

Access to EU Funding: **THE INNOVATION FUND**

The **Hague.**

Business Agency

 **I-DS coaching & consulting**



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DOING GOOD AND DOING BUSINESS IN THE HAGUE

Every day, thousands of talented people are working on innovations towards building a better, safer and more just world in The Hague. The Hague uniquely positions itself as ImpactCity, based on the conviction that economic success and social impact can go hand in hand.

The city of The Hague, as the seat of Dutch government, is delighted and proud to welcome new organisations that contribute to this mission. The Hague aims to become climate neutral by 2030 and as a hub for sustainable development.



THE HAGUE BUSINESS AGENCY

The Hague Business Agency is a publicly funded non-profit organisation, an integral part of the Invest in Holland Network. The Hague Business Agency's mission is to assist foreign companies, NGOs and international organisations with their expansion to the Netherlands.



Benefits of working with us and our partners

At The Hague Business Agency, we understand complex projects and quickly connect companies with the right people and relevant organisations from our networks with the highest level of confidentiality to enable them to meet their business needs.

Services of The Hague Business Agency are free of charge due to collaboration and support by the Dutch government. If you need any assistance in finding the right contacts in funding, legal, tax or any other business related matter, please contact us via business@thehague.com.

Who we are

Known worldwide as the International City of Peace and Justice, The Hague is the city where talented people are working on innovations towards building a better, safer and more just world. With many established as well as growing networks and a large knowledge infrastructure, the city provides great value for companies in new energy, finance, legal & policy, IT & technology, impact economy and cyber security industries. The Hague Business Agency, together with the Dutch government, academic society, and many strong commercial partners, is actively building the most nurturing ecosystem for startups, scale-ups and corporates in these clusters. Meet our team of professionals who are passionate about assisting innovating companies to expand their business in Europe and introducing them to The Hague ecosystem.

◆ IT, Tech and Cyber Security

Business Advisor **Anesh Kisoen**

Get in touch with Anesh Kisoen, Business Advisor for IT & Tech related business ventures in The Hague. The city is a global hub for innovation and entrepreneurship and is a center of IT & Tech expertise. At the national level, The Hague is home to many organizations and initiatives including the new Strategic Action Plan for Artificial Intelligence. They form a strong tech ecosystem in The Hague that attracts industry leaders as well as young IT talent. The Hague is a major and rapidly expanding cybersecurity hub in Europe. In The Hague, we believe that new technologies are imperative in accelerating and maintaining peace, justice, and security worldwide. Major international advancements and breakthroughs in the fields of cybersecurity, forensics, national security, and critical infrastructure are developed in The Hague area, forming an unparalleled ecosystem of cybersecurity companies. Our city drives global initiatives on the ethical and legal challenges related to the internet, big data, artificial intelligence (AI), and robotics.



◆ Legal and Policy

Head of Foreign Investments **Laurens Kok**

The Hague, as the International City of Peace Justice, has a strong Legal & Policy cluster due to the well-established community of policymakers, public institutions, and related commercial firms. The city of The Hague initiates and supports many opportunities for foreign direct investments in order to further strengthen its Legal & Policy cluster.



◆ Finance

Business Advisor **Daisy Tjin A Lien**

Ongoing investments and funding are vital for innovation and business growth. Business Advisor Daisy Tjin A Lien will introduce you to the opportunities and players in the field of finance in The Hague, where the established industry is represented by major multinationals headquartered in the city - Nationale-Nederlanden, Aegon, MN Services, NIBC and FMO – along with key financial institutions. They make a solid foundation for a healthy business climate critical for startups and for business success. This strong financial infrastructure makes our city a very attractive place for finance-related businesses and startups.



◆ **New Energy**

Business Advisor **Philip Mulder**



Meet Philip Mulder, Business Advisor for the cluster (New) Energy. Philip is involved and connected with the many initiatives in The Hague that actively support the development of sustainable solutions ensuring the transition to renewable forms of energy in the near future. From the production of clean energy with wind, geothermal, marine and solar energy, to the application all the way to your living room, with smart energy solutions. Not forgetting related carbon-reducing industries, such as hydrogen, CCS, electrification and energy storage.

◆ **Investor Relations**

Project Manager **Guy van Eijkeren**



The Hague Business Agency is helping innovating business pioneers to strategically expand their business operations in Europe. Once organisations are settled, we stay connected via our Investor Relations network in and around The Hague. Guy van Eijkeren monitors local and national topics which are of interest to the network. From - for example - COVID-support, to broad strategic shifts, any opportunities and information that may benefit network members.

◆ **NGOs and Social Enterprises**

Business Advisor **Diana Eggleston**



Our Business Advisor Diana Eggleston assists international NGOs, social entrepreneurs and purpose-driven companies to set up in The Hague. Totally committed to the ImpactCity The Hague's motto "doing good and doing business", Diana believes that economic success can go hand-in-hand with solutions that address global challenges. The Hague has one of the best-connected and fastest-growing impact ecosystems in Europe where innovative, sustainable projects are increasingly attracting both public funding and private investments. The ImpactCity culture has created an environment where the business community, governmental institutions and academia work together to create a better, safer and more just world. If your clients - profit or non-profit - are working to address the UN's Sustainable Development Goals, then contact Diana to find out how they can be part of ImpactCity The Hague's dynamic community.

◆ **Marketing and Communications**

B2B Marketing and Communications Advisor
Luba Fateeva



In the B2B environment, a strong online presence, targeted reach, and active engagement are more important than ever. The Hague Business Agency is offering a wide range of marketing and promotion services tailored to the needs of our clients. We combine broad knowledge of our clients with deep understanding of the various sectors, organizations, and institutions, which allows us to quickly develop comprehensive and targeted marketing campaigns focused on specific business goals. We actively use a wide range of online tools and platforms to achieve desired results. We work with a list of preferred suppliers in media and content development, and we guarantee a high-quality product.

Asia

Due to rapid economic development and the potential for growth in Asia, the Asian market is one of the most important target markets for THBA.

Each account manager at the Asia desk of THBA is highly experienced and skilled in their fields. We have representation in China (Qingdao) to directly assist and to guide Chinese companies.

For the last few years, The Hague Business Agency has successfully attracted many Asian companies (especially from China and India) to set up in The Hague. Our success lies in the fact that we continuously assist these companies even after establishment. With our soft-landing programme and local ecosystem integration scheme, we have supported companies in their journeys to success in our region.

India

The Hague hosts the largest Indian diaspora community in mainland Europe and has had a good relationship with India for many years. To strengthen this bilateral relationship, The Hague has signed Memoranda of Understanding (MoUs) with the states of Karnataka and Telangana, which focus on the exchange of innovation in various fields. The Hague Business Agency has been actively involved with setting up this relationship with Indian business entrepreneurs. We have gained extensive experience in the Indian market by leading regional trade missions and attracting Indian companies to The Hague area.

