



**Hydrogen Europe
Research**

Policy Working Group

20 January 2023

Agenda

1. Welcome & agenda

2. Updates on activities

- Consultation on Horizon 2020 evaluation and Horizon Europe interim evaluation
- Activities in the Electrolyser Partnership

3. Latest updates on EU institutions' activities

- Swedish Presidency of the EU
- A European 4 points-plan - answer to the IRA
- Electricity market design reform
- Update on sectoral policies and Funds
- Young Researcher Manifesto

4. Reports and Studies

- IEA report on Energy outlook
- Other data



Updates on
▶ activities

Horizon Consultation



A draft position paper and the answer to the consultation were sent to all Working Group members last week.

Here are the key elements:

- Choice not to include members comments regarding topics that should be covered in the programme.
- Support to PPP and calling for strengthening their financial resources [unique ecosystem, aligning visions between key stakeholders, projects across the entire TRL spectrum]
- Improvement on the synergies between programmes and PPP, however, calls should be clearly delimitable in their description
- Safeguard a budget for R&I and prevent transfer from Horizon's budget to other EU programmes or activities.
- Administrative points: the **time** between calls publication and application is too short; lump sum have moved the workload from accounting to call preparation and disincentivise taking onboard unknown partners.

If interested, please provide your written feedbacks by Friday 27 January to consolidate the document before submission!

Horizon Consultation



3 feedbacks received - Thank you!

Additional points:

- Try to avoid overlapping call deadlines (e.g. Clean Hydrogen Partnership deadlines versus Cluster 4 and/or 5 deadlines).
- Call for an increased number of low TRL (1-2) calls that would be similar to "Future Emerging Technologies" in the FP7, with an increased number of projects divided in strategic areas.
- In regards to Mission Innovation, Horizon projects should be more open for participation of countries outside of the programme with well defined conditions. This should be done quickly and in advance (e.g. for UK Members).

Electrolysers Partnership



- Support to a letter sent to the European Commission on local content requirement for electrolysers.
- Contribution to the ongoing drafting of a paper on CRM.
Our focus: **A clearer state of the art on CRMs**
Do you have any comments / suggestions on this topic? (e.g. good practice from existing projects? issue that you have encountered linked to an unclear state of the art?)



Latest updates on ▶ EU institutions' activities

Swedish Presidency



Programme of the Swedish presidency for the 6-months to come:

"The Presidency will advance the work on the proposals in the hydrogen and decarbonised gas market package. It is important to increase the proportion of renewable and low-27 carbon gases in the energy system while reducing natural gas use."

Objective: have a general approach on the Gas Package and on the reform of the electricity market by 19 June.

Raw materials are also one of the priority. The Swedish presidency wishes to progress on the CRM Act, that should be proposed by the Commission by end of March.

Find more information about their [programme](#).



A European "4 points plan"

On 18 January Ursula von der Leyen announced a [four points plan](#) as part of the answer to the IRA:

1) A regulatory push for industry

'Net-Zero Industry Act' which will identify clear targets along the supply chain for relevant strategic industry sectors by 2030.

"We need to create a regulatory environment that allows us to scale up fast and to create conducive conditions for sectors crucial to reaching net zero", citing "wind, heat pumps, solar, clean hydrogen, storage"

2) Preserve European attractiveness (relaxation of state aids, possible European sovereign wealth fund)

3) Trainings for workers in green industries

4) An ambitious trade agenda

Next steps:

- 1 February: expected resolution from the EP
- 9-10 February extraordinary EU summit to look at the EC proposals

France and Germany also made their [proposals](#) before Christmas.

Update on sectoral policies

Electricity market design reform

- The consultation was scheduled for launch mid-December but has not yet open. The proposal is still expected to be published in March (tbc).
- A "[non-paper](#)" outlines the forthcoming proposal (not shared officially nor endorsed by the EC). Here are the key elements proposed:
 - Pricing inframarginal technologies based on their true production costs
 - Reducing the role of gas in short term markets
 - Better consumer empowerment and protection
 - Improving market transparency, surveillance and integrity
- On 10 January, the Spanish government presented its [proposal](#) for the reform. The paper points to the existence of barriers to entry, which prevent competition in the market from bringing prices down to the average cost, and a lack of incentives to invest in renewable energy.

