



Report on the Panel discussion:

Hydrogen: Taking the leadership

How can the EU find its green energy sovereignty?

Brussels, 13 July 2021

The EU has been created by uniting economic and political interest behind a common goal. In the last years the EU has been criticized for not having a unifying vision that people can support and believe in. The Institute of European Democrats (IED) believes that hydrogen could be a solution for many economic and ecological challenges of the 21st century. In order to do that the IED has organised an online premiere followed by a panel discussion with the aim to present its film *Hydrogen - Re-connecting Europe*. Through this film, the IED intends to present hydrogen as a driving force for new integration and new collaboration across all EU member states.

Hydrogen is considered to be a promising source that will help the industries to adapt and respond to the challenges posted by the climate change, the disruptions in the environment and to aim for carbon-zero emissions. We have two main dimensions of the discussion: EU official position and the representative of NGOs and industry debating ways to expand the role of the hydrogen for Europe and the world, as well as Europe's actions in this area.

The speakers included: **Christophe Grudler** (MEP, Modem), **Jorgo Chatzimarkakis** (General Secretary, Hydrogen Europe), **Victoria Petrova** (Adviser for Hydrogen Economy, European Commission) and **Geert De Cock**, NGO Transport & Environment. With welcoming remarks by **Gabi Schmidt**, the vice-president of IED.

For **Geert De Cock**, hydrogen is a part of the solution, but not the only part. There will be a huge demand for hydrogen. It is important only if it helps decarbonisation. First we need to identify certain sectors that are in need of change or where there are no alternatives. Renewable hydrogen is important because can help us to get to 0 emissions.

As regards **Jorgo Chatzimarkakis** it is important that hydrogen can store energy. He underlined what **Christophe Grudler** said about coal and steel as the basis of the EC in the 50s and now hydrogen can bring us back together once more.

As for **Christophe Grudler**, the political and technical level are both important. The Green Deal is very important. Hydrogen has a key role to play to meet this goal – do we want to meet this goal or not? Skilled new jobs are important – the strategic autonomy of Europe is important – the fact that we import oil/gas is not good for our strategic autonomy.

In her early intervention **Victoria Petrova** said that we do more than just deregulations we put efforts to leverage the greening of our industries, beyond transport sector. The Hydrogen Strategy is an important tool for decarbonizing our society as it provides solutions for many types of users.



There are also some concrete leverage and reference data:

1. June 2020: European Clean Hydrogen Alliance
2. May 17, 2021 - members of the Alliance asked to submit projects/ the numbers of companies that want to reduce carbon use
3. June 2021, The European Hydrogen Forum, 1000 projects registered Project Pipeline They will be started very soon (2021-2023).

The debate was a lively one with questions from the public such as: Is this roadmap ambitious enough?

For **Christophe Grudler** it is an ambitious one but we can do more (especially in France) as we need more money, the industry is ready and we have a lot of innovation. It is good for jobs, for the Green Deal and for our strategic autonomy.

Jorgo Chatzimarkakis underlined the fact that money is not a problem (as public funds are available), but the implementation and attracting investors (private) are still difficult. The countries from Central and Eastern Europe are also supporting it and we should let the market decide which sectors are ready. We need to attract private investors they will come only if they see it starts. We have to help the market, **Christophe Grudler** underlined.

For **Florian Caspar Richter** we have lost the electro mobility race to Asia and in this case we need to win. **Geert De Cock** contradicted him as we did not lose – there is a battery alliance: European Battery Alliance. What we need is regulation to drive the lead markets and the demand. For shipping and aviation there is a difference in terms of money between fossil and green hydrogen. The private investors will have the trust if there is a long term push.

Florian Caspar Richter emphasised that everybody is asking for regulatory measures.

Another question was addressed to **Victoria Petrova** in order to tell to the audience what regulatory measures are needed immediately and where is the Commission heading?

Victoria Petrova mentioned the political declarations of the European Commission President Von der Leyen on the Green Deal and on the Industrial Strategy. During/after the pandemic the EC has identified the fact that EU is very dependent on many products (medicine etc.) and the pandemic acted as an electroshock. The EC is working on a Taxonomy document for Green products and is preparing Fit for 55 (maybe the title will change) and also a stimulus for the market. The EC is active with the stimulus package – the EC is still lacking the private sector. The EC cannot fund the transition to green energy for the whole EU with a fraction from the EU budget. On electro mobility – she said the EC tries not to lose the race as it launched the Battery Alliance. With FP7 and Horizon 2020 the EC has funded massively hydrogen-related research (for 1/2 decades). EU is consistent and the Commission is working on a very pragmatic approach but more funding will be welcome.