◆ Asia

Head of Asia Roy Fu



◆ Asia

Business Advisor
Daisy Tjin A Lien



◆ China

Representation in China
(Qingdao) Tracy Zhao

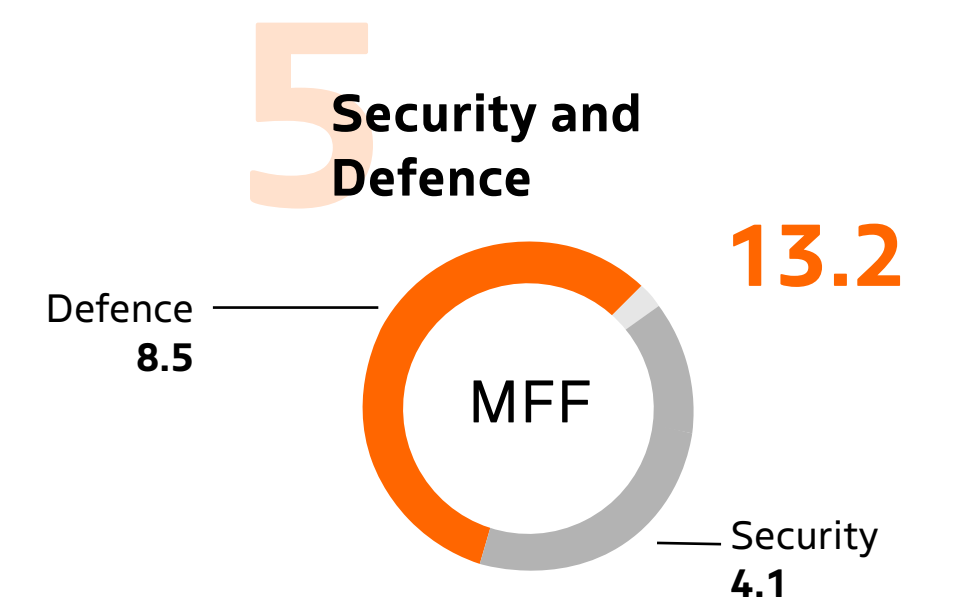
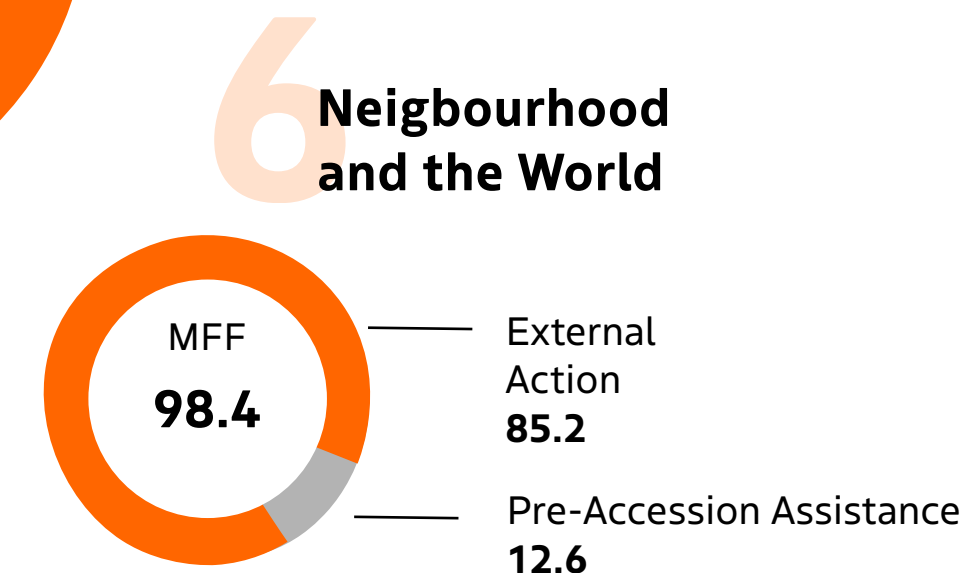
