

ZEP response to DG CLIMA's consultation on competitive bidding under the Innovation Fund

The Zero Emissions Platform (ZEP) welcomes the opportunity to provide input to DG CLIMA's consultation on the design of competitive bidding schemes for hydrogen under the Innovation Fund.

As noted in previous ZEP reports – notably, 'The crucial role of low-carbon hydrogen production to achieve Europe's climate ambition: A technical assessment' and 'Facts on low-carbon hydrogen' – both renewable hydrogen and low-carbon hydrogen (including from reformation of methane with Carbon Capture and Storage) have important roles to play in an EU hydrogen economy, supporting the low-carbon fuel needs of the EU's energy-intensive industries and households. CCS-enabled hydrogen production will be crucial to kick-start the market for hydrogen by enabling to fulfil early and large-scale hydrogen demand.

It is important that the foreseen competitive bidding schemes is consistent with the objective of accelerating the hydrogen economy, without being prescriptive as to what production/technology routes can be supported, as long as they are consistent with a path to net zero. In this context, the carbon-intensity thresholds set out in the EU Sustainable Finance Taxonomy offer useful guidance. Such technology neutral approach must be followed also in the design of the competitive bidding schemes.

About the Zero Emissions Platform

ZEP is the advisor to the EU on the deployment of CCS and CCU – a European Technology and Innovation Platform (ETIP) under the European Commission's Strategic Energy Technologies Plan (SET-Plan).

ZEP supports the European Union's commitment to reach climate neutrality by 2050, defined as net-zero greenhouse gas (GHG) emissions by 2050. To this end, CCS technologies represent readily available and cost-efficient pathways for the decarbonisation of industrial and energy sectors in the European Union. Some applications of CCU — where CO_2 is stored in a manner intended to be permanent — can also contribute to this goal.