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E-002694/2024

Answer given by Mr Jørgensen

On behalf of the European Commission
(25.2.2025)

The hydrogen and decarbonised gas market package¹ sets a clear framework for the development of infrastructure and the revised Renewable Energy Directive² creates obligations for the consumption of renewable hydrogen in industry and transport. When transposing them, Member States should put in place incentives for the sectors. In 2023 the Commission identified 65 European priority hydrogen infrastructure projects³, that can benefit from funding under the Connecting Europe Facility and accelerated permitting. The Commission launched the second European Hydrogen Bank auction on 3 December 2024⁴, next to Innovation Fund calls⁵.

In line with Article 30 (2) of Regulation (EU) 2023/956, the Commission will in 2025 assess a potential scope extension of the Carbon Border Adjustment Mechanism (CBAM). This includes an assessment of goods further down the value chain, goods at risk of carbon leakage other than those listed in Annex I of the CBAM Regulation and other input materials. On this basis, the Commission will prepare, where appropriate, a legislative proposal, including an impact assessment, on extending the scope of the Regulation.

Member States can prioritise sectors for potential future Important Projects of Common European Interest (IPCEIs). Several approved IPCEIs⁶ have benefitted the steel industry's green transition through renewable hydrogen. In addition, the Guidelines for Climate, Environmental Protection and Energy and the Temporary Crisis and Transition Framework allow Member States to notify individual aid measures⁷ and aid schemes supporting industrial decarbonisation⁸ or renewable hydrogen production or carbon capture and storage.

¹ Directive (EU) 2024/1788 and Regulation (EU) 2024/1789.

² Directive (EU) 2023/2413.

³ Projects of Common Interest and Projects of Mutual Interest, including ~20,000km of pipelines, storages, terminals, and electrolyzers: C/2023/7930 final.

⁴ EUR 1.2 billion of EU funds and up to EUR 836 million from Spain, Lithuania, and Austria for projects in their Member State.

⁵ Two H2 DRI projects producing and consuming large volumes of H2 have already been awarded under the Innovation Fund, 'HYBRIT' (Sweden)

https://ec.europa.eu/assets/cinea/project_fiches/innovation_fund/101051316.pdf and 'H2Green Steel' (Sweden) (https://ec.europa.eu/assets/cinea/project_fiches/innovation_fund/101133206.pdf).

⁶ 'Hy2Tech' (https://ec.europa.eu/commission/presscorner/detail/en/ip_22_4544), 'Hy2Infra'

(https://ec.europa.eu/commission/presscorner/detail/en/ip_24_789) and 'Hy2Use'

(https://ec.europa.eu/commission/presscorner/detail/en/ip_22_5676).

⁷ See an example: https://ec.europa.eu/commission/presscorner/detail/en/ip_22_5968

⁸ For instance a German scheme (https://ec.europa.eu/commission/presscorner/detail/en/ip_24_845) and an Austrian scheme (https://ec.europa.eu/commission/presscorner/detail/en/ip_24_4746).