Basic information

2023/2123(INI) INI - Own-initiative procedure	Procedure completed
European Hydrogen Bank **Subject** 3.60.05 Alternative and renewable energies 3.70.03 Climate policy, climate change, ozone layer	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	HAJŠEL Robert (S&D)	10/05/2023
	Shadow rapporteur SPYRAKI Maria (EPP) GROOTHUIS Bart (Renew) SOLÉ Jordi (Greens/EFA) SZYDŁO Beata (ECR)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	JARUBAS Adam (EPP)	15/06/2023
TRAN Transport and Tourism	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Energy	SIMSON Kadri

Key events

Date	Event	Reference	Summary
12/07/2023	Committee referral announced in Parliament		
28/11/2023	Vote in committee		
30/11/2023	Committee report tabled for plenary	A9-0379/2023	
14/12/2023	Decision by Parliament	T9-0484/2023	Summary

14/12/2023	Results of vote in Parliament		

Technical information	
Procedure reference	2023/2123(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/9/11668

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE749.103	13/06/2023	
Amendments tabled in committee		PE751.676	20/07/2023	
Committee opinion	BUDG	PE751.738	08/11/2023	
Committee report tabled for plenary, single reading		A9-0379/2023	30/11/2023	
Text adopted by Parliament, single reading		T9-0484/2023	14/12/2023	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2024)145	21/05/2024	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency

Name	Role	Committee	Date	Interest representatives
GROOTHUIS Bart	Shadow rapporteur	ITRE	28/09/2023	Air Products
PEKKARINEN Mauri	Shadow rapporteur for opinion	BUDG	19/09/2023	Hycamite TCD Technologies Ltd
PEKKARINEN Mauri	Shadow rapporteur for opinion	BUDG	19/09/2023	Technology Industries of Finland (Teknologiateollisuus ry)
GROOTHUIS Bart	Shadow rapporteur	ITRE	12/09/2023	YARA BELGIUM S.A.

PEKKARINEN Mauri	Shadow rapporteur for opinion	BUDG	08/09/2023	Technology Industries of Finland (Teknologiateollisuus ry)
GROOTHUIS Bart	Shadow rapporteur	ITRE	07/09/2023	Hydrogen Europe
PEKKARINEN Mauri	Shadow rapporteur for opinion	BUDG	01/09/2023	Ren-Gas
HAJŠEL Robert	Rapporteur	ITRE	12/07/2023	Hydrogen Europe
SOLÉ Jordi	Shadow rapporteur	ITRE	26/06/2023	Arthur Daemers, Marta Lovisolo, François Paquet, Mauricio Belaunde
PEKKARINEN Mauri	Shadow rapporteur for opinion	BUDG	15/06/2023	P2X Solutions Oy
GROOTHUIS Bart	Shadow rapporteur	ITRE	05/06/2023	SNN
HAJŠEL Robert	Rapporteur	ITRE	19/05/2023	Duslo, a.s. Slovak National Hydrogen Association eustream, a.s. US STEEL Slovakia SLOVNAFT SPP

European Hydrogen Bank

2023/2123(INI) - 14/12/2023 - Text adopted by Parliament, single reading

The European Parliament adopted by 418 votes to 44, with 59 abstentions, a resolution on the European Hydrogen Bank.

Parliament welcomed the Commission communication on the European Hydrogen Bank (EHB) in which the initiative aims to act as an efficient and streamlined one-stop-shop for the coordination of activities and financing in support of renewable hydrogen projects along the entire supply chain. It encouraged the Commission to **provide more funding and visibility to the initiative**, as it will represent an important milestone for kick-starting the European hydrogen market.

According to estimations of the International Energy Agency, 32 % of global electrolyser capacity will be located in Europe by 2030 if all planned projects materialise. The resolution stressed the need to maintain and **enhance the Union's global leadership** on hydrogen by developing an innovative and efficient market that connects producers with consumers, using adequate infrastructures.

Members considered that to secure the EU's industrial sovereignty in a context of open strategic autonomy, the first implementation phase of the EHB should strongly prioritise **ramping up domestic production**, while subsequent phases could be extended to enabling the ramping-up of competitive imports of renewable hydrogen.

The resolution emphasised that **private funding** will be instrumental in building a European market for renewable hydrogen and that an efficient market, once developed, should not be dependent on public subsidies. The European Hydrogen Bank has the responsibility to coordinate and support all relevant consumption centres across Hydrogen Valleys and to upscale large-scale hydrogen flagship projects.

Financial support for the domestic production of renewable hydrogen

Parliament welcomed the Commission's decision to launch a first price-based **pilot auction** to support renewable hydrogen. It insisted on setting a fixed premium for future auctions equivalent to or higher than that proposed by the US under the Inflation Reduction Act. It asked the Commission to consider complementary mechanisms such as grants, contracts for difference and carbon contracts for difference.

According to Members, the design of future auctions should strongly prioritise the sale of renewable hydrogen to hard-to-abate industries and heavy transport, in particular aviation and shipping.

The resolution called on the Commission to provide technical assistance to Member States with a low level of participation. It emphasised that the EHB should also aim to attract smaller developing projects.

Non-financial support for the EU hydrogen ecosystem

While welcoming the Commission's idea of launching the concept of 'auctions as a service', Parliament suggests that the EHB should be able to provide **dedicated advice to private actors** concerning the development of renewable and low-carbon hydrogen installations in the EU. Members proposed that the activities of the European Clean Hydrogen Alliance be included under the EHB to create a physical forum where producers and consumers of hydrogen could meet to receive advice and exchange best practices. A voluntary joint purchasing mechanism for hydrogen can contribute to developing the domestic hydrogen market and securing imports under the EHB.

Imports of renewable hydrogen

The resolution stated that, despite an increase in the domestic production of renewable hydrogen, growing demand may require imports from non-EU countries. The Commission is called on to deliver a **robust common certification** scheme by 31 December 2025, in line with the revised Renewable Energy Directive for imports of renewable hydrogen, equivalent to the rules applying to domestic production, in order to ensure a level playing field for reliable international partners.

Members insisted that investment in renewable hydrogen from third countries should be subject to international **due diligence principles**, including but not limited to the United Nations Guiding Principles on Business and Human Rights. They urged the Commission to prepare guidelines with clear and transparent criteria concerning the eligibility for EU support of producers from non-EU countries, based on geopolitical risks and their potential reduction through cooperation.

Financial support for the transportation of renewable hydrogen

The resolution stressed that for a successful acceleration of the hydrogen market, it is necessary to ensure sufficient investment to develop adequate hydrogen infrastructure not only to connect supply and demand, but also to **store and transport hydrogen across the EU**. Members called on the Commission and the Member States to encourage private investment and, where necessary, ensure public funding for new installations for hydrogen and for the repurposing of those currently used for natural gas. It stressed that additional resources should be allocated to the Connecting Europe Facility, in order to enhance the funding of the relevant infrastructure.

Streamlining of EU instruments and financial mechanisms

Noting that the overall budget of EUR 3 billion for the European Hydrogen Bank, Members called on the Commission to **clarify the yearly budget available for the next five years** under each pillar of the EHB and to prepare a road map of planned auctions.

Parliament expressed strong concerns about the overall budget of the EHB compared to the subsidies, incentives and the more attractive investment framework in other regions of the world, in particular China and the US. It believed that the **current envelope of EUR 800 million for the first pilot auction is too limited** and called on the Commission to propose an appropriate budget for the EHB by significantly increasing it over the coming years with fresh resources.