RTI INITIATIVE FOR TRANSFORMING INDUSTRY (FTI-TDI)

Detailed Information on FTI-Pilot and Demonstration Plants in Combination with Research and Development Projects

General Overview

This call for proposals aims to contribute to climate neutrality in industry while simultaneously securing the long-term viability of domestic locations. The goal is to enhance the innovative capacity of Austrian companies and research institutions, as well as their competitiveness in international value chains for sustainable net-zero technologies.

Funding applications for pilot and demonstration facilities (P&D facilities) must be submitted in conjunction with a research and development project (R&D project). The funding rate for the investment component of the project is up to 45% of the eligible funding base. For more information, please refer to Table 1 on page 8.

What should be kept in mind when submitting an application?

The supplementary environmental grant is calculated as a percentage of eligible costs. The grant is provided in the form of a one-time, non-repayable investment cost subsidy.

The following general conditions must be observed when submitting an application:

Project format: Combined project – R&D project and P&D plant(s)	
Technology Readyness Level (TRL)	5 to 8
Project	New Installation/Conversion of Existing System
Must be submitted to	**www.umweltfoerderung.at/fti-2026**
Funding agency	Climate- and energy fund
Funding advice	Mandatory preliminary consultation as part of the call for proposals. To schedule an appointment, please use the online appointment booking system at **www.umweltfoerderung.at/fti-2026** by February 5, 2027, at the latest; the last possible consultation date is February 9, 2027—see the guidelines for details.
Funding basis	Additional investment costs for the environmental investment: Eligible costs associated with the resulting environmental benefit (energy savings, CO_2 reduction, etc.). Eligible costs minus the costs of a comparable facility without environmental benefits.
Funding rate	Up to 45% of the funding base[1] The funding rate and the use of supplements are permitted up to the maximum limit set by state aid regulations.
Maximum Funding	4,5 Mio. Euro
Minimum Investment	100.000 Euro
Date of Application	Submissions to the KPC and the FFG may be made until 12:00 p.m. on March 10, 2027. The deadlines published in the guidelines apply. In any case, applications for the 2026 call for proposals must be submitted before the first legally binding order for equipment components, before delivery, before the start of construction, or before any other commitment that makes the investment irreversible, with the earliest of these dates being decisive.

If the subsidized measure is financed through leasing, hire purchase, contracting, or a similar financing model, ownership of the subsidized measure must transfer to the recipient no later than the final payment.

[1] The basis for funding and the funding rate depend on the applicable AGVO article.

The following applies to pilot and demonstration plants: The legal basis for the award of this funding is Regulation (EU) No. 651/2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (General Block Exemption Regulation), OJ No. L 187 of June 26, 2014, p. 1, as last amended by Regulation (EU) No. 2023/1315, OJ No. L 167 of June 30, 2023, p. 1, this Regulation, and, in implementation of this Regulation, the relevant provisions of the 2022 Investment Promotion Guidelines for Domestic Environmental Support (InvestFRL UFI 2022), as currently in effect.

What is funded?

The program targets **investments** in various technology pathways. Depending on the specific industry, different technologies can be combined and implemented over varying time horizons. Overall, the measures must lead to a significant reduction in greenhouse gas emissions.

- Demonstration facilities for testing and introducing new or significantly improved technologies in connection with eligible measures
- Projects to validate innovative system components to demonstrate their technical and economic feasibility on an industrial scale in relation to the eligible measures

Environmental protection measures as defined in the 2022 Investment Promotion Guidelines for Domestic Environmental Funding (InvestFRL UFI 2022f), Section 4, include in particular:

- Investments in energy generation from renewable energy sources
- Investments in energy efficiency measures
- Investments in energy generation from biogenic waste or from waste containing significant biogenic components
- Investments to improve resource efficiency by preventing or reducing environmental impacts

provided they do not fall under any other defined funding area.

The research component of the FTI initiative (collaborative R&D projects and flagship projects) is primarily managed by the Austrian Research Promotion Agency (FFG). The investment component for pilot and demonstration facilities is managed by Kommunalkredit Public Consulting (KPC) on behalf of and at the request of the Climate and Energy Fund (KLIEN). A prerequisite for a valid application is a mandatory preliminary meeting with the funding agencies FFG and KPC based on a project outline.

Eligible Costs

Eligible additional investment costs consist of costs for equipment, installation, and planning (the latter limited to a maximum of 10% of the total costs). Those parts of the investment that are related to achieving the environmental benefit are eligible for funding. Costs and research activities not directly related to the environmental benefit cannot be considered under the KPC funding program in the respective modules. Such research projects must be submitted separately to the FFG.

