

Gasdagarna 2023

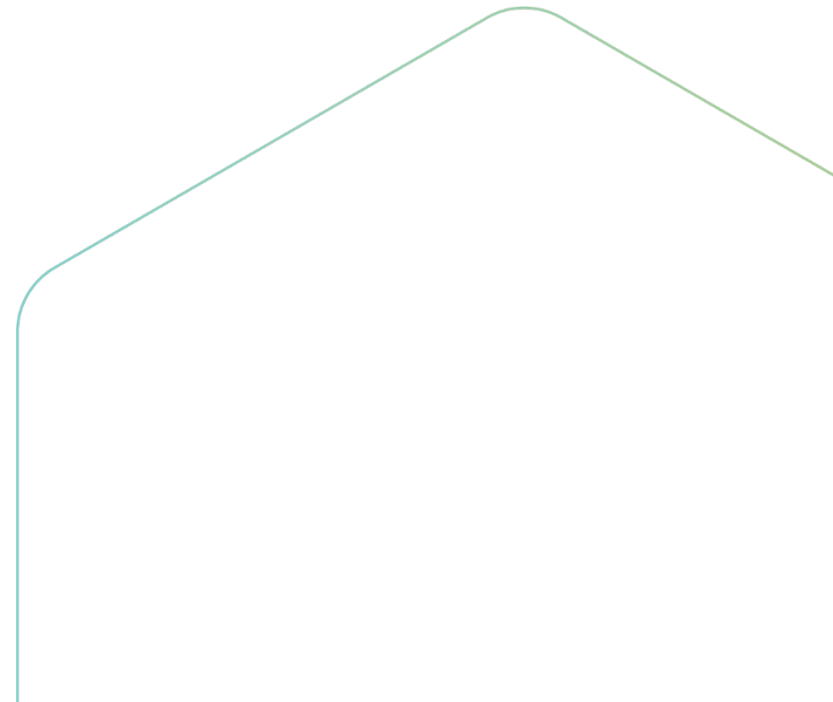
Online – 24th May 2023

Ivan Yovchev, Analyst, Hydrogen Europe

i.yovchev@hydrogeneurope.eu



- Introduction;
- General policy overview;
- Focus on Renewable Energy Directive;
- Focus on FuelEU Maritime;
- Focus on EU ETS & CBAM;
- Conclusions;



Hydrogen Europe



460+ Members

We encompass the entire value chain of the hydrogen ecosystem: from production, distribution to end uses, including Industry, EU regions & H2 National Associations. [Meet Our Members](#)

