Innovation Fund's Expert Group members, beneficiaries, previous applicants, and broader stakeholders to participate in this consultation (see 'Target audience' section below). The questionnaire is available in all 24 official EU languages and answers may be provided in any of those languages.</p> <p>DG CLIMA will promote the public consultation through the Commission's website, social media and direct email outreach. Additionally, DG CLIMA aims to engage stakeholders with results and initial findings from the public consultation questionnaire.</p> <p>DG CLIMA will summarise all consultation activities and results in its evaluation report.</p>
Why we are consulting?
<p>The consultation will enable stakeholders to express their views on the Innovation Fund, including its relevance, anticipated benefits, impact, added value, synergies, and alignment with other EU programmes.</p>
Target audience
<p>The consultation is aimed at stakeholders from European Economic Area (EEA) countries and sectors supported by the Innovation Fund (renewable energies, energy-intensive industries, energy storage, carbon use and storage, net-zero mobility, and buildings). In particular it targets industrial stakeholders, financial institutions, beneficiaries, previous applicants, representatives of EEA countries (including National Contact Points), members of the Innovation Fund's Expert Group, and representatives of the scientific community. It also includes officials from the Commission and other institutional partners, such as the EIB.</p>
Data collection and methodology
<p>The evaluation will utilise the Commission's qualitative and quantitative data, with support from a contractor.</p> <p>In particular, DG CLIMA will make use of existing information and data from the Innovation Fund project portfolio dashboard, and previous performance statements and progress reports (2021, 2022).</p> <p>The contractor will perform desk research analyses on documents provided by the Commission. A literature review of other relevant sources, including published and ongoing work by the Commission alongside other institutions and stakeholders, will provide additional input for the evaluation. Project-specific case studies, interviews and targeted surveys will also be part of the evaluation.</p>