

Frans Timmermans

Executive Vice-President of the European Commission

Brussels, 25 May 2020

Open letter to Executive Vice-President Timmermans on renewable hydrogen as the best future-proof hydrogen solution

Dear Executive-Vice President,

Europe has taken the lead in the fight against climate change with the European Green Deal and the commitment to climate-neutrality by 2050. Amidst the COVID-19 health crisis and its economic implications **Europe needs to prioritise the most efficient, sustainable and cost-effective pathways to decarbonise its economy and to create jobs.**

The decarbonisation of the power sector through greater use of **renewable energy coupled with electrification of the rest of the energy system and energy efficiency will drive the clean transition.**

Electrification offers the cheapest and simplest route to decarbonise large parts of total final energy uses. More than 60% of final energy consumption can be covered by direct electrification. Renewable electricity is cost-competitive and highly scalable. Accelerating its deployment alongside a sound strategy for the modernisation of Europe's electricity grid will make a decisive contribution to both the Green Deal and to economic recovery.

Direct electrification will be the primary driver for decarbonisation of heating and road transport. But there are other energy uses that could be too expensive to fully electrify or have other technical challenges. These are the so-called "hard-to-abate" sectors such as chemicals, parts of heavy industry, long haul heavy-duty road transport, aviation, and shipping. In these sectors **renewable hydrogen will play a key role and can be the most cost-effective and sustainable solution for decarbonisation.**

Hydrogen produced via electrolysis powered by 100% renewable electricity has zero greenhouse gas emissions. When made in Europe it reduces the EU's energy dependence from third countries and when produced by grid connected renewables it offers a real form of sector coupling between the power sector and the other economic sectors.

Investment in renewable hydrogen has a great potential in terms of jobs and growth creation. This is because Europe will expand the renewable electricity capacity needed for its production and technological development. **European leaders are now setting out stimulus plans to kick start our economy after COVID-19. Every Euro spent on accelerating the cost-effective**

business models that create the most value for Europe – such as renewable hydrogen and direct electrification – will keep us on track to a faster and job-rich energy transition.

By making the right choices and placing renewables at the core of Europe’s future energy system, Europe can lead the way in the global energy transformation and shape its Green Deal as a true European success story. Our companies stand ready to deliver this vision

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