120k+ Followers

on Social Media

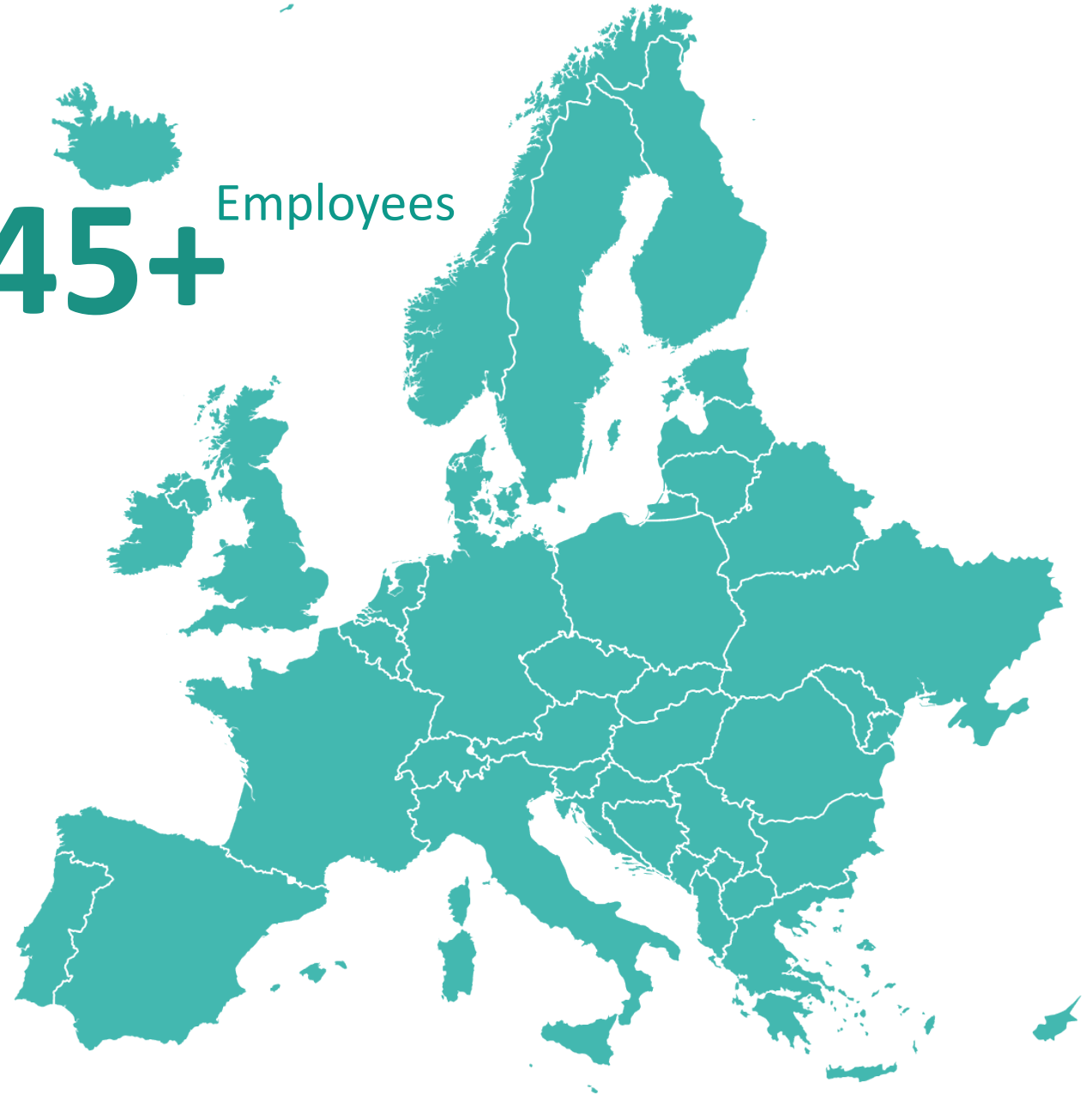


Follow us on:



45+

Employees





20 - 24 November 2023

Brussels, Belgium

Check the new [website!](#)

euhydrogenweek.eu

If you would like to be actively involved in the **2023 edition**, please email Jasvinder Sidhu at j.sidhu@hydrogeneurope.eu.

Get in touch and book your presence soon as exhibition spaces sell out very fast!