An overview of ineligible investment costs can be found in the “Funding Calculation” information sheet - item 7 under the **“Funding Calculation” information sheet**.

What should be kept in mind when applying as a consortium?

- Submission of the consortium agreement is an essential prerequisite for the conclusion of the grant agreement.
- In order to conclude the grant agreement, the lead partner of the consortium must be authorized both to handle the grant administration with the KPC and to act as the grantee in the grant agreement, as well as to fulfill all associated rights and obligations.
- The distribution of funding among the consortium partners must be specified in a binding manner in the consortium agreement.

- For the purposes of the final accounting, only those invoices that are issued to a consortium partner specified in the consortium agreement and have been approved by the lead partner may be considered.

Application Process

- For submissions as a combined initiative (R&D project and P&D plant), a mandatory preliminary meeting with FFG and KPC staff is required to clarify the requirements and guidelines. The deadline for the preliminary meeting is February 9, 2027. The preliminary meeting requires the submission of a project outline no later than two business days in advance, in this case by February 5, 2027. The preliminary meeting does not include consultation regarding submissions under the open call for proposals “Transformation of Industry” pursuant to the Environmental Promotion Act (UFG).
- Application documents for FTI pilot and demonstration plants must be submitted via the KPC online platform (**www.umweltfoerderung.at/fti-2026**) no later than March 10, 2027, at 12:00 p.m., following registration. The same deadline applies to the separate submission of the associated R&D project on the FFG’s online platform.
- The application must be received by the KPC before the first legally binding order for equipment components, before delivery, before construction begins, or before any other commitment that makes the investment irreversible. The earliest of these dates shall apply.
- Please also note that only grant applications submitted to the KPC in a timely and complete manner can be considered.
- Submitted applications are reviewed by the KPC processing office for formal correctness and completeness. Grant applications that meet the formal criteria are then subjected to a technical and substantive review by the processing office.
- Once the KPC has completed its technical and substantive review, the applications are submitted to the evaluation panel (jury) of the FTI Initiative for the “Transformation of Industry, 2026 Call for Proposals.” The international jury evaluates the FTI pilot and demonstration projects based on their level of innovation, the quality of the project, and its relevance to the call for proposals (see evaluation criteria). The evaluation of applications for supplementary environmental funding for FTI pilot and demonstration plants (submitted to the KPC) is conducted in conjunction with the application for the combined R&D project (submitted to the FFG). Based on this evaluation, the jury issues a funding recommendation to the Executive Board of the Climate and Energy Fund.
- The Climate and Energy Fund’s Executive Board makes the funding decision based on the external jury’s recommendation. The KPC then notifies the applicants in writing. Once the Executive Board has approved the funding proposal, KPC finalizes the process and drafts the funding agreement.

Figure 1: TDI-FTI Process Flow

Judging Criteria

P&D-Plant:

The selection criteria for the P&D plants are based on the guidelines of the EU Innovation Fund to facilitate potential future scaling at the EU level. The application must outline the development risks involved and explain how research questions will be addressed using the P&D plant (e.g., in cooperation with a national or international R&D project or as part of an in-house research project). The qualitative criteria, including the innovative nature of the P&D facility, will be evaluated by a jury.

Selection Criteria:

1) **Quantitative criterion**

   a) **Environmental impact[2] (weighted at 40 %)**

      - Improvement in environmental impact compared to an existing or reference facility
      - Scalability of the environmental impact
      - Plausibility of the environmental impact calculation
      - Plausibility of the selected reference model

2) **Qualitative criterion:**

   a) **Relevance to the call for proposals (weighted at 10%)[3]**

      - Relevance of the project to achieving the goals of the call for proposals

   b) **Cost-effectiveness of the measures (weighted at 10%)**

      - Cost-benefit ratio
      - Quality of Cost Accounting

   c) **Innovative content (weighted at 30%)**

      - The extent to which the project's innovation goes beyond the state of the art in the EU (existing products, processes, etc.). A project or product is considered innovative if, compared to the state of the art, it:
      - differs significantly in terms of quality, carbon footprint, or resource use
      - and/or is not widely available on the EU market
      - and/or promises significantly better results
      - and/or represents a technological or systemic advancement (higher TRL/SRL)
      - and/or, ideally, surpasses existing innovations,

      whereby the state of the art encompasses both the current commercially available level (comparable products/processes) and the most advanced proprietary technological solution.

