EUROPEAN COMMISSION GREENLIGHTS SECOND IMPORTANT PROJECT OF COMMON EUROPEAN INTEREST IN THE HYDROGEN VALUE CHAIN

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EU Policy and Regulatory Alert

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On 21 September, the European Commission (Commission) approved, under State Aid rules, the project IPCEI Hy2Use (IPCEI Hy2Use) as the second Important Project of Common European Interest (IPCEI) to support research and innovation, as well as the first industrial deployment and construction of relevant infrastructure in the hydrogen value chain. The IPCEI Hy2Use is an initiative prepared by thirteen member states: Austria, Belgium, Denmark, Finland, France, Greece, Italy, Netherlands, Poland, Portugal, Slovakia, Spain, and Sweden. The European Free Trade Association Surveillance Authority also approved on 21 September the aid for the two Norwegian projects participating in the IPCEI Hy2Use project.

The first project of this kind, the Hy2Tech project (Hy2Tech), was approved, by the Commission on 15 July 2022 and targeted hydrogen-related technologies focused on the end-user in the mobility sector.

The IPCEI Hy2Use addresses projects not covered by Hy2Tech, concentrating on hydrogen-related infrastructure and hydrogen applications in the industrial sector. More specifically, the project covers (a) the construction of hydrogen-related infrastructure, especially large-scale electrolyzers and transport infrastructure, for the production, storage, and transport of renewable and low-carbon hydrogen; and (b) the development of innovative and more sustainable technologies for the integration of hydrogen into the industrial processes of multiple sectors, notably those that are more difficult to decarbonize (e.g., steel, cement, or glass). Thus, IPCEI Hy2Use focuses on decarbonization and its objective is to reduce dependency on natural gas through the increased supply and use of renewable and low-carbon hydrogen.

Under this project, the Commission authorized member states to provide up to €5.2 billion in public funding, aiming to unlock another €7 billion in private investments. As seen in the graphic below, 29 companies with activities in one or more member states will participate in 35 projects. These companies include small and medium-sized enterprises as well as start-ups. The realization of the projects is expected by 2036, with different timelines depending on the function of the project and the companies involved.

IPCEI Hy2Use is the second IPCEI hydrogen-related project approved by the Commission out of the total four expected by the end of 2022.

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European Commission

Commission approves up to €5.2 billion support by 13 Member States for an Important Project of Common European Interest (IPCEI) in the Hydrogen value chain "IPCEI Hy2Use"

Hydrogen Infrastructure	Hydrogen applications in Industry
Air Liquide France	Borealis
Air Liquide Netherlands - CurtHyl	Enel Green Power/Endesa
Air Liquide Netherlands - ELYgator	ENGIE Belgium
Bay of Biscay Hydrogen (Petronor/Repsol)	Everfuel*
Bondalti	Hybrit Development
Cartagena Hydrogen Network (Repsol)	IAM Caecius
ENGIE Belgium	NextChem
ENGIE Netherlands	RINA-CSM
Fluxys	RONA
H2 Aboño (EDP)	SardHy Green Hydrogen
H2-Fifty	Solar Foods*
H2 Los Barrios (EDP)	South Italy Green Hydrogen
HyCC	TECforLime
Iberdrola	TITAN Cement
MassHylia (TotalEnergies and ENGIE France)	VERBUND
Ørsted	
P2X Solutions*	
PKN Orlen	
Shell	
Uniper	

*SMEs

Competition

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FOOTNOTES

[1] European Commission Press Release.

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