



**Hydrogen Europe
Research**

Policy Working Group

26 May 2023

Agenda

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3. Latest updates on EU institutions' activities
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Updates on
▶ activities

Feedback on NZIA

Final version sent on 23rd May. Notable points:

- Calling for support to the development of technology infrastructures as done in the Chips Act for semiconductor technologies [mapping, gap analysis, funding]
 - Several comments on the term “Net-Zero Academy” - unclear but terminology used in the proposal.
 - Net Zero and Strategic Net zero technologies are different categories.
 - Technologies below TRL 8 cannot be included in the scope of the NZ technologies.
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- Document approved by the Board on 25th May, submission planned this afternoon.

In public debate, discussions and comments around NZIA have focused on:

- The inclusion of SMR in Net Zero technologies (Member States)
- A common 40% manufacturing target to each cleantech sector not reflecting the diverse realities (Bruegel, I4CE)
- Lack of clarity regarding on whether the target applies to components and materials used (Bruegel, I4CE)



Latest updates on ▶ EU institutions' activities

Critical Raw Materials Act

European Parliament - Draft report published (Nicola Beer, Renew DE):

- She suggests to further encourage promoters of projects for the extraction, processing or recycling of strategic raw materials in the EU and reviewing the recycling targets for these raw materials.
- She wishes to encourage strategic project by broadening the criteria of eligibility - sustainable project to the extent it is technically feasible; not taking into account the cross-border benefit of a project;
- She proposes to shorten the Commission's processing and response times and limiting the amount of information that promoters have to provide.
- She proposes that all strategic projects, except mining, which have not received a response by Member States within the set deadline should be considered approved. (EC proposed the same only for processing and recycling of strategic raw materials).
- Increased target for the recycling of strategic raw materials.

Council

- Discussions have started and the goal is to reach a mandate by end of June
- Need for increased communication on the benefits of new extraction projects should be further specified to improve public acceptance. Sustainability criteria are also important.
- Awaiting a funding element.

Electricity market reform

European Parliament - Draft reports published (N. González Casares, S&D, ES on the [design of the electricity market](#) & M. da Graça Carvalho EPP, PT on the [REMIT regulation](#)):

- Proposal to have national targets on demand flexibility and storage.
- Wish to open PPAs to small private players, notably by creating a specific platform for PPAs
- Discussions around the emergency measures introducing a capping of inframarginal revenues (to be decided by member states) fear that this will disincentivize investments in renewables; on the other hand worry about keeping prices affordable in case of a crisis.

EU Council

- Two documents were submitted to the national delegations by the Swedish presidency setting out the initial feedbacks received. - [REMIT regulation document](#) ; [Design of the electricity market](#).

Other legislations

RED Revision

- Delays and blockage on the adoption of the interinstitutional agreement on the RED revision adopted on 30 March. According to sources this is due to pro-nuclear countries trying to obtain “new concessions”.
- The vote foreseen in the ITRE committee was therefore postponed.
- Worry that France could “*draw inspiration from the dynamic launched by Germany*”

Carbon certification framework for carbon removals

- The European Parliament ENVI Committee met to examine the [draft report](#) of their rapporteur on carbon certification framework. The proposal of the EC from 30 November 2022 considers 4 general criteria for certification: quantification, additionality and lines, long term storage and sustainability.

Interest from the WG to follow this topic more closely?

Announcement from Commissioners



Announcements

- **Mariya Gabriel resigned from the role of Commissioner for Research and Innovation to form a coalition government in Bulgaria.**
- **Ursula von der Leyen announced her intention to launch a new initiative towards “global targets for energy efficiency and renewable energy”.**
- **Frans Timmermans was present at the 2023 World Hydrogen Summit. He called for the multiplication of partnerships notably with countries such as Saudi Arabia, considering the need to **import green hydrogen** from other part of the world, and in order to emancipate from hydrocarbons.**

Update on Fit for 55

Fit for 55 proposals	Status
Revision of the EU Emission Trading System (EU ETS)	Adopted
Revision of the Renewable Energy Directive (RED)	Awaiting approval at EP and Council levels.
Amendment of the Energy Efficiency Directive (EED)	Interinstitutional agreement awaiting final approval.
Revision of the alternative fuels infrastructure regulation (AFIR)	Interinstitutional agreement , awaiting final approval by the EP (foreseen in July)
Amendment of the regulation setting CO2 emission standards for cars and vans	Adopted
Carbon Border Adjustment mechanism (CBAM)	Adopted
Social Climate Fund	Adopted
ReFuelEU Aviation	Interinstitutional agreement reached on 25 April, awaiting formal approval.
FuelEU Maritime	Interinstitutional agreement , awaiting formal approval by the EP (foreseen in July)

What's next Fit for 55?