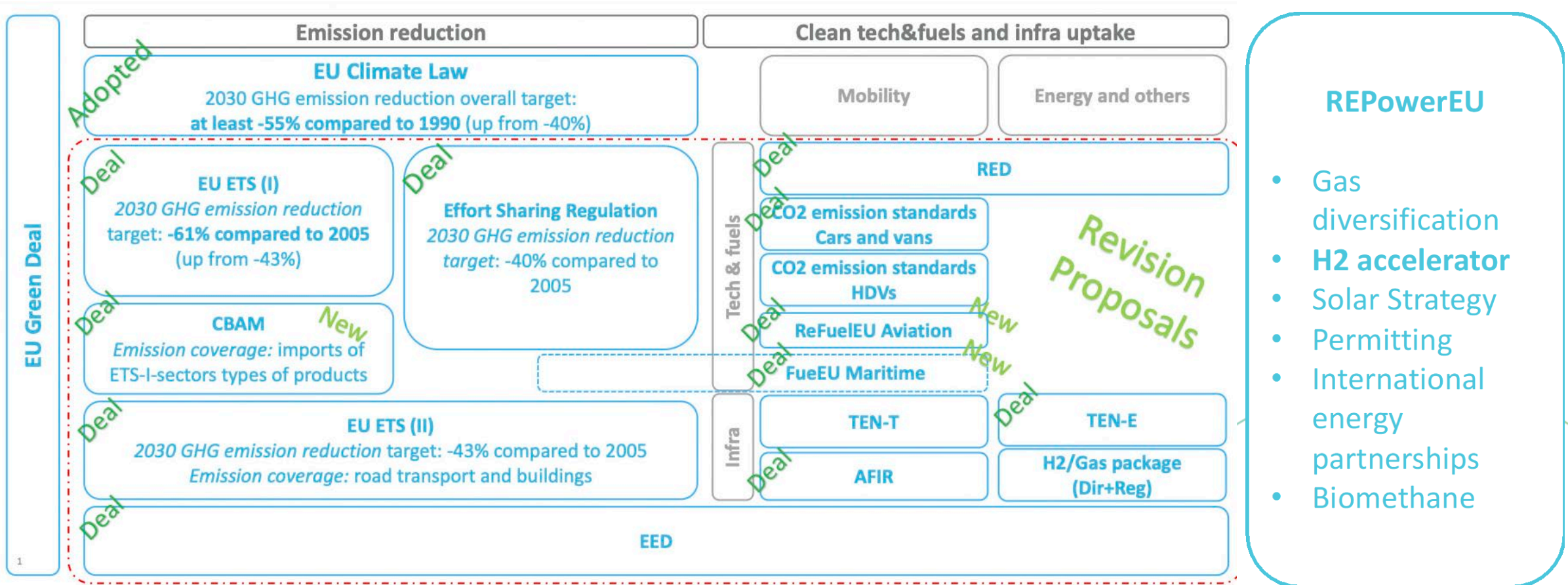


Flagship Expo



EU Legislation

The EU Policy landscape



EU Legislation Overview

	EC Proposal	Council (GA)	EP Committee	EP Plenary
Energy Taxation Directive	Fit455			
EPBD	Fit455	26 October	09 February	14 March
TEN-T	Dec 2021	5 December	13 April 2023	
Gas&H2 Directive	Dec 2021	28 March	09 February	
Gas&H2 Regulation	Dec 2021	28 March	09 February	
IED	April 2022	16 March		
ESPR (sust. product regulation)	March 2022			
CPR	March 2022			
Critical Raw Materials Act	March 2023			
Carbon Removal Certification	November 22			
CO2 standards for HDVs	May 23			
Euro7	November 22			
Electricity Market Design	March 23			
Net-Zero Industry Act (NZIA)	March 23			

RED III General provisions & Sectoral targets

General

- **Binding renewable share of 42.5%** by 2030
- **Review of the additionality DAs /** re-assess the capacity to meet the binding RFNBO goals
- Transposition 18 months for overall provision

Transport

- **Binding target on fuel suppliers:** either 14.5% GHG reduction OR at least 29% RES share by 2030.
- Binding **combined sub-target** of 5.5% for advanced biofuels and RFNBOs - minimum requirement of 1% RFNBOs .
- **Multipliers** of x2 apply for biofuels and RFNBO, (so actually 0.5% target- to be confirmed)

Industry

- Binding target on Member states
- 42% of the hydrogen used should come from RFNBOs by 2030 and 60% by 2035
- MSs could discount the RFNBOs target by 20% under two conditions:
 1. if the MS meet its RES target by 2030,
 2. MS's share of hydrogen from fossil fuels consumed is not more than 23% in 2030 and 20% in 2035.