   The following factors are also important for assessing the level of innovation:

      - the research questions being investigated as part of the project
      - the project's existing development risks

   d) **Use and Application (Weighted at 10%)**

      - Technical Maturity:
        - Technical feasibility of GHG reduction within the project context
        - Understanding of the technology and technical risks, as well as proposed risk mitigation measures
        - Quality, traceability, and consistency of the application information
      - Financial Maturity:
        - Transparency of the business model, business plan, and financial model

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[2] The environmental impact can be demonstrated through direct or indirect reductions in greenhouse gas emissions, such as the substitution or reduction of natural gas, cement, steel, or other energy-intensive products.
[3] A score of zero on the criterion "Relevance" results in the project being rejected.

    - Understanding of the business and financial risks associated with the project, as well as proposed risk mitigation measures
- Operational Readiness:
    - Transparency and level of detail of the project implementation plan, including relevant milestones
    - Status and transparency of the approval plan (if required)
    - Understanding of implementation risks, including risks arising from external dependencies, as well as proposed risk mitigation measures
- Scalability:
    - Scalability in terms of efficiency gains and diverse environmental impacts
    - Replicability and contribution to strengthening Europe's industrial competitiveness

Combined Project (R&D Project with P&D plant)

To be nominated for funding, both the R&D project and at least one P&D facility must receive a positive evaluation based on the criteria listed above. The innovative content of the P&D facility is assessed in conjunction with the R&D project.

Risk & Contingency Plan:

During project implementation, if one part of the project (R&D project or P&D plant) fails, it may be possible, under certain circumstances, to continue the other part of the project as a standalone project. However, this requires approval from the implementing agencies and the program owner based on a revised project plan. In particular, those work packages that focus on the P&D facility or the R&D project must be adjusted accordingly.

The rejected portion of the project may be resubmitted as part of a later call for proposals.

The timeline for the combined project must demonstrate that the planned scope of the project can be realistically implemented within the requested project duration. The prerequisites necessary for successful implementation (e.g., regulatory approvals) must be outlined in the project proposal.

Implementation and delay risks must be outlined in the “Risk & Contingency Plan.” The application must explain how risks will be managed if a project component (R&D project or P&D facility) is approved only in a modified form or is rejected during the detailed review by the KPC or FFG (e.g., due to stop-and-go decisions or milestones).

During the project period, any delays or changes to the project components approved in the grant agreement must be reported immediately to both administering agencies (KPC and FFG). These agencies will conduct a coordinated review of how to proceed.

Utilization strategy

An explicit and compelling commercialization strategy is particularly important for a successful project proposal. To demonstrate the plausibility of the commercialization prospects, it is recommended to quantify the benefits in a transparent manner—both for the target group (e.g., in terms of greenhouse gas reduction potential) and for the project participants (e.g., through the development of new business areas).

Jury

The external panel of experts determines the ranking of the projects on the shortlist.

Funding Decision

The Presidium of the Climate and Energy Fund makes the final funding decision based on the recommendation of the panel of experts.

What documents are required when submitting an application?

The following checklist provides an overview of the documents required to submit and process your application. Please note that you will need to submit these documents in electronic form for the online application. You can find form templates at **www.umweltfoerderung.at/fti-2026**.

If necessary, please submit additional documents upon request by the KPC.

Checklist

Project Outline for the Mandatory Preliminary Meeting	✓
Technical Data Sheet	✓
Completely filled-out template: **Technical description** of the proposed measure (including diagrams, plans, technical data sheets, etc.) **Description of the project's objective and the degree of innovation** of the pilot and demonstration plant compared to the current state of the art **Description of the environmental impact** based on a comparison, including specifications of fossil fuel and renewable energy requirements in kWh **Feasibility analysis with details on the operating costs and profits** resulting from the implementation of the proposed measure **Implementation schedule**	✓
Quotes and cost estimates for the proposed measures, or a **cost breakdown (required)** prepared by a qualified planning company	✓
Consent to Project-Specific Data Exchange by the Funding Agencies (FFG, KPC, and KLIEN)	✓
Grant Application Number for the R&D Project	✓
Approvals for the construction and operation of the facility (May be submitted later with Final Accounting)	✓
Report from the financial institution (may be submitted by May 15, 2027, at the latest)	✓
Consortium Agreement for Multiple Project Partners (May be submitted later as part of the final Accounting)	✓

Furthermore

All project changes must be reported to the KPC in written form immediately. This also applies to significant changes to the research project submitted to the FFG. Changes to the project's implementation schedule must be reported immediately to both the KPC and the FFG.