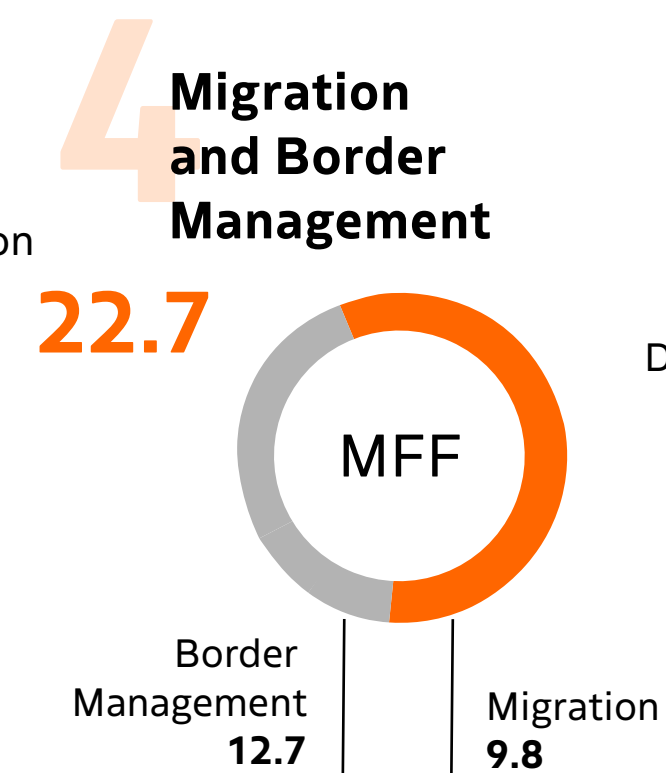
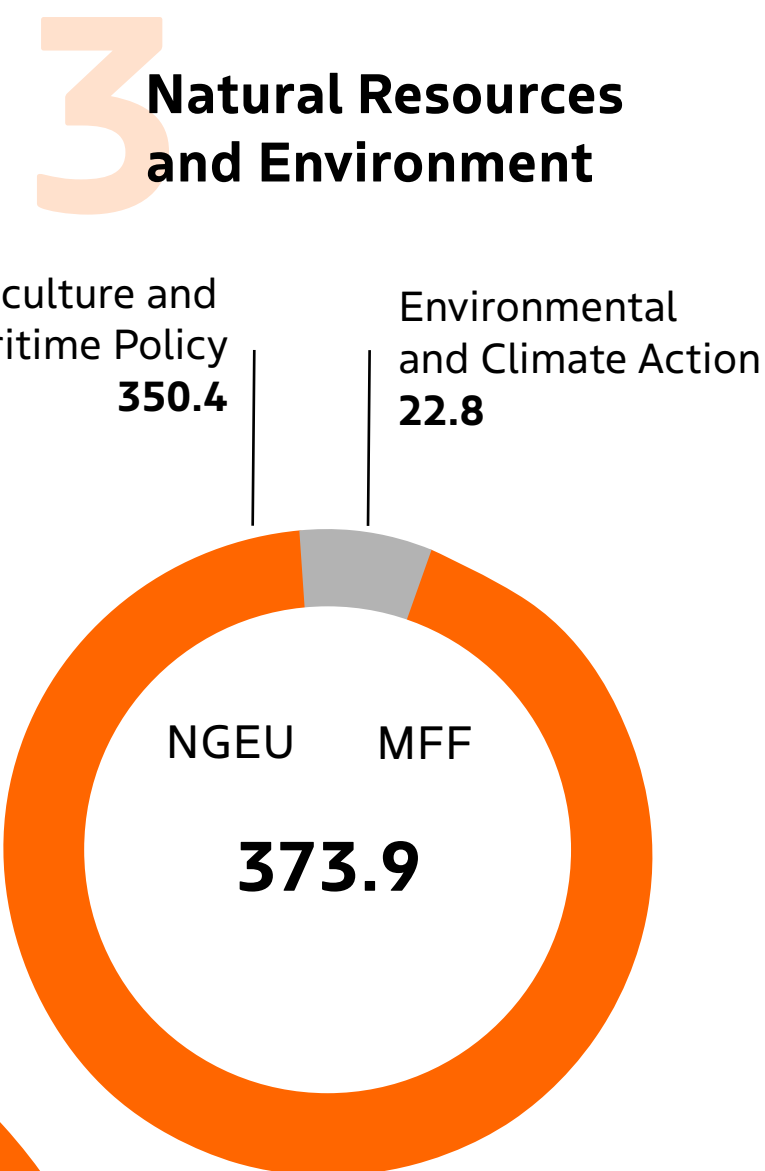
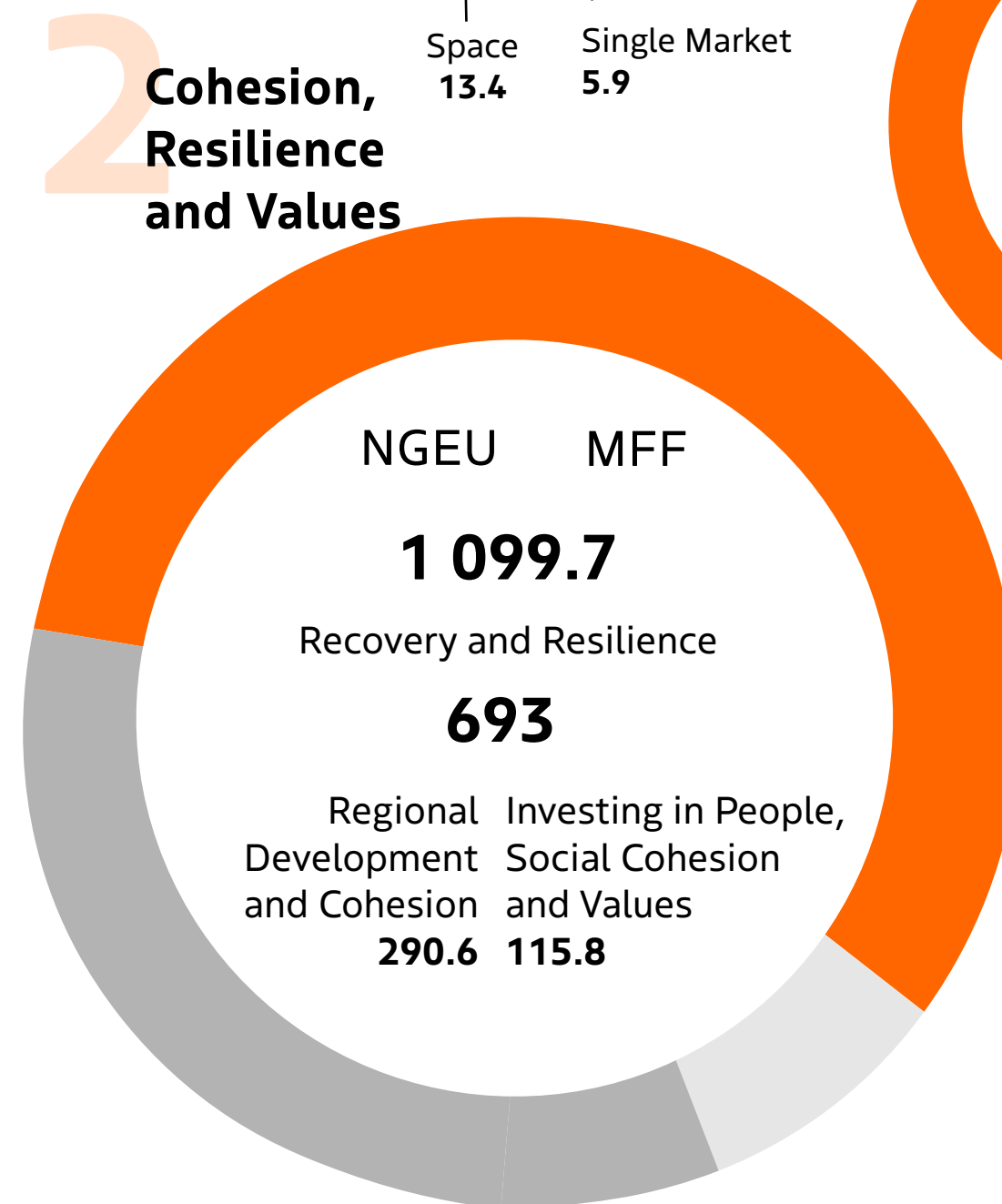
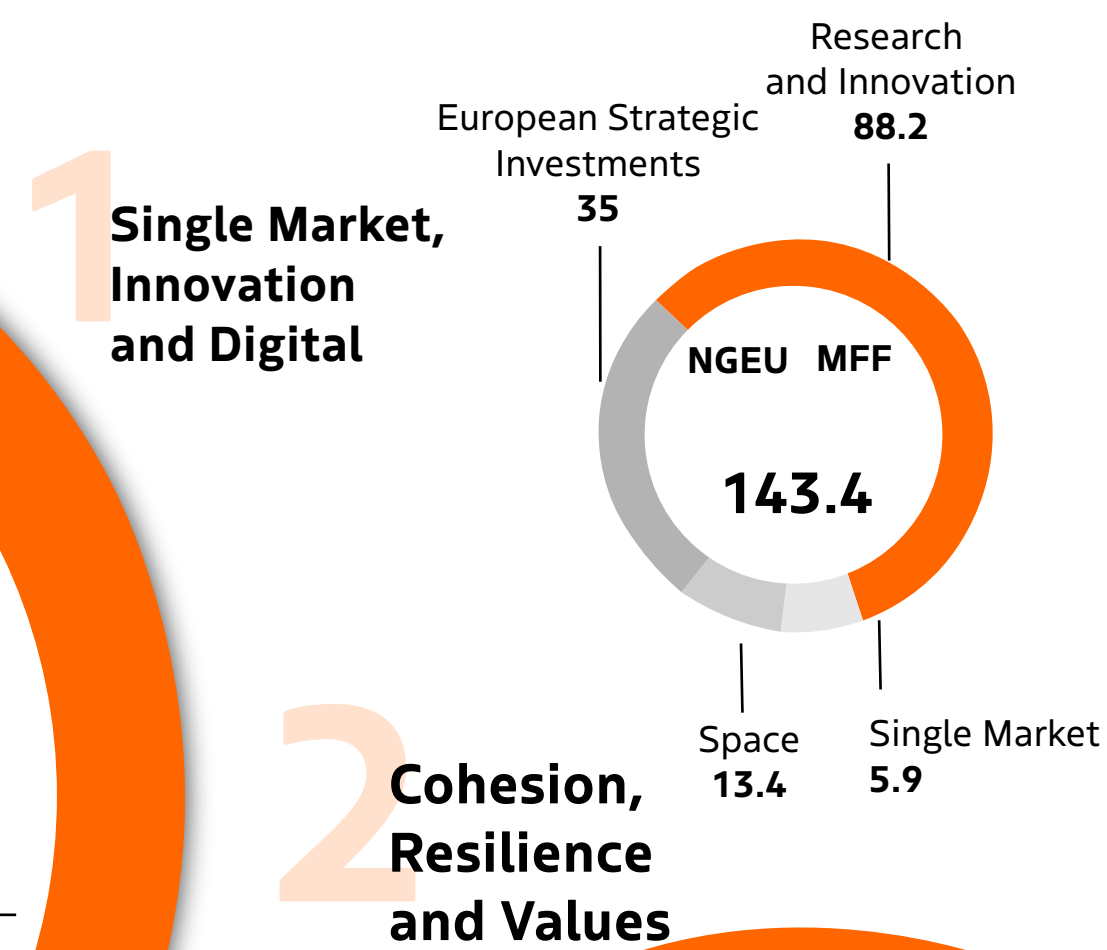
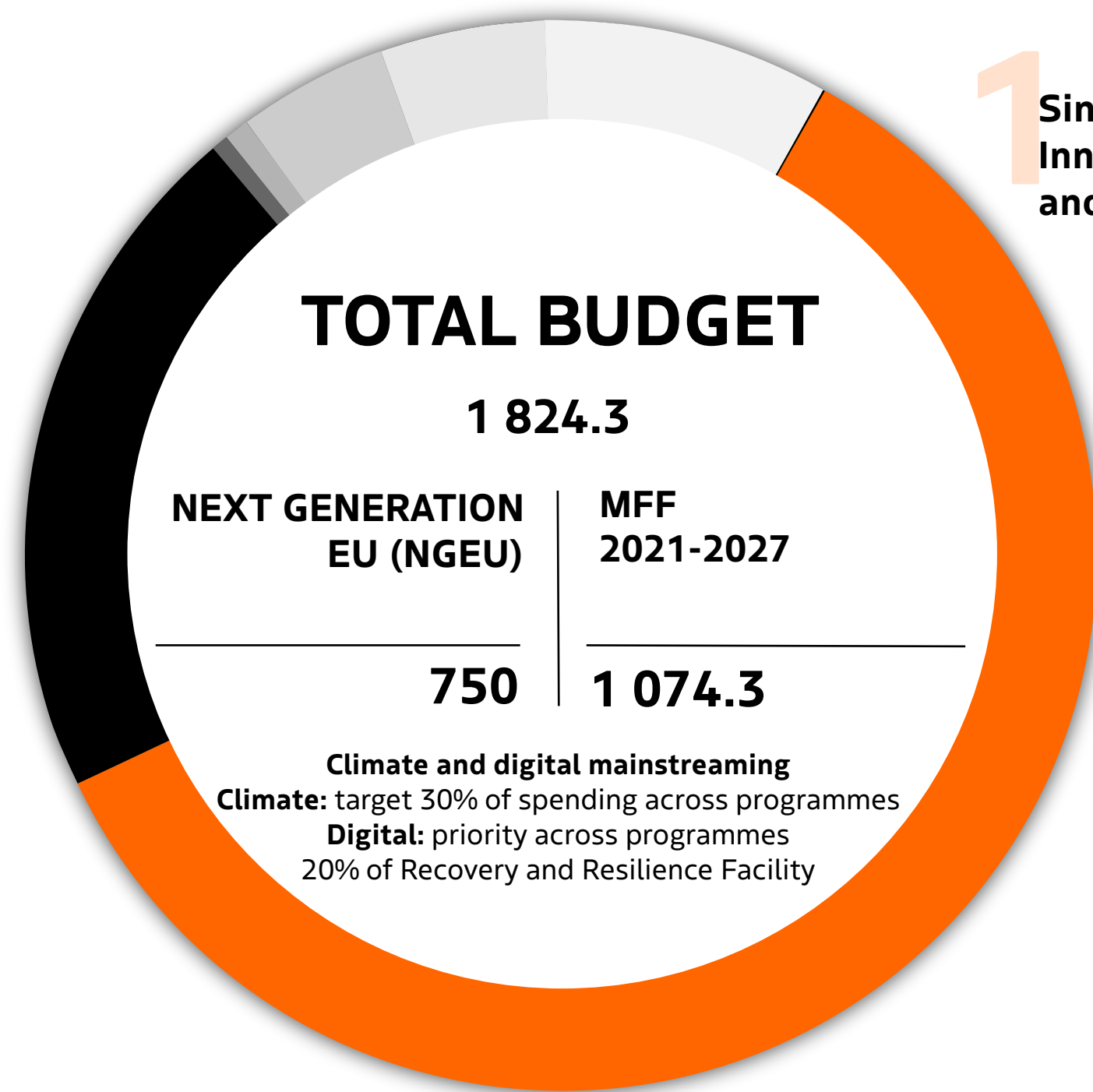