Next Steps:

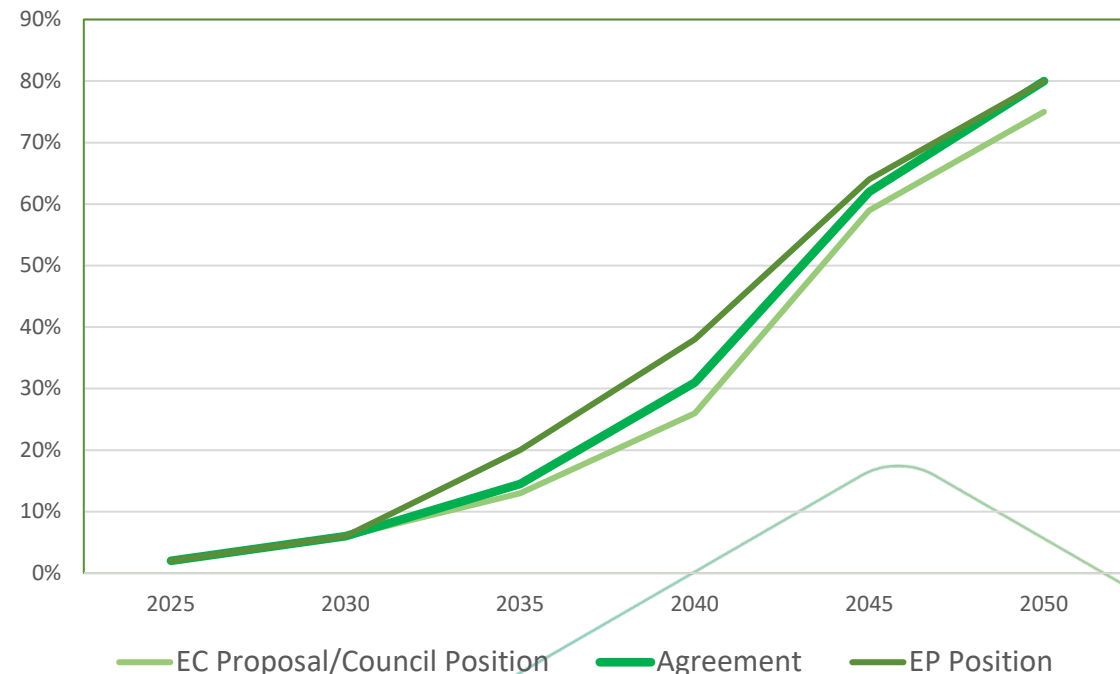
The directive needs to be formally adopted by the EP and then the Council, before being published in the EU's Official Journal and enter into force.

FuelEU Maritime provisional agreement reached on 22 March

Agreement on the content found in triilogue:

GHG intensity of the energy used on board	Stricter GHG reduction targets , between EC proposal and EP position (see graph)
RFNBOs multiplier	Multiplier of 2 for RFNBOs until 2035 : Every ton of e-fuel used will have their GHG savings counted twice towards the GHG target
RFNBOs 'sunrise clause'	A quota of 2% RFNBO shall apply in 2034 , conditional to insufficient uptake of RFNBOs in EU shipping demand (if less than 1% in 2031).
On-shore power supply (OPS)	Obligation to use OPS for all electricity needs when moored at quayside in TEN-T ports by 2030 (2035 for other ports if equipped)
Scope	Ships >5000GT (possible extension in 2028) All energy used on board in or between EU ports and half of energy used in voyages where departure/arrival ports outside the EU

GHG Intensity Reduction Pathway



Exemptions for outermost regions, small islands, ice-class ships and public service

EU ETS - after the compromise deal

- Higher ambition: of **62% reduction of ETS emissions** by 2030
- Rebasing of emissions in 2024 – 90 mln allowances and 2026 – 27 mln allowances;
- Annual linear reduction factor raised to **4.3% for 2024-27** and **4.4% in 2028-30**;
- **All H2 production plants >5 t/d** included under ETS, so **FA eligibility** (to be reflected in delegated acts)