The CO_2 factors used to calculate greenhouse gas emission reductions can be found in the Information Sheet on Grant Calculations (Chapter 6.2, "Calculation of CO_2 Reductions," page 10): **Information Sheet on Grant Calculations**. To calculate indirect greenhouse gas emission reductions, the relevant sources must be cited in the application.

Written proof of the order date must be provided for the major plant components.

At the time of the final accounting, at least one comparative quote must be submitted for each major equipment component and cost item to demonstrate the reasonableness of the costs. Where applicable, in the case of affiliated companies and partner companies acting as suppliers, three comparative quotes (a total of four price quotes) must be submitted from providers independent of the applicant. These requirements apply to all major equipment components and cost items.

If the funded project is financed through leasing, hire purchase, contracting, or a similar financing model, the grant may be paid out only up to the amount of payments made by the grant recipient by the time of the final accounting. For the final accounting, a copy of the lease agreement and proof of payments made up to the time of the final accounting must be submitted. At the time of final accounting, all other grants applied for, approved, and received for the project covered by the contract must be disclosed.

If applicants are subject to the provisions of the Federal Procurement Act, these must be complied with. The relevant evidence and documents must be submitted as part of the final accounting. It should be noted that even in the case of direct awards, the principles of the procurement procedure must be observed, and before payment is made for the funded projects, verifiable information must be submitted regarding, among other things, the determination of the estimated contract value, the bids obtained, and the assessment of the bidders' suitability (Section 41(1) in conjunction with Section 19(1) through (4) of the Federal Public Procurement Act (BVergG) 2018).

Table 1: Overview

Project Format	Funding instrument(s) or legal basis	TRL	Indicative Budget	Mandatory Preliminary Meeting	Managed by
Combined Project: R&D Project and P&D Plant Demonstrates Innovation in a Real-World Setting, with Accompanying Research Serving as the Foundation for Industrial-Scale Application	See R&D Project (FFG) and P&D PLant (KPC)	5-8	14,5 Mio. Euro	Ja	FFG (R&D Project) and KPC (P&D Plant)

Privacy and Publication of the Grant Award

In the event of a positive funding decision, the Climate and Energy Fund reserves the right to publish the name of the funding recipient, the fact that funding has been approved, the funding rate, the amount of funding, as well as the title of the project, a brief description, and the extent of the environmental benefits sought through the funding, in order to satisfy the Climate and Energy Fund's legitimate interest in ensuring transparency in its funding activities (Art. 6(1)(f) GDPR). All submitted applications will be made available for review only to the agencies and individuals entrusted with administering the grant program, as well as to the Executive Board of the Climate and Energy Fund. All persons involved are bound by a duty of confidentiality.

Publicity Initiatives

At specified intervals during and after the completion of the FTI pilot and demonstration facilities, brief reports must be prepared and submitted to the KPC. The Climate and Energy Fund's guidelines on reporting and project-related public relations are available on the Climate and Energy Fund's website: www.klimafonds.gv.at/foerderungen/richtlinien-fuer-foerderwerbende/.

In addition, a **final report suitable for publication** must be prepared using the template provided below and submitted to the KPC in an accessible version, along with the corresponding certificate as proof:

- Draft of the final report for publication
- Accessibility Certificate: The report must be provided in an accessible version that complies with the requirements of the PDF/UA standard (DIN ISO 14289) and takes into account the Web Content Accessibility Guidelines (WCAG) 2.1, Level AA. In particular, care must be taken to ensure that a structured, screen-reader-compatible PDF file with correctly tagged text, sufficient contrast, and descriptive alternative text for graphic elements is created and submitted. For more information, please refer to the Guide to Accessible Documents.

Link to the Guide to Accessible Documents: Climate- and Energy Fund

Once the FTI pilot and demonstration plant has been fully implemented, the project's funding from the Climate and Energy Fund must be prominently acknowledged. Relevant guidelines and information are available on the Climate and Energy Fund's website.

The grant recipient must prominently display a notice stating that the project is funded by the Climate and Energy Fund or BMIMI. A template for such a notice is available on the Climate and Energy Fund's website: www.klimafonds.gv.at/foerderungen/ richtlinien-vorlagen/. As part of the final accounting, a clear photograph of the installed information sign must be submitted as supporting documentation.

Applications and Contact Information

➔ Online Application: **www.umweltfoerderung.at/fti-2026**

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