



## **EU COMMISSIONER KADRI SIMSON**

### **EUROPEAN UNION ENERGY DAY – EXPO2020**

**14<sup>th</sup> of November, Dubai, UAE**

an event organised by the European Commission and hosted in the Netherlands Expo 2020 pavilion during Expo 2020 in United Arab Emirates. The EU-GCC Clean Energy Technology Network, a project funded by the European Commission, facilitates the organisation of the event.

The event will present, promote and discuss the policies and technologies under the Green Deal, focusing on:

- The role of hydrogen for the energy transition pathway in the EU
- The role of innovation in driving the hydrogen agenda
- Policies, technological and business models to facilitate the development of renewable hydrogen projects
- International cooperation initiatives for technology transfer and trade.

### **SPEAKING POINTS OF HE KADRI SIMSON EU COMMISSIONER FOR ENERGY**

Excellencies, ladies and gentlemen, dear colleagues,

- It's a pleasure to be here today, to open the EU Energy Day at EXPO. A week ago, I returned from the COP26, and while these two events have different purposes, there are commonalities. They both bring together countries from all over the world. They both look to the future, searching for innovative clean solutions that we need to thrive on this planet. And they are both a huge challenge to organise.

- So, I want to first congratulate the United Arab Emirates for pulling off such a magnificent EXPO despite the challenges of the pandemic.
- I am very grateful to the Gulf Cooperation Council Clean Energy Technology Network for organising today's event with the help of the EU Delegation in Abu Dhabi.
- Let me also thank our friends and partners from the Netherlands for hosting us in this amazing pavilion, which is based on sustainability and brimming with innovative solutions.
- This is very fitting, as our focus today will be on the European Green Deal, the clean energy transition and, more specifically, the role of renewable hydrogen.
- Tackling climate and environmental challenges is an urgent global need. COP26 has again confirmed our commitment to the Paris agreement and the need to limit global warming to well below two, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.
- In Europe, we are determined to do our part. With the European Green Deal, we have committed to becoming the first climate-neutral continent by 2050 and to reduce greenhouse gas emissions by at least 55% already within this decade.
- This summer, we proposed a far-reaching legislative package,

often called Fit for 55, to make the Green Deal a reality.

- It is a blueprint for a fundamental transformation of the EU economy and society to meet our climate commitments, including in the energy sector. Among other concrete measures, we have proposed to increase our renewable energy target from 32% to at least 40% and significantly improve energy efficiency.
- But while it's clear that the EU has a responsibility to lead the fight against climate change, it is equally clear that we cannot win it alone. We must work with our international partners to deliver a just clean energy transition.
- Today, I want to zoom in on a key piece of the energy transition puzzle, which has a significant external dimension: green hydrogen.

Ladies and gentlemen,

- In the EU, we have made renewable hydrogen our clear priority. While energy efficiency and electrification should be the basis of our future energy system, we will need hydrogen to decarbonise hard-to-abate sectors.
- This is why, in our hydrogen strategy, we have put in place ambitious targets for renewable hydrogen production capacity in the coming years: 6 GW of electrolyzers by 2024 and 40 GW

by 2030. By then, if not sooner, we expect the price of green hydrogen to be competitive with fossil-based hydrogen.

- We have translated this ambition into very concrete policy proposals. In 2030, we expect our industry to get 50% of their hydrogen consumption from renewable sources AND we require that at least 2.6% of all transport fuels are produced on the basis of green hydrogen.
- I believe these are bold steps that will not only contribute to our own transition, but have a catalysing effect for the scale-up of green hydrogen globally.
- So what are the implications of these policy proposals?
- First, cooperation. To meet our targets, we cannot rely on localised green hydrogen production alone, so we need to develop complex hydrogen ecosystems to bring affordable green hydrogen to the end-consumer. Countries like the Netherlands and Portugal, both represented here today, are already well advanced with the development of such hydrogen projects.
- Second, innovation. The EU is an industrial leader for electrolysers; we are working on the expansion of our cross-border hydrogen infrastructure; and have several large-scale demonstration projects in place to convert our industries and

heavy-duty transport applications to hydrogen consumption. However, we need to continue to innovate across the full supply chain, including in areas like storage, port facilities and safety.

- We are of course ready to share our experience with the rest of the world. Here today we will see real examples of EU companies working on hydrogen projects with local businesses outside Europe. This is something we strongly support.
- For us, intra-EU trade remains a priority, also to provide energy system security. That said, we expect that hydrogen imports will be needed to support faster development of a functioning EU market and to ensure competitive prices.
- The creation of a global market for hydrogen will include re-designing Europe's energy partnerships with neighbouring countries and regions but also other third countries - to advance supply diversification and help design stable, secure supply chains.
- The most obvious partners for the EU are the North African countries and Ukraine, where our cooperation should support internal market reforms and the production of renewable energy.
- Trade in renewable hydrogen is mutually beneficial: it will help

to meet the demand in Europe, while stimulating investments and contributing to the clean energy transition of our international partners.

- But for this to be possible, several preconditions have to be met, such as technical standards on greenhouse gas emissions and sustainability, and the adaptation of our infrastructure.
- We need to be sure that the hydrogen we import is as sustainable as the hydrogen we produce in Europe and that we have the necessary infrastructure to transport the hydrogen in the most economical and environmentally friendly way.

Ladies and gentlemen,

- The European Union is moving forward with its ambitious plans to make hydrogen an important part of its integrated and fully decarbonised energy system.
- The next important milestone is the 14<sup>th</sup> of December, when we will adopt a proposal to decarbonise our gas and hydrogen markets. We want to make it easier for hydrogen and renewable gases to access the gas infrastructure and progressively replace natural gas. We will also outline the main market rules for the hydrogen sector, covering issues such as third party access, unbundling and tariff setting.
- We will also focus on our external relations and partnerships. In

the beginning of next year, we will publish a European strategy on international energy engagement, to reflect on how we can update our energy relationships with a global decarbonised energy system in mind.

- Finally, we will need to continue to build upon the momentum of COP26 and the UN High-Level Dialogue on Energy. With the UN Compact on Green Hydrogen and the new COP26 initiatives announced, such as the Breakthrough Agenda, the EU Catalyst Partnership, and the First Movers Coalition, we have several new avenues to cooperate and pursue our common goals.
- I look forward to working within our current partnerships and platforms as well as new frameworks to make hydrogen our next success story.
- Thank you!

