



Commission invests €3.4 billion in net-zero technology projects

Brussels, 19 October 2026

Today, the European Commission has selected **77 European net-zero technology projects to receive funding support worth €3.4 billion** under the [call](#) of the [Innovation Fund](#), launched in December 2025. By reinvesting the revenues from the [EU Emissions Trading System \(EU ETS\)](#) in innovative decarbonisation technologies, these projects will **strengthen Europe's industrial leadership and competitiveness in these sectors and contribute to the clean transition, energy independence and security**.

Spread across 23 countries in the European Economic Area, the selected projects represent a wide range of sectors, applications and technologies at different scales. It includes **energy-intensive industries, renewable energy and innovative energy storage, cleantech manufacturing, net-zero mobility, critical raw materials processing and recycling, advanced alternative fuels, and industrial carbon management**. For the first time, the list includes a [small modular nuclear reactor](#) project and a direct air carbon capture and storage (DACCS) project. It all also includes 6 Critical Raw Materials (CRM) projects, which will feed into the policy priorities of the [Net-Zero Industry Act](#) (NZIA) and the [RESourceEU Action Plan](#), boosting the supply chains for clean tech applications, including rare earth permanent magnets and batteries.

The Commission estimates that the 77 projects have the potential to **significantly reduce greenhouse gas emissions**, avoiding the **equivalent of around 290 million tonnes over their first decade of operations**. This corresponds to a rough reduction of one tonne of CO₂ per second for a decade. This reduction, and the knock-on effects of the innovations across other sectors, will contribute significantly towards the EU's 2050 climate neutrality goal.

Selected projects

The call supports projects in five different topics: general decarbonisation for large-scale, medium-scale, and small-scale projects, clean-tech manufacturing and pilots. All five topics were oversubscribed, showing the strong readiness of industry to advance clean technologies in Europe.

- **Large-scale:** 12 projects selected, requesting around **€1.58 billion**. This includes projects focused on advanced decarbonised fuels, industrial carbon management, chemicals, iron and steel, aviation, and a [Critical Raw Materials Act Strategic Project](#).
- **Medium-scale:** 17 projects selected, requesting around **€458 million**. This includes projects working on chemicals, refineries, maritime, intra-day storage, glass, ceramic and construction materials, cement and lime, bioenergy, iron and steel, and hydrogen.
- **Small-scale:** 20 projects selected, requesting around **€124 million**. This includes projects from the following sectors: critical raw material recycling, maritime, pulp and paper, ocean energy, buildings, refineries, chemicals, hydrogen, advanced alternative fuels, and intra-day electricity.
- **Clean-tech manufacturing:** 12 projects selected, requesting almost **€895 million**. This includes projects working on the manufacturing of clean-tech components such as heat pumps, solar panels, electrolyzers, and electric-vehicle batteries. It also features a facility producing rare earth magnets.
- **Pilots:** 16 projects selected, requesting around **€394 million**. This includes projects focused on aviation, wind energy, ocean energy and maritime, nuclear energy, DACCS, hydrogen, chemicals, hydrogen and refineries.

84 additional projects passed the call evaluation, but did not receiving funding from the budget. Those projects, along with the 77 successful ones, will benefit from the [STEP seal](#) quality label, which

facilitates funding from other private and public sources.

160 proposals are not grant recipients but remain eligible for Project Development Assistance (PDA). The PDA helps advance project maturity through [high-quality technical and financial advisory support](#) provided by the European Investment Bank (EIB).

Next steps

Promoters of the selected projects have been invited to begin grant agreement preparations with the [European Climate, Infrastructure and Environment Executive Agency \(CINEA\)](#). During this phase, the Commission and the project promoters will finalise the funding contract, confirming the budget, timetable, technical and financial deliverables, and legal responsibilities. The results of this process will be announced in the first quarter of 2027.

The Commission is preparing to launch the next round of Innovation Fund calls in early December 2026. This will include a EUR 1 billion clean tech manufacturing topic, to support the derisking of supply chains in line with The RESourceEU Action Plan.

Background

Leveraging estimated revenues of **€40 billion** from the EU ETS over the period 2020-2030, the [Innovation Fund](#) aims to drive investment in cutting-edge low-carbon and net-zero technologies to support Europe's transition to climate neutrality.

The [call](#) of net-zero technologies attracted 358 applications, requesting a total of €17.5 billion in grant support, outweighing the available budget of €2.9 billion. These results bring the Innovation Fund's full [portfolio](#) to around **320 projects, with almost €17 billion in grants committed**. The wide interest in the calls confirms the maturity of Europe's net-zero technology sector and its strong commitment to decarbonise, in alignment with the [Clean Industrial Deal](#).

All awarded projects are selected through an independent expert evaluation and marked against the following criteria: potential to reduce greenhouse gas emissions, degree of innovation, project maturity, replicability, and cost efficiency.

In 2025, the Commission also launched the [first industrial heat auction](#) and the [third hydrogen auction](#) under the European Hydrogen Bank, also part of the Innovation Fund. Grant agreements for both auctions are expected to be signed before the end of 2026.

For more information

[Questions and Answers](#)

[Descriptions of selected projects \(IF25 NZT\)](#)

[Results of previous Innovation Fund calls for proposals](#)

[Innovation Fund projects portfolio \(with information related to the selected projects\)](#)

[Innovation Fund project dashboard](#)

[EU Emissions Trading System \(ETS\)](#)

IP/26/2187

Quote(s):

"These projects show that Europe's innovators are turning climate ambition into industrial leadership. By reinvesting revenues from the EU Emissions Trading System into pioneering clean technologies, the Innovation Fund is helping companies get to market, cut emissions, and strengthen Europe's competitiveness. This is how the EU delivers on its climate goals while supporting jobs, investment and a resilient, net-zero economy."

Wopke Hoekstra, Commissioner for Climate, Net Zero and Clean Growth - 19/10/2026

<@rel_link@>

Press contacts:

[Anna-Kaisa ITKONEN](#) (+32 2 295 75 01)

[Ana CRESPO PARRONDO](#) (+32 2 298 13 25)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)