



**Renewable
Hydrogen Coalition**

Policy Charter for **Making Europe The Global Leader in Renewable Hydrogen**

We, leading European innovative businesses supporting the Renewable Hydrogen Coalition, are committed to helping make Europe the first climate neutral continent.

Time is of the essence: 2050 is only one investment cycle away. To achieve global industrial leadership, the European Union must focus all its political and financial resources on future-proof solutions. As part of these efforts, the European Commission's Hydrogen Strategy set clear ambitions towards the development of a renewable-based hydrogen economy. We stand ready to make these ambitions a reality.

For most sectors, renewable-based electrification is the most cost-effective and energy-efficient decarbonisation option. Yet some sectors cannot be electrified for cost or technical reasons. In such cases, renewable hydrogen is the necessary link for Europe to fully decarbonise its economy, tapping into its vast wind and solar potential to power our economy with renewable energy and leveraging technology "Made in Europe".

Our Policy Charter lays out the necessary policy foundations to enable the scaling up and market uptake of renewable hydrogen, overtaking transitional technologies to place Europe at the forefront of the global race for environment-friendly solutions. This will help deliver the Green Deal goals, stimulate a green recovery, and place the European renewable hydrogen value chain at the core of Europe's growth and jobs strategy for the generations to come.

Establish lead markets for renewable hydrogen

Building a European renewable hydrogen economy requires a full value chain approach with a prime focus on the sectors that would benefit most from this solution.

- **Prioritise and accelerate renewable-based electrification where possible**, applying the EU's energy efficiency-first principle as the most cost-efficient way to decarbonise key sectors of the economy such as heating and cooling, large portions of transport and industry.
- **Identify "priority sectors" to form the bulk of EU's future demand for renewable hydrogen and derived e-fuels**, with a prime focus on existing hydrogen users and hard-to-electrify sectors such as heavy industry and energy intensive transport notably aviation and shipping. Supporting the uptake of renewable hydrogen and derived renewable fuel applications in these sectors will allow them to fully decarbonise, avoiding carbon lock-in and continued release of GHG emissions into the atmosphere. This will also help secure the renewable hydrogen value chain from supply to demand.

Scale up the renewable hydrogen industry and infrastructure

As technology matures, rapid scale-up, further standardisation and deployment is now needed to reduce cost and ensure the economic viability of renewable hydrogen. Further research and innovation will bring new, innovative technology in Europe.

- **Accelerate and massively deploy additional renewable generation capacity across Europe, as the pre-requisite of a flourishing renewable hydrogen industry.** This entails strengthening and modernising EU electricity grids as well as accelerating and standardising permit and authorisation procedures for the deployment of renewable installations.
- **Streamline investments in renewable hydrogen infrastructure to avoid spending EU taxpayer money into stranded assets and carbon lock-in.** Investments should help develop renewable hydrogen infrastructure to best meet the various needs of relevant end-use sectors. Supporting all-size renewable hydrogen projects will help develop local energy communities as well as enable the creation of jobs and new business models locally. Careful consideration should be given to re-purposing or extending existing gas infrastructure for hydrogen, to avoid stranded assets and carbon lock-in.
- **Introduce support mechanisms enabling the competitive uptake of renewable hydrogen and derived e-fuels in hard-to-electrify sectors, where they are most valuable.** These schemes should include inter alia capital grants and contracts for difference to make renewable hydrogen competitive relative to incumbent alternatives. Such support will help improve investment certainty across the renewable hydrogen value chain.
- **Intensify support for research, innovation, and demonstration to develop the next generation of renewable hydrogen technologies.** Accelerating innovation and bringing new technology to markets more quickly will speed up economic recovery and lay out the foundations of world class competitive electrolyser and renewable energy industries in Europe. Available funds, from the Recovery and Resilience Facility and other “Next Generation Europe” instruments, Horizon Europe to Green Deal calls, should support such future-proof technologies.

Develop an enabling EU regulatory framework for renewable hydrogen

A clear and stable EU regulatory framework is key to set the right market signals, encourage private investments and stimulate supply and demand for renewable hydrogen.

- **Establish a clear, consistent and transparent EU-wide definition of renewable hydrogen,** other renewable and non-renewable gases and liquids. It should be clear that renewable hydrogen is produced via water electrolysis using renewable electricity. This definition should apply consistently across EU legislation and end-use sectors to ensure traceability, provide investors with clarity, enable the development of support mechanisms, and build a harmonised EU market for renewable hydrogen.
- **Ensure a level playing field between energy carriers, notably via taxation rules.** This can be done by adjusting levies, taxes and preventing distortions on grid tariffs for electricity. This will also help recognise and unleash the full potential of electrolysers in delivering sector coupling (e.g. for system balancing), enhancing Europe’s energy security and resilience.

Co-signatories



The **Renewable Hydrogen Coalition** promotes the critical role of renewable hydrogen to deliver the EU's long-term decarbonisation goals. The Coalition is the voice of a high-level and interdisciplinary network of start-ups, investors, entrepreneurs, innovative companies and

industrial off-takers all dedicated to making Europe the global leader in renewable hydrogen solutions. The Coalition was set up by SolarPower Europe, WindEurope and supported by Breakthrough Energy.