◆ India

Business Advisor
Anesh Kisoen



EU MULTI-ANNUAL FINANCING FRAMEWORK (MMF) 2021-2027



EU MULTI-ANNUAL FINANCING FRAMEWORK (MMF) 2021-2027

◆ Multiannual financial framework of the European Commission for the period 2021-2027 is equipped with a

budget of €1,074.3 billion in 2018

30% of the total expenditure from MFF and NGEU is to target climate-related spending.



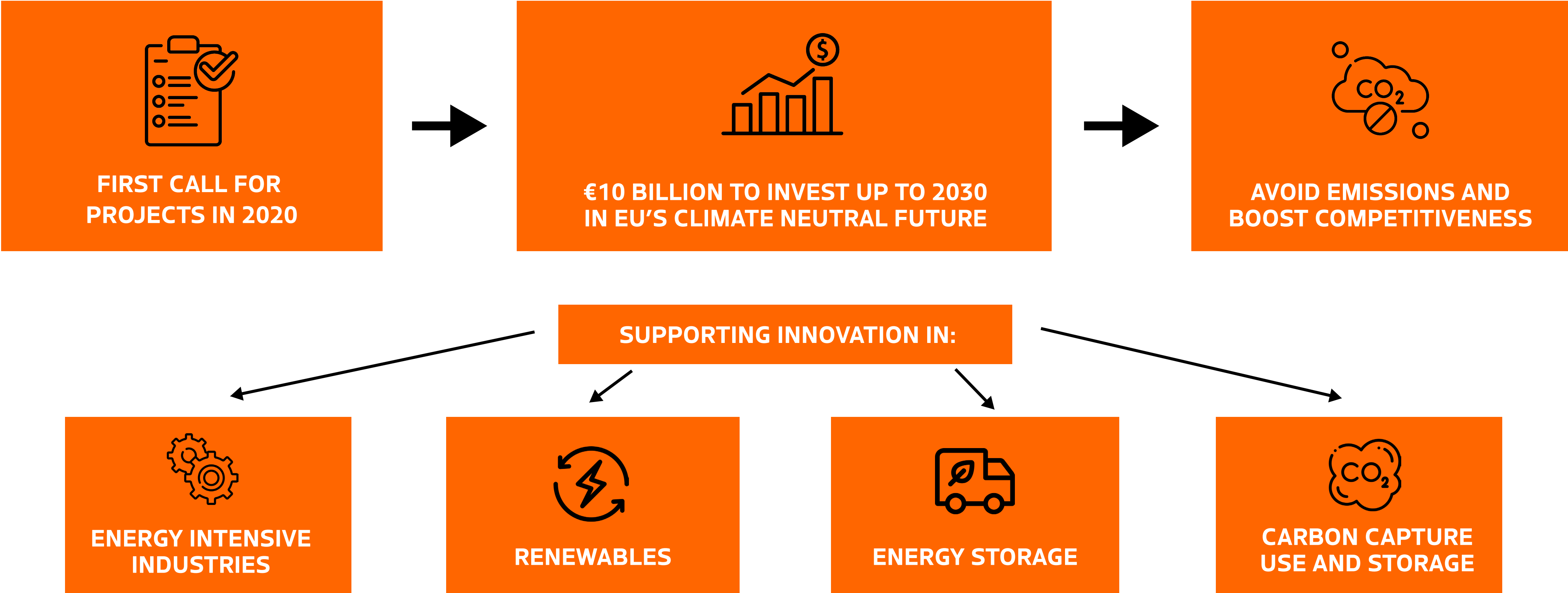
◆ The Next Generation EU recovery package (NGEU) of

€750 billion

is a framework of grants and loans over the period 2021-2024 to meet the unparalleled socio-economic challenge of the COVID-19 pandemic.