Update on sectoral policies



- **ETS:** A political agreement for the revision of the ETS was found in trilogue on 18 December (29 hours long negotiations). It includes an agreement on the ETS2 on heating and road transport, to start in 2027.
- On 19 December, EU energy ministers agreed on **2 legislative proposals to boost the deployment of renewable energy projects** by speeding up the procedures for granting the necessary permits:
 - A proposal for amending existing legislation in the field of energy (RED, EPBD, EED) - renewable go-to-areas to be designated within 30 months with shortened authorization procedures; 40% of renewable energy in the energy mix by 2030 (EC proposed 45%)
 - A proposal to urgently accelerate the permitting procedures for solar equipment and heat pumps
- **Gas Package:** Member States expressed particularly contrasting views on whether low-carbon hydrogen should be considered in the calculation of Member States' targets share of renewable energy in industry and transport (against: BE, NL, DE, LU, AT, DK, IE, ES, EE)
Several ministers also expressed their opposition to the provision that Member States would be obliged to accept a certain level of hydrogen content in gas flows at interconnection points from 1 October 2025, and would prefer a voluntary scheme (NL, DE, AT, EE)

Updates on EU Funds



- **Horizon Europe widens its scope** - on 20 December, the European Commission announced that an agreement was found to associate New Zealand to the Horizon Europe programme. Negotiations with Canada and Japan are also ongoing.
- **The ERC will change its method to evaluate applications for 2024 calls** - some applications forms will be merged and simplified (CV and track-record) and applicants will have the possibility to add descriptions or explain career breaks or '*unconventional career paths*', as well as to describe outstanding contributions during the research, in order to give more weight to the project proposal

Sectoral News



- **Germany and Norway signed on 5 January a declaration underlining their intention to ensure a large-scale supply of hydrogen by 2030 and the aim to establish the necessary infrastructure from Norway to Germany. A feasibility study is currently underway to consider the possibility to build a H2 pipeline. The results are expected in Spring 2023.**

Young Researchers manifesto



A group of research organisations sent a [Young Research Careers Manifesto](#) to European Commissioner for Research Mariya Gabriel on Tuesday 10 January.

It calls for the monitoring of the situation of young researchers at European level, the improvement of their working conditions, the enhancement of research careers in the third sector and the involvement of national funding agencies in cooperation with the European Commission.

Mariya Gabriel called on research actors both public and private, and public authorities to come together to “*co-designing adequate instruments that can align with multiple objectives*”. She highlighted:

- the need for coordinated investments
- the modernization of research assessment systems
- the diversification of research career paths by, for example promoting mobility between academia and industry

