COMMISSION DECISION

of 2.7.2020

on the activities related to the Innovation Fund, serving as a financing decision and as a decision launching the first call for proposals in 2020
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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,


Whereas:

(1) The Innovation Fund, established by Article 10a(8) of Directive 2003/87/EC of the European Parliament and of the Council, is one of the key Union financing programmes contributing to the achievement of the European Green Deal objectives. The Innovation Fund aims to bring closer to the market highly innovative technologies, processes and products that are sufficiently mature and have a significant potential to reduce greenhouse gas emissions in sectors listed in Annex I to Directive 2003/87/EC. The Innovation Fund is to be financed from the revenues resulting from the auctioning of the allowances under the system for greenhouse gas emission allowance trading within the Union as well as from the non-disbursed revenues of the predecessor NER300 Programme. The Innovation Fund revenues are therefore becoming available on a gradual basis.

(2) Article 19(3) of Delegated Regulation (EU) 2019/856 stipulates that the revenues of the Innovation Fund are to constitute external assigned revenue within the meaning of paragraphs 1 and 5 of Article 21 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council where the Commission implements the Innovation Fund in direct management, including through an executive agency.

By Implementing Decision (EU) 2013/801/EU\(^5\) the Commission entrusted the Innovation and Networks Executive Agency (‘INEA’) with the implementation of the Innovation Fund, and by Commission Decision C(2013)9235\(^6\), as amended by Commission Decision C(2020) 3147\(^7\), the Commission delegated to INEA certain tasks related to the overall management of the calls for proposals.

Therefore, in order to ensure the implementation of the Innovation Fund, it is necessary to adopt an annual financing decision for 2020. Article 110 of Regulation (EU, Euratom) 2018/1046 (‘the Financial Regulation’) establishes detailed rules on financing decisions.

The Commission should launch the first call for proposals for the Innovation Fund support referred to in Article 9 of Delegated Regulation (EU) 2019/856 in 2020. This decision should therefore enable the financing of the preparation for the launch of the call and the call itself. Moreover, this decision should specify the modalities for the launch of the first call.

For reasons of effectiveness, the Commission should use indirect management for implementation of the project development assistance. The European Investment Bank (the EIB) has proven experience in providing project development assistance under other Union financing programmes and should therefore be entrusted, subject to the conclusion of the agreement between the EIB and the Commission, with the implementation of the project development assistance task in accordance with Article 18(1)(c) of Delegated Regulation (EU) 2019/856.

It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of the Financial Regulation.

The financing of the activities of the Innovation Fund is to comply with the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 of the Treaty on the Functioning of the European Union.

In order to allow the flexibility in the implementation of the Innovation Fund, it is appropriate to allow changes, which should not be considered substantial for the purposes of Article 110(5) of the Financial Regulation.

Given the uncertainty as regards the volume of the Innovation Fund revenues, it is important to enable the authorising officer to enter legal commitments subject to availability of that revenue.

Member States have been consulted as provided for in Article 9(1) and Article 21(2)(b) of Delegated Regulation (EU) 2019/856.

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6 Commission Decision C(2013)9235 of 23 December 2013 delegating powers to the Innovation and Networks Executive Agency with a view to the performance of tasks linked to the implementation of Union programmes in the field of transport, energy and telecommunications infrastructure and in the field of transport and energy research and innovation comprising, in particular, implementation of appropriations entered in the general budget of the Union.
HAS DECIDED AS FOLLOWS:

Article 1
Scope
The decision for the financing of the activities related to the Innovation Fund for the year 2020 and the launching of the first call for proposals for the Innovation Fund support, in accordance with the modalities set out in the Annex, is adopted.

Article 2
Global budgetary envelope
The estimated maximum budgetary envelope for the implementation of the Innovation Fund for the year 2020 is set at EUR 1 027 536 000, and it shall be financed by the revenues from the auctioning of the allowances destined for the Innovation Fund and by any non-disbursed revenues from the NER300 programme, entered as external assigned revenue in the general budget of the Union:

budget line 34.03.01: EUR 1 027 536 000

The appropriations provided for in the first paragraph may also cover interest due for late payment.

The implementation of this Decision is subject to the availability of the appropriations at the time of entering into legal commitments by the authorising officer.

Article 3
Methods of implementation and entrusted entities
The implementation of the activities carried out by way of indirect management, as set out in the Annex, shall be entrusted to the European Investment Bank.

Article 4
Flexibility clause
Cumulated changes to the allocations to different activities, as set out in the Annex, not exceeding 20% of the maximum budgetary envelope set in the first paragraph of Article 2 of this Decision shall not be considered to be substantial for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046, where those changes do not significantly affect the nature of the activities and the objectives of the Innovation Fund.

The authorising officer responsible may apply the changes referred to in the first paragraph. Those changes shall be applied in accordance with the principles of sound financial management and proportionality.
Article 5
Adjustment clause

The global budgetary envelope set in the first paragraph of Article 2 may be adjusted to the amount of appropriations resulting from the auctioning of the Innovation Fund allowances prior to entering into individual legal commitments, provided that the change does not exceed 20%.

Done at Brussels, 2.7.2020

For the Commission
Frans TIMMERMANS
Executive Vice-President