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## European Commission and EIB Strengthen Support for Decarbonisation Projects under the Innovation Fund

**Key policies:** *Innovation Fund, EU Emissions Trading System (EU ETS), Clean Industrial Deal, European Green Deal, EU Climate Law, EU Climate Neutrality Objective 2050, EU State Aid Framework for Climate, Energy and Environment, InvestEU Programm*

The **European Commission** and the **European Investment Bank (EIB)** have signed a renewed agreement to expand **Project Development Assistance (PDA)** under the **Innovation Fund**, significantly strengthening technical and financial advisory support for innovative decarbonisation projects across Europe.

The renewed agreement aligns closely with the EU's **Clean Industrial Deal**, reinforcing the Union's commitment to scaling up net-zero technologies, accelerating industrial decarbonisation and boosting Europe's long-term competitiveness.

### Scaling up support for innovative projects

Under the renewed Innovation Fund PDA programme, **EIB Advisory** will provide tailored support to **up to 250 projects between 2025 and 2028**. This marks a substantial expansion compared to the first PDA phase, which supported **62 innovative projects**, many of which have already secured funding through the Innovation Fund, national programmes or have been recognised as projects of common interest.

To match this increased ambition, the Commission has expanded the PDA budget from **€24 million to €90 million**, enabling broader sectoral coverage and deeper support for project promoters.

### Broader scope and new sectors covered

Following changes to the **EU Emissions Trading System (EU ETS)**, the renewed PDA mandate now includes additional sectors, such as:

- **Net-zero and low-carbon mobility**, including maritime, rail and road transport
- **Buildings**
- Other newly eligible decarbonisation areas under the Innovation Fund

The programme also introduces **new Key Performance Indicators (KPIs)** to:

- Improve geographical and sectoral balance
- Promote **small-scale projects**
- Support **less mature, high-potential projects**

This approach ensures that support reaches a diverse pipeline of projects across the EU.

### Easier access through "open PDA"

A key innovation of the renewed agreement is the introduction of **“open PDA”**, which allows project promoters to request support **directly from EIB Advisory**, in addition to PDA linked to Innovation Fund calls.

Under this model:

- Promoters can contact EIB Advisory directly
- EIB assesses project needs and development potential
- PDA is awarded on a **first-come, first-served basis**
- Support focuses on increasing project maturity and improving chances of success in future Innovation Fund calls

This flexible approach enhances accessibility and enables **faster, more tailored support** for promising clean tech and industrial decarbonisation projects.

### **Supporting EU climate and industrial objectives**

The renewed PDA programme contributes directly to the EIB’s strategic priorities in **climate action and innovation**, while supporting the EU’s objective of achieving **climate neutrality by 2050** and building a **sustainable, competitive industrial base**.

**Wopke Hoekstra**, Commissioner for Climate Action, stated:

“Through the Project Development Assistance provided by the Innovation Fund, the EIB is offering enhanced technical and financial support for promising decarbonisation projects. We are laying the groundwork for the innovative and competitive industrial base of the future.”

**Christoph Kuhn**, EIB Deputy Director General, added:

“With the renewed PDA agreement, EIB Advisory is not only building on past success. It is setting a new standard for how Europe can support its most innovative and transformative clean technologies.”

### **Background**

The **EIB Group**, which also includes the European Investment Fund (EIF), is the EU’s long-term financing arm and a key driver of investments aligned with EU policy priorities. In 2024 alone, the EIB Group signed nearly **€89 billion in new financing** for over **900 high-impact projects**, with almost **60%** supporting climate action and environmental sustainability.

The **Innovation Fund**, financed through revenues from the **EU ETS**, is one of the EU’s flagship instruments for supporting **cutting-edge low-carbon and net-zero technologies**. Since 2021, it has committed around **€12 billion** to support approximately **200 innovative projects** across the European Economic Area.

Source: [https://climate.ec.europa.eu/news-other-reads/news/european-commission-and-european-investment-bank-further-support-decarbonisation-projects-innovation-2025-06-03\\_en](https://climate.ec.europa.eu/news-other-reads/news/european-commission-and-european-investment-bank-further-support-decarbonisation-projects-innovation-2025-06-03_en)