

## ZEP response to Innovation Fund consultation – an amendment of the delegated regulation to enable a choice between a one-stage or two-stage application procedure for the next large-scale call

The Zero Emissions Platform (ZEP) is a European Technology and Innovation Platform (ETIP) under the Commission's Strategic Energy Technology Plan (SET-Plan) and acts as the EU's technical adviser on the deployment of Carbon Capture and Storage (CCS), and Carbon Capture and Utilisation (CCU) under Horizon2020 R&I programme (grant agreement 826051).

ZEP supports the European Union's commitment to reach climate neutrality by 2050, defined as net-zero greenhouse gas (GHG) emissions by 2050. To this end, carbon capture and storage (CCS) and carbon capture and utilisation (CCU) technologies play a crucial role. These technologies represent a readily available, cost-efficient pathway for the decarbonisation of industrial and energy sectors in the European Union.

ZEP is pleased to provide input to the Innovation Fund consultation with the following:

- a positive reply with reservations and some questions, and
- further comments ahead of the second large-scale call.

## Reply and reservations

ZEP is supportive of the flexibility that enabling a choice between a two-stage and a one-stage application procedure would allow for applicants. Especially for less complex projects, this may result in an easier, less resource-heavy and faster procedure to receive funding. At the same time, it is ZEP's view that the current two-stage process has a very good possibility to result in a balanced selection of approved projects, governed by the principle of technology neutrality and a science-based approach.

Before deciding on the introduction of the complementary one-stage process, it must be clarified how this amendment will impact more complex projects, such as CCS projects. ZEP would like to see an impact assessment, analysing how the proposed amendment would affect the application/selection process. Our positive reply is therefore conditional on:

- that introducing a one-stage process will not create a disadvantage for more complex projects, applying in accordance with the two-stage process for being rewarded funding.
- that projects applying for the one-stage process will not be eligible for Project Development Assistance

Further comments ahead of the second large-scale call

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ZEP would like to thank the European Commission for a transparent process leading up to the planned first call for large-scale and small-scale projects of the EU ETS Innovation Fund. ZEP appreciates the opportunity to provide feedback and engage with DG CLIMA at the Expert Group meetings, as well as in bilateral meetings, and is thankful for the timely updates provided to ZEP.

Ahead of the second call, ZEP would like to reiterate its proposed changes that have previously been <u>highlighted</u> referring to the current state of design of the Innovation Fund.

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