INNOVATION FUND

DRIVING CLEAN INNOVATIVE TECHNOLOGIES TOWARDS THE MARKET 2021-2027



FUNDED BY: EU EMISSIONS TRADING SYSTEM

WHAT IS THE INNOVATION FUND

DRIVING CLEAN INNOVATIVE TECHNOLOGIES TOWARDS THE MARKET 2021-2027

The European Commission's aim is to **cut greenhouse gases by 55% by 2030.**

This is a necessity, but it's also an unprecedented economic opportunity of our time. The European Green Deal, the commission is mobilizing an unprecedented wave of public investment over 280 billion euros under The Innovation Fund.

10 billion euros are made available to facilitate the development and scaling of techs that help reduce CO2 emissions.

Opportunity: The innovation fund is to finance low carbon technologies and for that purpose, they will invest around 10 billion euros of support by the end of 2013.



Companies and partnerships can apply with their projects. An applicant must belong to one of the sectors mentioned in the text of the call. The Innovation Fund has calls for 2 types of projects: **large scale and small scale.**

THE INNOVATION FUND FOCUSES ON

- ◆ Innovative low-carbon technologies and processes in energy-intensive industries, e.g. refineries, biofuels and biorefineries, iron and steel industry, non-ferrous metals, the cement and lime industry, glass, ceramics and construction materials, pulp and paper, chemicals and hydrogen;



- ◆ Products that replace carbon-intensive products
- ◆ Carbon capture and utilisation (CCU)
- ◆ Carbon capture and storage (CCS)
- ◆ Renewable energy generation - solar, wind energy, solar energy, hydro and ocean energy, geothermal energy, bio combined electricity, heating and cooling; Energy storage, i.e. electricity storage sector or other energy storage sectors;

IN ORDER TO APPLY TO THE INNOVATION FUND, YOU MUST BE ONE OF THE FOLLOWING:

- ◆ Registered business and/or project based in the EU member states, Norway and Liechtenstein
- ◆ Charity
- ◆ You must form a consortium with other members of this status
- ◆ Partnership or Research organisation that has legal standing

Important note: you can apply as a single entity. But it's highly recommended to form partnerships, especially for bigger projects. Your partners can balance out your weak points.

AWARD CRITERIA

GREENHOUSE GAS (GHG) EMISSION AVOIDANCE POTENTIAL

Absolute and relative GHG emission avoidance

DEGREE OF INNOVATION

Beyond incremental innovation and impact on
EU policy objectives

PROJECT MATURITY

Ready to reach financial close within 4 years?

SCALABILITY

Ready to reach financial close within 4 years

COST EFFICIENCY

Requested support per ton of CO2

Tip: use a professional consultant to guide you through the application process.
If you need help in finding one, please contact the hague business agency.

ELIGIBILITY REQUIREMENTS

ELIGIBLE COUNTRIES	EU Member States, Norway and Lichtenstein	TYPES OF CALLS	EU Member States, Norway and Lichtenstein
ELIGIBLE INSTITUTIONS	Private entities, Public Entities, International Organisations, SMEs	DURATION	3 years - small scale 3 to 10 years - large scale
CONSORTIUM REQUIREMENTS	Individual applications are accepted; Partnership with organisations from another countries is strongly recommended	FINANCING	EUR 2.5-7.5 million - small scale projects Above EUR 7.5 million - large-scale projects
CO-FINANCING RATE	60% co-financing rate	APPLICATION DEADLINE	Multiple cut-offs (minimum once/year)

HOW TO APPLY

APPLICATION ARE DONE ONLINE VIA THE WEBSITE

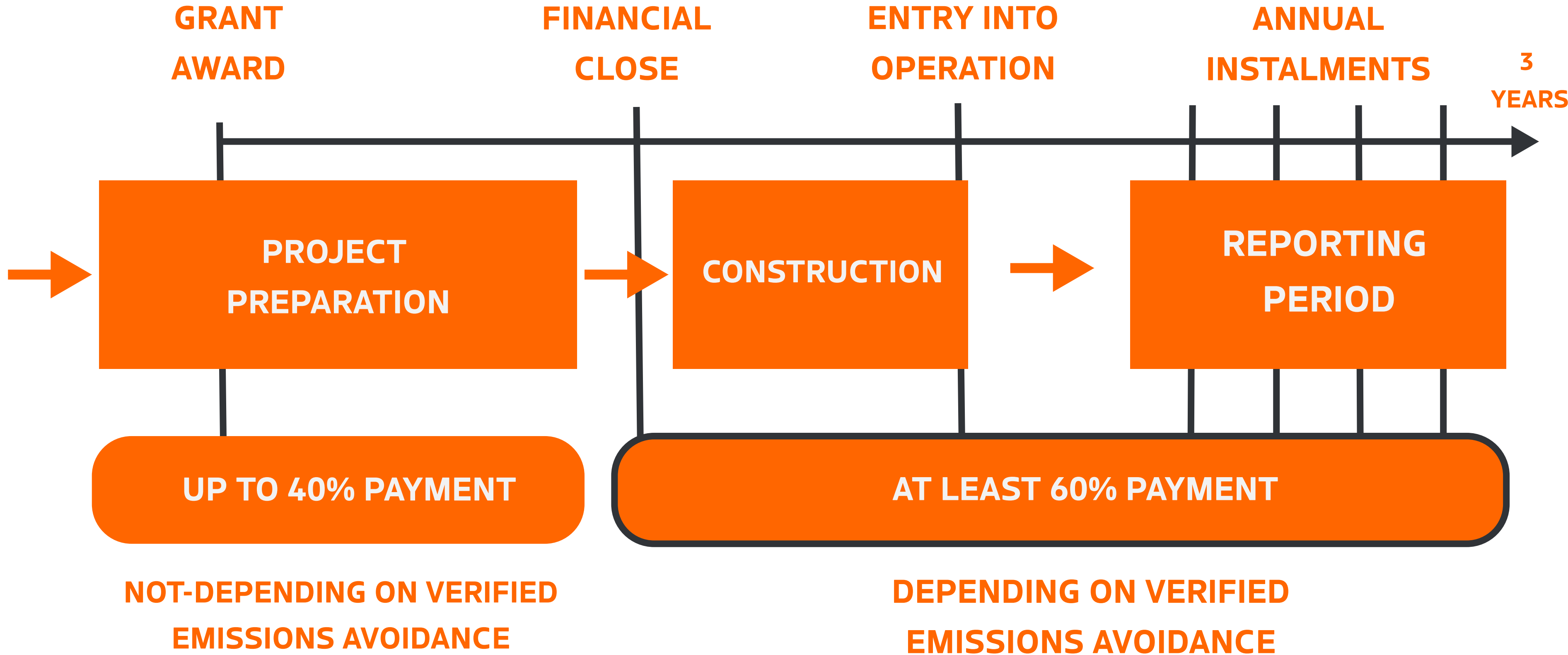
[www. \(link\) .com](#)

THE APPLICATION SCHEDULE IS AVAILABLE HERE.

[www. \(link\) .com](#)



SMALL SCALE CALLS BETWEEN EUR 2.5 - EUR 7.5 MILLION



SMALL SCALE CALLS BETWEEN EUR 2.5 - EUR 7.5 MILLION

Projects with a CAPEX between 2.5 and 7.5 million euros. This call is open to applications from all economic sectors that fit the Innovation Fund. Project must meet the following criteria:

1. Innovativeness

Important note: to meet this criterion your project needs to score minimum three out of five points, go beyond the state of art technology. For example, commercialization or in all commercial science emonstration of an already proven pilot or demonstration plant or and the project also needs to go beyond the incremental innovation. Your project has to offer a breakthrough concept.

