DRAFT OPINION

of the Committee on the Environment, Public Health and Food Safety

for the Committee on Industry, Research and Energy

on a hydrogen strategy for a climate-neutral Europe
(2020/xxxx(INI))

Rapporteur for opinion: Hildegard Bentele
SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the Commission’s intention to establish the European Union as a standard-setting and world-leading region for hydrogen; stresses that hydrogen is an important tool to decarbonise the energy system and to achieve the goals of the Paris Agreement; notes that an ambitious strategy can generate up to 1 million jobs and EUR 150 billion in annual revenue by 2030, while reducing annual CO₂ emissions by roughly 560 Mt by 2050; calls, therefore, on the Commission to introduce a comprehensive terminology and criteria for the certification of renewable and low-carbon hydrogen, since this constitutes the basis for any future investments;

2. Notes that hydrogen may be produced through a variety of processes; stresses the importance of a clear commitment to the transition to renewable and ultra-low-carbon hydrogen production to achieve the Union’s 2050 climate neutrality target, while ensuring technological neutrality; points out that during a transitional period, incentives will be required to scale-up renewable and ultra-low-carbon hydrogen in industry and the transport sector, building on the established Emission Trading System (ETS) framework;

3. Underlines that hydrogen, as an energy carrier, is a key enabler of the renewable energy transition, as it can stabilise and balance the electricity network and decarbonise heat production, which would be hugely beneficial for low-emission buildings; asks, therefore, the Commission to update and harmonise regulations on hydrogen blending in the short term and support the retrofitting of existing and developing missing networks to replace gas with hydrogen in the medium term, wherever possible;

4. Stresses the potential of hydrogen to decarbonise energy intensive industries and its importance as an industrial feedstock; notes, however, that up to 95 % of hydrogen used in industry today is fossil-based; calls, therefore, for the significant scaling up of research and investments in renewable hydrogen applications in industry and for State aid rules to allow for targeted support;

5. Stresses that hydrogen’s high demand for cost-competitive renewable energy will exceed Europe’s potential; calls, therefore, for the establishment of new energy partnerships and for inter-connectivity with neighbouring countries, taking into account the fact that new partnerships, especially those with Africa, are a win-win business opportunity, since they support the development of the renewable and hydrogen energy industries on both sides;