- A lot of policy have proposed incremental targets (e.g. the Hydrogen Strategy, Fitfor55, REPowerEU, etc.). Can these targets be achieved?
- What policy framework should still be developed to achieve these targets? What could be done at EU level beyond setting up targets, to concretely act for the green transition?
- How can we build a long-term roadmap for energy defining the role of each energy solution and integrating market considerations in it? What should be keep features of this roadmap?

EU institutional activities

- The EU is preparing its contribution to the revised strategy of the International Maritime Organisation which aims at reducing GHG emissions from ships.
 - 29% GHG reduction by 2030, 83% by 2040, compared to 2008
 - By 2030 at least 10% of the neergy used by the international fleet from zero emission or near fuels and/or energy sources.
 - the EU also wants to propose an information obligation for fuel suppliers to provide information on certified '*Well-to-Tank*' GHG emissions (from extraction, production, conversion, transportation, distribution, etc).
- **EU Research Council 23 May:**
 - The EU Council encourages promoting an open-access model for scientific publishing with no costs for either authors or readers. See draft conclusions.
 - Discussions on how to strike a balance between preserving academic freedom with a responsible global approach to R&I; and protecting Member States R&I from foreign interference.

Stakeholders' news

- Gas sector social partners want to enter into negotiations for a **European framework agreement specific to the gas sector** aimed at “a just transition”, in order to complement REPowerEU and the Net Zero Industry Act. Currently 220,000 workers are employed in the gas sector.
- Launch of the **Energy Storage Coalition** including SolarPower Europe, Ease, WindEurope and Breakthrough Energy, to raise awareness of energy storage and advocate for financial, legal and policy frameworks.
- **Hydrogen Europe denounces in a [letter](#) Margrethe Vestager’s comments on future role of hydrogen.** She stated that she would not agree to State aid for hydrogen (in the same vein as the American aid scheme for hydrogen production), notably because it is ‘*very expensive to transport*’.
- Several EU economists and climate experts call for a **European Energy agency** in order to harmonise what is today described as an “incoherent patchwork of data points only partially documented”.



▶ Reports and studies

Funds, Data and Reports



Funding & Opportunities

- The European Commission is looking for climate, energy and transport experts to evaluate EU-funded proposals. Find more information [here](#).
- Announcement of a [call for projects](#) (€122 million) supporting the “European Interconnected Innovation Ecosystems” initiative (Horizon Europe & ERDF). The initiative aims to better connect innovation ecosystems and support innovation actors in European regions. Deadline: 17 October 2023.

Data - According to Eurostat in 2021:

- In the fourth quarter of 2022, greenhouse gas (GHG) emissions from EU economic activity decreased by 4% since the first quarter of 2021, whilst being accompanied by some economic rebound (+1,5% increase in GDP compared to the same period in 2021)
- 50,9% of industry’s final energy consumption in the industry sector came from natural gas, oil, solid fossil fuels and non-renewable waste

Open consultations

- EU competition rules on technology transfer agreements - evaluation - [open until 24 July](#)
- ACER consults to revise definition of congestion in electricity networks - [survey until 15 June](#)

Final energy consumption in the industry sector by energy product, EU, 2021

(%)