2. Degree of CO₂-reduction

Important note: to meet this criterion precise calculations are required. If you have substantial errors, your application will be dismissed and will not be evaluated further.



SMALL SCALE CALLS BETWEEN EUR 2.5 - EUR 7.5 MILLION

3. Market maturity

Important note: to meet this criterion your project needs to have a minimum **three out of five points**. Your project needs to show that your solution is **technically feasible**, that you have a credible plan for implementation and an experienced project team. For example, if you require permits you, you either need to acquire them prior to the project or to already be in procedure. In some situations where possible, have contracts with customers or for launching can also be a plus. In terms of the financial maturity, you will need to **prepare the financial model**, which should be accepted by the banks.

SMALL SCALE CALLS BETWEEN EUR 2.5 - EUR 7.5 MILLION

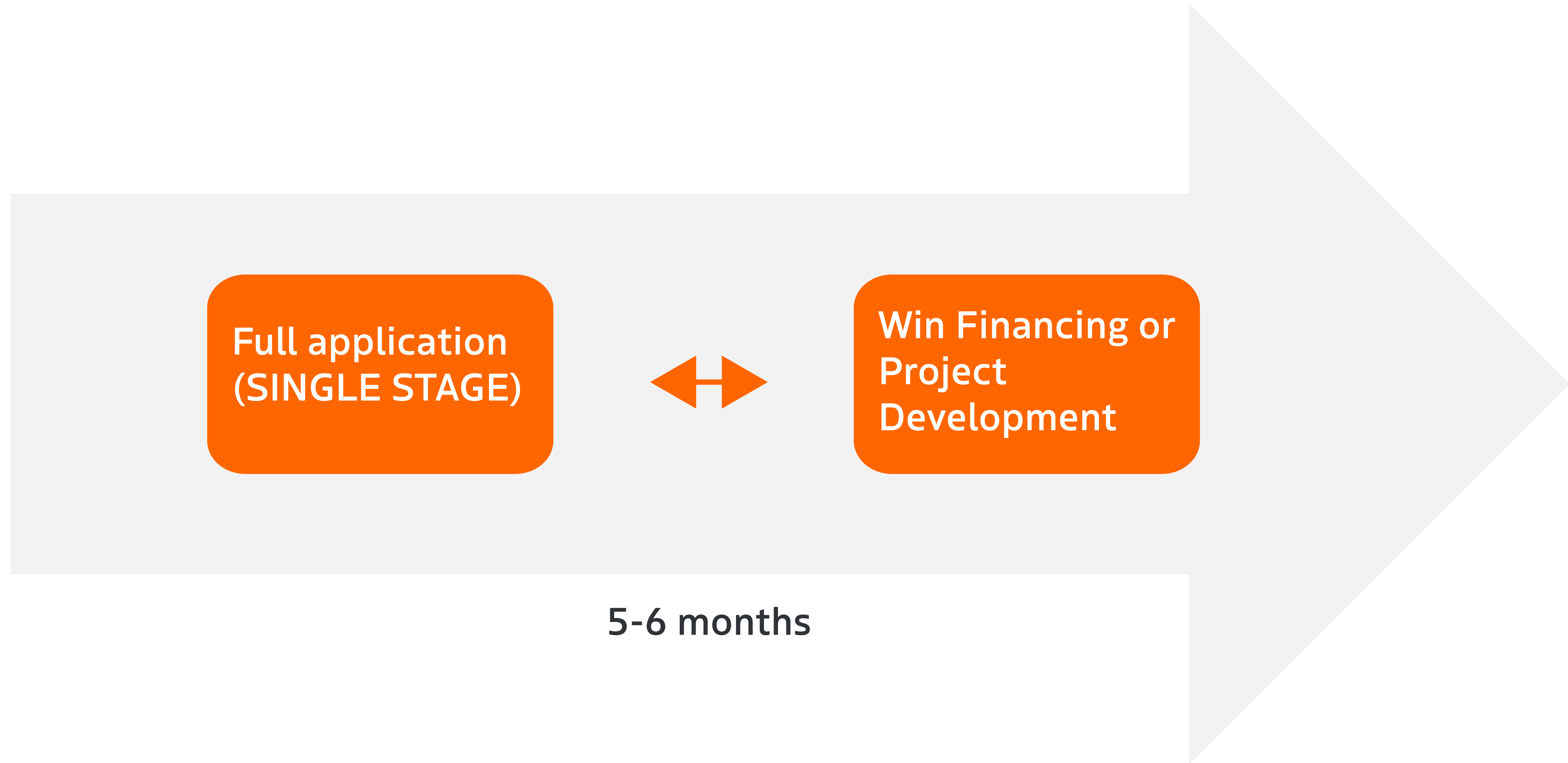
4. Possibilities for repetition within the EU

Important note: Your project will be evaluated on the basis of original level of scalability, whether your project can expand to other sites or possibly transfer to other sites, whether you can **cooperate with other actors** and contribute to the economy or in how your project contributes to knowledge sharing, communication and dissemination.

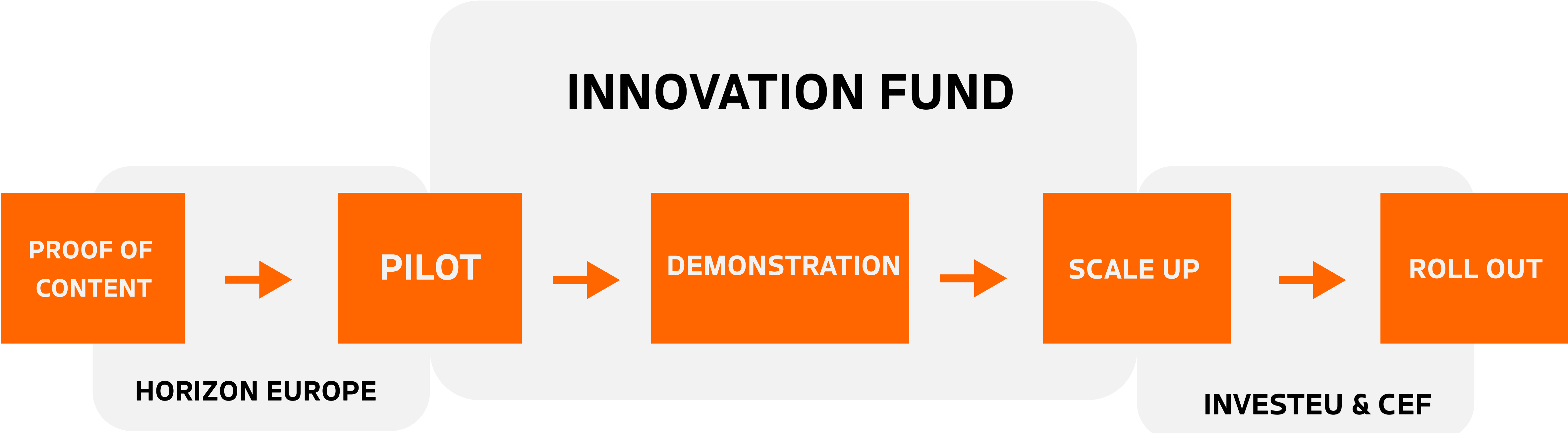


It will also involve evaluation on the basis of **sector level**, the extent to which the technology contributes to the sector and whether it contributes to any cost reduction, resource savings and greenhouse gas emissions avoidance and the loss, but not the least is the economy wide scalability. All of that proves the new value chains or reinforce existing ones.