Another question from the audience addressed whether we should we produce hydrogen more locally or should we import it from abroad?

Christophe Grudler mentioned both of them as possible solutions yet local production would be better, as we must encourage local production from local consumption. But we also



need more pipelines – because we consume more. Also private companies should have a key role to play. Taxonomy – is very important; certification and carbon pricing – with all these tools we can have a good mechanism to regulate and have more funds into the hydrogen industry.

Jorgo Chatzimarkakis underlined the fact that there is good cooperation between Commission and the Member States. Soon dozens of regulations will be launched that will allow us to reduce at least by 55% the emissions. The industry should produce where it is cheaper and hydrogen can make a difference if it is globally produced.

Geert De Cock mentioned that the EU should set the global standards for this industry. In a global trade, ports will be central, therefore we should have the hydrogen production near them.

For **Victoria Petrova** Commission is part of a project – at international level - that exists for almost 30 years. We work on tariffs and other taxes and constraints that may constrain the trade in this area. Also, more like a personal reflection, speaking in strategic independence and autonomy: if we have consumers who do not want to buy organic apples from Chile – because it is very far away, maybe societally it is hard to accept - than how is socially acceptable to have not one kilo of apples, but thousands of tons of green hydrogen shipped from the Antipodes? It is important to have a certain security supply. For countries in Central and Eastern Europe, hydrogen can be a factor of transition towards green energy, the potential for production is very important. Their potential is equal to the Iberian Peninsula. Inclusiveness is also important for Europe.

Christophe Grudler said it is important to produce hydrogen in the cheapest way – it is what we have done with the pharmaceutical products, after we have a crisis like Covid 19 and we are totally dependent in Europe because we have not seen our strategic autonomy. This is very dangerous, if you want to produce it around Europe. We must produce more locally and after that, if we need, import – with cost of transportation and pipelines (which must be taken into account).

Florian Caspar Richter asked if there is an emotional connection with the product.

Christophe Grudler mentioned that as a politician you are a little bit emotional, too, as we are not machines.

The question of hydrogen democratisation and of its availability for every family was also raised by **Florian Caspar Richter**.

Jorgo Chatzimarkakis said that this will happen very soon. We need to diversify the sources from where we get our hydrogen from. We have offshore wind in Africa. There is also a very aggressive approach of China to conquer more and more. Half of Greece is in China's hands. We need a global view on hydrogen, not a local, regional one, it will not work, it has to go hand in hand.

Coal was the unifying factor in the 50s, said **Florian Caspar Richter**, one of the founding stones of Europe as we know it. Today Europe has faced a lot of tough times in the last couple of years: Brexit and other issues - can a project like hydrogen or a project like decarbonisation in general can have an emotional impact on the way Europeans view EU?



Christophe Grudler mentioned that the title of the film is *Hydrogen – Re-connecting Europe*. It is our responsibility to do it. The energy issues in general are very good for reconnecting people. We need a European attitude and we must stop with Member States attitude. We have a good future for energy and, of course, for Europe.

Geert De Cock mentioned the parallel with Euratom. We are facing a number of crisis we need to tackle on many fronts. Invest in public transport, in bicycles a broader based approach that is a New Deal. Hydrogen needs to be part of a broader strategy.

Florian Caspar Richter was interested to see if there are other changes that need to go with the technological change and Sustainability in general.

In giving his reply **Jorgo Chatzimarkakis** said that circularity is very important as well as better interoperability with other technologies. This documentary is also quite emotional. We can only work to change all this to make this continent net zero climate neutral if we work together. Hydrogen is not the silver bullet, is not the only solution, but is definitely a hero net-zero.

In the same line **Victoria Petrova** expressed her hope that hydrogen is not the only solution but rather is a tremendous opportunity. The development of hydrogen products should firstly support the economies of the countries where is produced., support their economies and respond to their need for growing energy and power and what would be exceeding would be channelled to Europe. It is not about EU cannibalising producing capacities in Africa but it would be about enabling their capacities and when is possible to have exports of the exceeding production. This is something that we really want to underline and is important.

At the end of the event answering to a question of **Florian Caspar Richter** if it is the time now or is the future, **Christophe Grudler** said that is important to be a visionary, we need to see in the future. Is important to look very far away for the future. In the final remarks he mentioned as an example of visionary Jules Verne who in his 1875 book *L’Ile Mystérieuse* (The Mysterious Island) stated... *I believe that water will one day be used as a fuel that hydrogen and oxygen that constitute it, used singly or together, will furnish an inexhaustible source of heat and light, of an intensity of which coal is could not have.*

Mihai SEBE

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