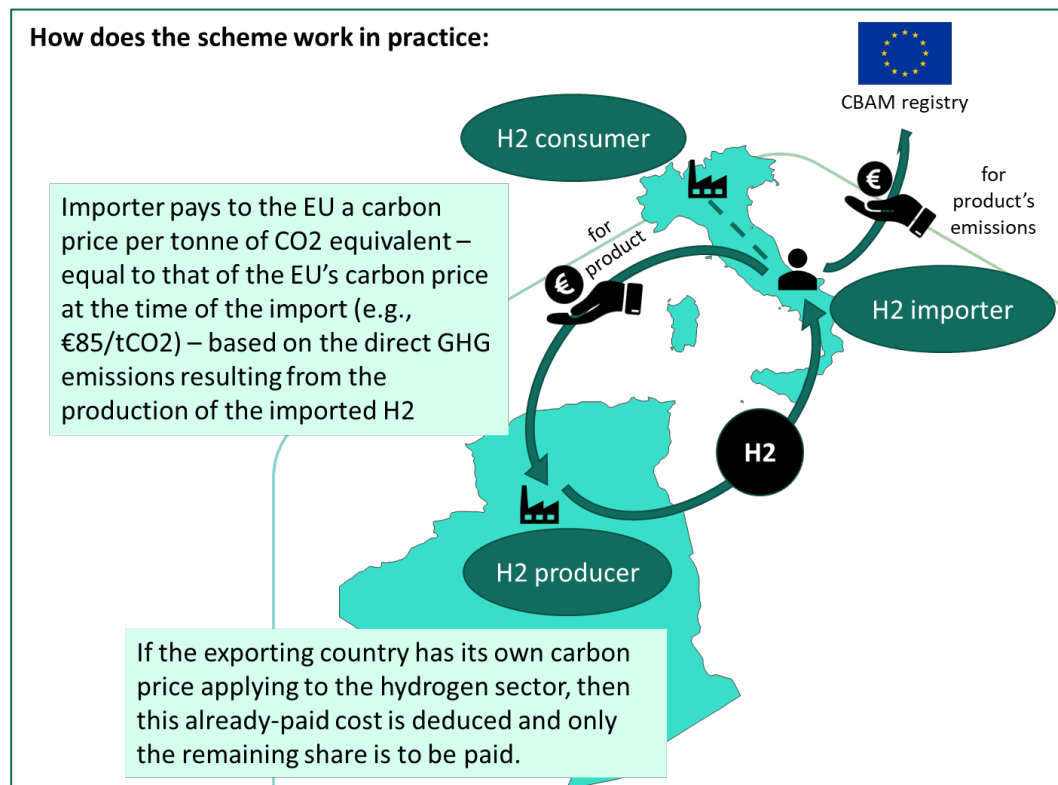
- **ETS II** on buildings/road transport **from 2027** (MRV from 2025) with emergency mechanisms. 30% frontloading.

- Maritime: phase in period for large (**5000 GT+**) vessels **2025-2027**, with **potential inclusion of smaller** (400-5000 GT) vessels after **2026**. **CO2, CH4** and **N2O** emissions to calculate

- CCS and permanent CCU out of ETS scope.

CBAM - after the compromise deal

- Phase out of ETS **free allowances** and concurrently phase in CBAM between **2026-2034**, after transition period (2023-2025)
- Covers iron and steel, cement, aluminium, fertilisers (ammonia), electricity and **hydrogen** (but no other H2 carrier/derivative)
 - Potential problem for H2 sector
- Very limited **downstream products** included, Commission to evaluate and report on extending scope (key for ELY/FC, e.g.).
 - Potential problem for H2 sector



Conclusion

- Major EU files have been agreed, but work at EU level continues;
- It is now to governments to transpose into national law and implement mechanisms to realise targets;
- Legal clarity, simplification and appropriate support will be key to achieve EU ambitions!