Now is the time to accelerate renewable hydrogen and replace fossil fuels

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Today, CEOs from leading companies across the value chain, top EU decision-makers, and hundreds of stakeholders gathered at the Renewable Hydrogen Summit organised by the Renewable Hydrogen Coalition (RHC) to discuss the necessary policies to accelerate the renewable hydrogen uptake in Europe, and deliver the European Commission (EC)'s REPowereu plan to reduce our continent’s dependence on fossil imports.

The European Commission estimates that upscaling renewable hydrogen and its derivatives would accelerate decarbonisation and reduce the EU’s reliance on natural gas from Russia by approximately 27 bcm. Energy Commissioner K. Simson stressed “We have to diversify away from Russian fossil fuels. This means speeding up the green transition. Renewable hydrogen plays a crucial role to decarbonise hard-to-electrify industry and transport. We need it for the planet, we need it for our independence and security of energy supply. With RepowerEU, we plan to roll out this solution faster, taking our EU Green Deal ambitions to the next level and giving ourselves the tools to make it happen”.

The RHC Chair Mr Ignacio Galán, Chairman and CEO of Iberdrola, said “Renewable hydrogen is a solution for today and for tomorrow. It can significantly replace imported fossil fuels and polluting hydrogen made out of these fossil fuels. The Renewable Hydrogen Coalition members are helping to deliver EU climate and energy ambition, making our continent cleaner and stronger thanks to home-grown renewable hydrogen produced with technologies made in Europe”, adding “We congratulate the Commission’s strong leadership in RepowerEU. This should be followed by enabling and stable policies that spur a supply and demand shock and boost investments now”.

The RHC calls on policymakers to take the following measures with no delay:

- **Adopt an enabling definition of renewable hydrogen.** We welcome the draft Delegated Act proposed by the EC and recognise the significant efforts made to better reflect the reality of projects: long and complex permitting procedures holding back the deployment of renewables Europe needs to meet its energy climate objectives. To meet the RepowerEU ambition, first movers should be enabled to ramp up renewable hydrogen supply and their business cases must be secured.
- **Streamline permitting of renewables but also renewable hydrogen installations in the public and industry’s interest.** Faster permitting is crucial to build the necessary additional capacity for renewable hydrogen production.
- **Adopt the most ambitious binding targets for the uptake of renewable hydrogen and derived e-fuels in hard-to-electrify industry and transport**, as proposed by the European Commission. The binding nature of the targets is essential to send strong market signal, unlock existing demand and drive major investments upstream in the value chain.
- **Ensure fast and simplified access to support and finance instruments.** Offtakers still face high costs to shift to clean technologies. If properly designed and quickly accessible, carbon contracts for difference could have a huge impact, accelerating uptake by industrial offtakers.

“Scaling up production capacities in line with the RepowerEU ambition will create a new European industrial champion: electrolysis. Building 120 GW of electrolyzers in the EU in less than 8 years calls for unprecedented efforts of manufacturers and unconventional policy instruments. Industry and policy makers share a responsibility to ramp up the market with the scale and speed required. We cannot get this wrong. Now is the time for decisive actions.” said the RHC Vice-Chair Nils Aldag.