NON-RENEWABLE WASTES

2.0%

SOLID FOSSIL FUELS

6.4%

HEAT

6.2%

OIL AND PETROLEUM PRODUCTS

9.8%

RENEWABLES AND BIOFUELS

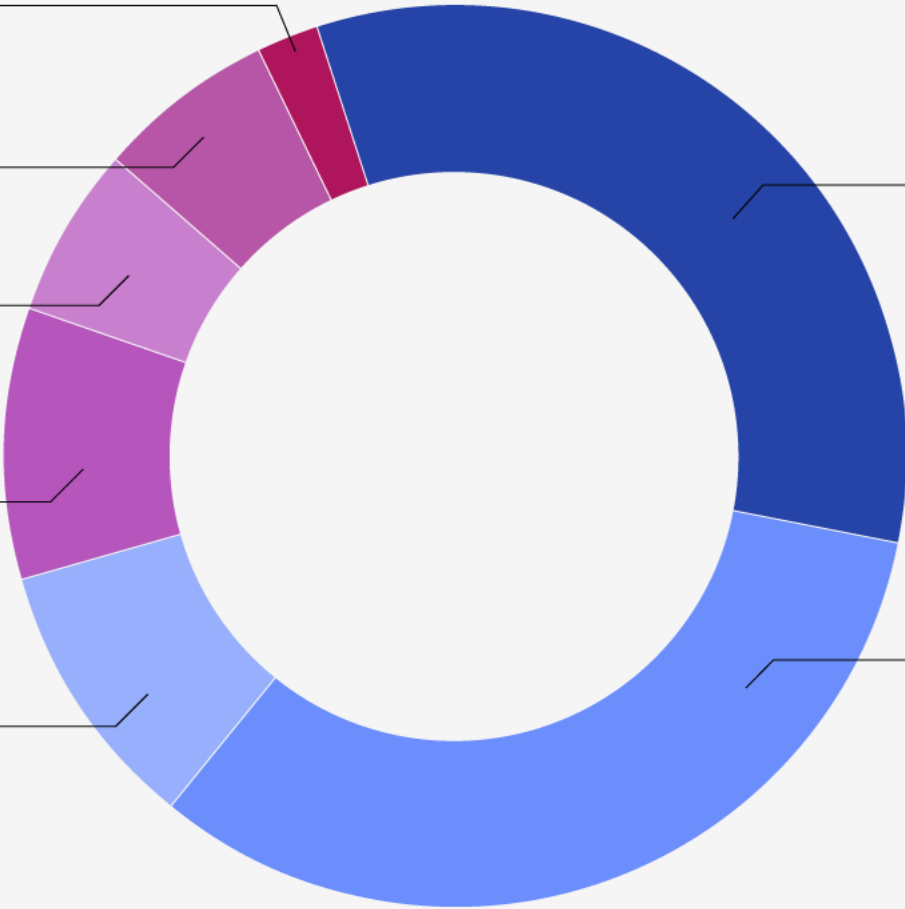
9.7%

ELECTRICITY

33.2%

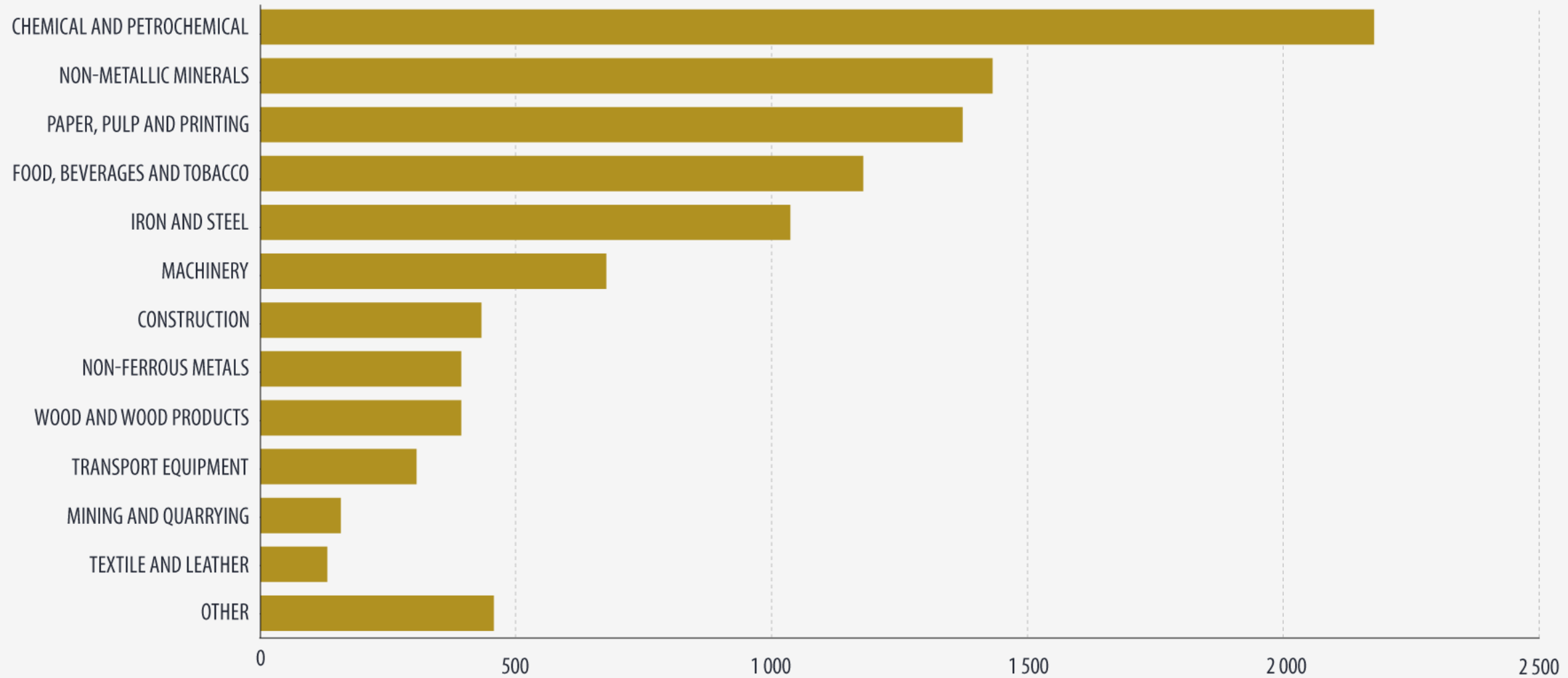
NATURAL GAS

32.7%



Total final energy consumption by industrial sector, EU, 2021

(in petajoules)





**Hydrogen Europe
Research**

Thank you!