A MANIFESTO

**Europe supports early research careers
and stimulating research workplaces**



▶ Reports and studies

IEA Report

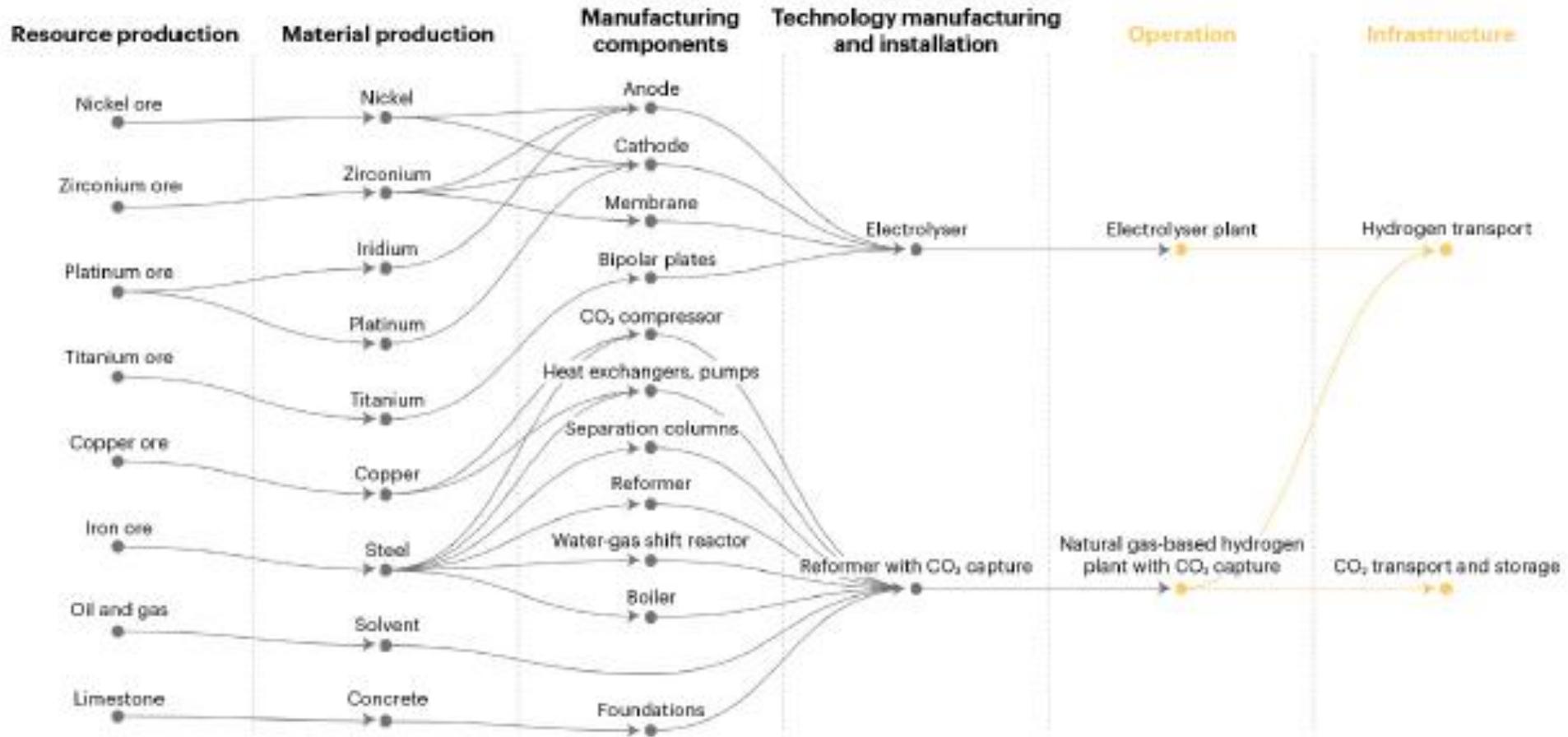
The IEA published a report - [Energy Technology Perspectives 2023](#).

Here are some of the key findings:

- If commitments are implemented, by 2030, "clean" energy technologies (solar panels, wind turbines, electric vehicle batteries, electrolysers and heat pumps) will have triple in value (\$650 billion/year) and jobs in the sector will have doubled (14 million).
- China accounts for 85% of the declared production capacity for solar photovoltaics, 75% for wind power, 70% for batteries and 25% for electrolysers.
- Tight supply chains will drive up the price of clean energy technologies.
- Specific focus on low emission hydrogen and fuel cells supply chain can be found in the document.

IEA Report

LOW-EMISSION HYDROGEN



Reports and data

- *Transport & Environment (T&E)* published a study on Wednesday 11 January in which it reports that the **largest oil companies**, such as *Shell*, *Total*, *BP* or *ENI*, **invest eight times more money in biofuels than in hydrogen**.
- According to *WindEurope*, the number of new **wind power capacities** installed in EU has increased by 33% in 2022.
- **Energy gas consumption in the EU has fallen by more than 20% between August and November 2022** according to Eurostat. The results differ greatly from one Member State to another (2 have increased their consumption, Finland is the country having reduced the most its consumption -52,7%).



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Thank you!