



Funding for renewable fuels in Germany

International expert workshop: 10 times more renewable fuels

Matthias Spöttle, G 26, BMDV 24th October, 2023



Funding Programme Renewable Fuels

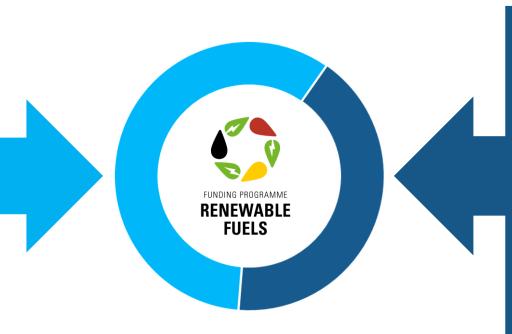
Development and demonstration

Funding guideline for R&D on renewable fuels

- Active since 2021
- 19 projects funded with> 117 Mio. €

<u>Technology platform for PtL</u> fuels (TPP)

- German Aerospace Center (DLR) is the successful applicant
- Planned project start 2023
- Capacity: 10.000 t/a



Production and market ramp-up

<u>Funding guideline for</u> <u>production of renewable</u> fuels (eK-Invest)

Planned funding start 2023

<u>Funding guideline for market</u> <u>uptake of PtL-kerosene</u> (PtL-KERO)

- Market test completed
- Planned funding start 2023
- Double auction mechanism planned



Funding guideline for R&D on renewable fuels

Goal	 Supporting the development and demonstration of renewable fuel production on pilot scale (renewable fuels = power-to-x fuels and advanced biofuels) Including feasibility studies, innovation clusters and innovation support services 	
Status	 Published on the 11th of May, 2021 Will be adjusted according to new GBER 	
Funding volume & funding rate	 Maximum funding amounts and funding quotas (according to the old GBER) 15 million € per project for experimental development 20 million € per project for industrial development Scientific institutions, universities, local authorities, non-profit organisations: 100 % of eligible project-related expenditure R&D projects by the industry: 50 % of eligible costs 	
Application	 Submission of project outlines is possible twice per year: 31st of March and 30th of September Positively evaluated project proposals are invited to submit a grant proposal Positively evaluated grant proposals receive funding 	



Technology Platform PtL (TPP)

Goal	 Creation of a technology platform for power-to-liquid fuels Focus on PtL for aviation and maritime Link between development and market uptake
Status	 Multi stage funding call is closed DLR as successful applicant is now working on the implementation
Subject of funding	 Establishment and operation of a modular development platform consisting of Research line, generation capacity of approx. 100 t/a Demonstration line, generation capacity of approx. 10,000 t/a Non-discriminatory access for stakeholders from industry and research Duration of funding: 12 years
Funding Conditions	 Grant to scientific and research institution Accountability of the fuels produced for the GHG quota in transport must be ensured Challenge: "No state aid decision" by European Commission is needed



Funding guideline for the production of renewable fuels (eK-Invest)

Goal

- Reducing investment barriers for renewable fuel production plants
- Increasing the industrial production capacities of power-based fuels (hydrogen, power-to-gas, power-to-liquid) and advanced biofuels (compatible with RED II Annex IX, Part A), while also strengthening regional value chains

Status

- · In progress
- Publication planned end of 2024

Subject of funding

CAPEX investment grant for:

- New generation plants
- Conversion of generation plants
- Upgrading plants from biogas to biomethane, as well as liquefaction plants

Funding conditions

- Produced fuels must fulfil the regulatory requirements to be counted towards the German GHG-quota ("THG-Quote") in the transportation sector
- Funded production plants must produce renewable fuels for a minimum of five years
- Produced renewable fuels must be deployed within the transport sector



Funding measure for market uptake of PtL-kerosene (PtL-KERO)

Goal

- Industrial production of Power-to-Liquid kerosene
- Support to market entry and market ramp-up of PtL kerosene

Status

- In progress, publication planned for end of 2023
- Ongoing discussions with the European Commission on the use of the H2Global mechanism for PTL-KERO

Subject of funding

- Funding of the national production of PtL kerosene
- Minimum production capacity of 10.000 tons PtL kerosene per year
- Funding period of 10 years envisaged

Funding conditions

- Produced fuels have to be accountable for PtL kerosene quota and GHG quota in transport Challenges:
- Impact of delegated acts in RED II for production and GHG calculation methodology of RENBOs
- Pending notification by the European Commission



PtL-KERO funding mechanism

Supply

Competitor 1

Competitor 2

Competitor 3

Competitionbased procurement process (1st auction)



Purchase agreement PtL kerosene (10 years)

Intermediary Hintco

Best bidder

Sales agreement

PtL kerosene

(e.g. 1 year)

Compensation of the price difference between purchase and service agreement

Demand

Competitor 1

Competitionbased sale process (2nd auction)

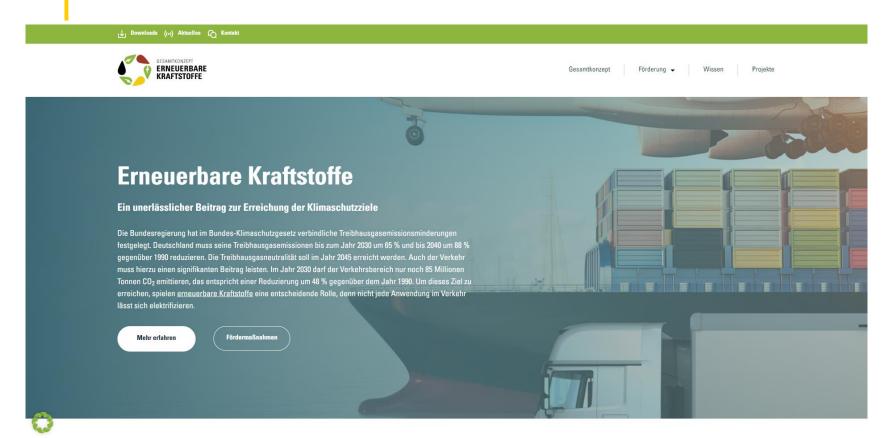
Competitor 2

Competitor 3

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More information on erneuerbarekraftstoffe.de



Thank you for your attention!

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