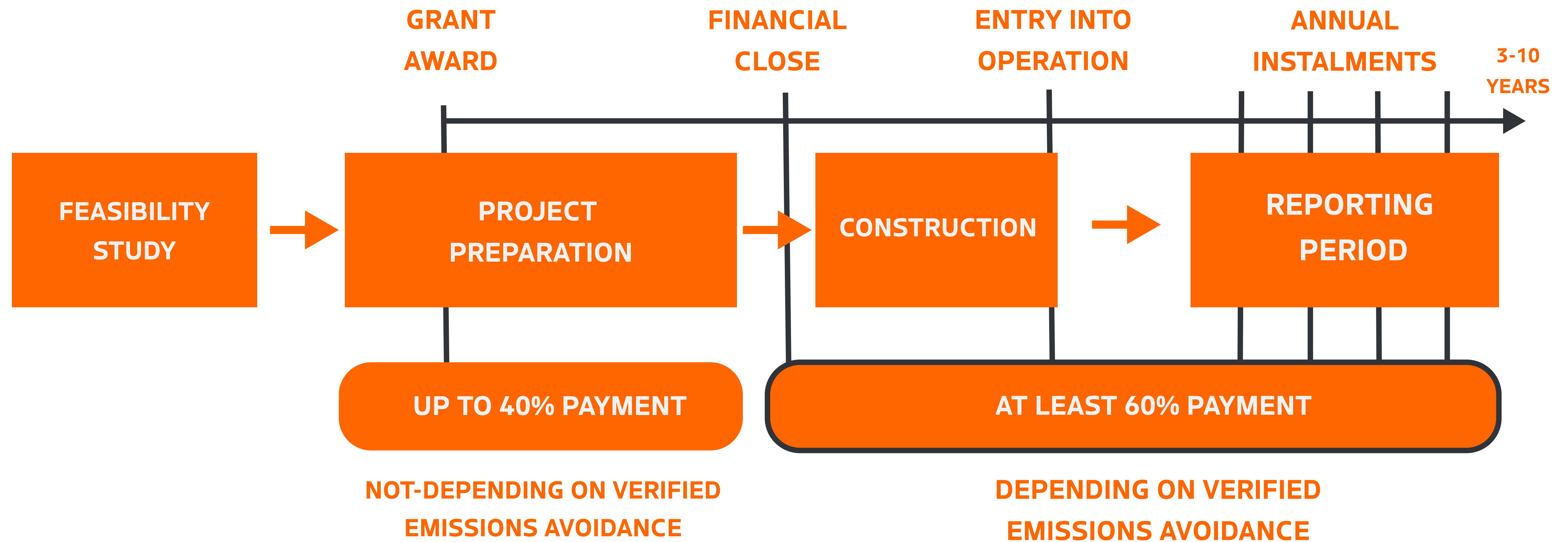
SMALL SCALE CALLS - ABOVE EUR 7.5 MILLION



SYNERGY WITH OTHER EU FUNDING OPPORTUNITIES



LARGE SCALE CALLS - ABOVE EUR 7.5 MILLION



SMALL SCALE CALLS BETWEEN EUR 2.5 - EUR 7.5 MILLION

The first call focused on large-scale projects, in which the criterion 'business maturity' was very important. The application process has 2 steps:

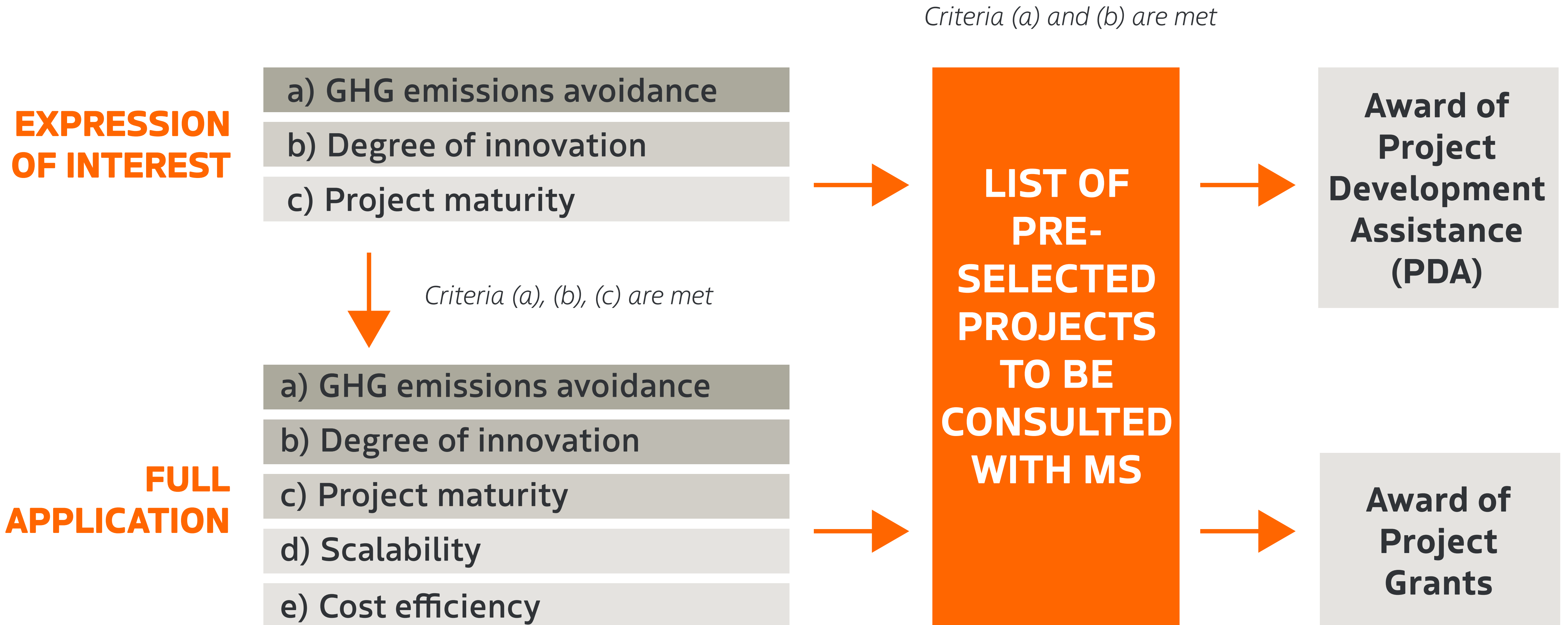
1 An open round with shortened applications

This round opened on 7 July 2020 and had a deadline of 29 October 2020 17:00 CET. The budget for this round is 1 billion euros.

2 The second round

After the selection of the first-round applications, around 70 companies from the EU have been invited to submit a complete application.

LARGE SCALE CALLS - APPLICATION & SELECTION PROCESS

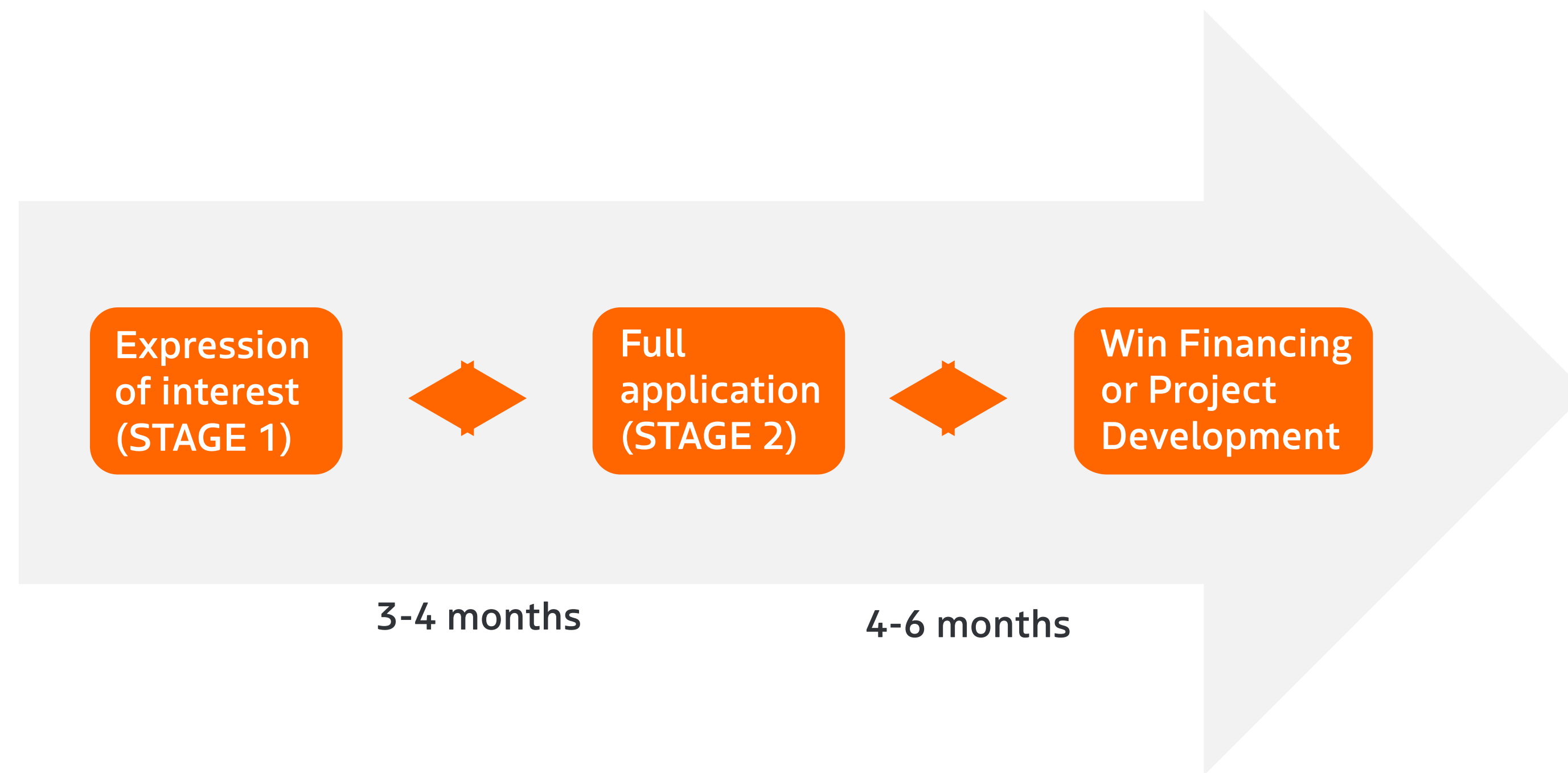


LARGE SCALE CALLS – EXAMPLES OF GHG EMISSION AVOIDANCE CALCULATIONS

GHG emission avoidance calculations	Reference scenario		GHG emission avoidance in project scenario calculated based on
	GHG emissions in reference scenario based on	Expected quantity during 10 years after entry in operation	
Energy intensive industry	ETS benchmark(s)	Quantity of product	Changes in - inputs - processes - outputs (e.g. waste) compared to reference scenario
Renewable electricity	Expected 2030 electricity mix	Quantity of electricity produced	
Renewable heat	Natural gas (NG) boiler	Quantity of heat produced	
Renewable fuels	Fossil fuel comparators from RED2	Quantity of fuel produced	
Energy storage	Single-cycle NG turbine peaking power	Quantity of energy stored	

LARGE SCALE CALLS - ABOVE EUR 7.5 MILLION

THE FIRST STAGE



The first stage is an **expression of interest**. If you pass the first stage after a three to four months period, you will be informed to submit the full application.

Important note: In case you have a strong application, but your project have not reached the expected maturity level to be financed by the innovation fund, you will receive support for project development. There is one billion of euros available for projects and then additional eight million for project development.

LARGE SCALE CALLS - ABOVE EUR 7.5 MILLION

SECOND STAGE

The second stage is a full application, where you will need to submit an administrative form and a technical description. One of the most important documents is a sheet where you need to **present your calculations, measuring greenhouse gas emission avoidance potential**. These calculations need to be verified by a third party. In addition to this you will need to submit the following:

- ◆ A detailed business plan
- ◆ A detailed project implementation plan
- ◆ A feasibility study for your project
- ◆ Detailed cost calculation
- ◆ Financial model
- ◆ Due diligence report if available
- ◆ Proof of how you are going to share knowledge

Once you submitted your application and the grant is awarded, you can start the basic activities, such as to secure your part of the financing, i.e. 40%, after that the innovation fund will provide the down payment of the remaining amount.

Important note: In case you have a strong application, but your project have not reached the expected maturity level to be financed by the innovation fund, you will receive support for project development. There is one billion of euros available for projects and then additional eight million for project development.

FREQUENTLY ASKED QUESTIONS - PART 1



1. What are the critical success factors for application?

One of the most critical success factors is preparation for application. It is a straightforward but time-consuming process that requires a lot of documentation. The application is long, so starting early ensures that all gaps are closed, and relevant partners are found if needed.

2. What is the actual success rate for the application so far?

For each of the stages, more or less 10%.

3. How is the small-scale project application process?

The small-scale project is a single-stage, and they each have a simpler application process. The selection criterias are the same with some small simplifications.

4. Can a company run several applications?

No, the company needs to complete the full application process before applying with the different solutions. Another option is to look for another financial opportunity for the other project within the EU.

5. How do companies get access the funding through Innovation fund?

Companies that meet the checking eligibility criteria, found on the Innovation Fund website, are able to access the funding. The key to success for the Innovation Fund is to start with early preparation and cooperate with some consultants.

FREQUENTLY ASKED QUESTIONS - PART 2

6. What technologies are attractive for the funding?

Small scale projects can contribute to air capture technologies, negative emissions technologies and geological storage. If you are an organisation and want to demonstrate a novel solution, you can apply with your client to demonstrate your new technology.

7. How is the absolute greenhouse gas emission avoidance calculated?

It is calculated based on the difference between the expected greenhouse gas emission of the project and the greenhouse gas emission in the referenced that they debate doing a 10-year period after a clean operation. For more information, please visit this website for a GHG (greenhouse gas emissions) calculations: https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/innovfund/wp-call/call-annex_innovfund-ssc-2020-single-stage_en.pdf

8. Does the grant fund for the small-scale projects differ?

The grant amount is 60%, and you need to match 40% of the total cost, and the grant disbursement is also the same.

9. How long does it take for small scale projects?

Everything is the same as large scale projects a waiting period of five to six months except for the operation period that is up to three years.

10. What part of the hydrogen value chain can be included in the application for the innovation fund?

For hydrogen, you can only include part that you can quantify and has greenhouse gas emission avoidance potential. If they are substitutes of certain use, certain emissions, you need to calculate substitution. It should always be quantifiable.



A collage of business professionals in a modern office setting. On the left, a woman in an orange blazer and light blue pants looks at a tablet. In the center, a woman with her hair in a ponytail looks to the side. On the right, a man in a blue shirt and light blue pants walks towards the camera. The background shows other people and office furniture. A dark blue text box is overlaid in the center, and a white box with the email address is at the bottom.

**CONTACT THE HAGUE
BUSINESS AGENCY
FOR MORE INFO**

BUSINESS@THEHAGUE.COM