



Position Paper on the Adoption of the National Hydrogen Strategy

The German Federal Government has adopted the National Hydrogen Strategy. HYPOS has already published a position paper in December 2019 with central demands on such a strategy. This paper intends to provide a brief assessment of the strategy now published from the perspective of HYPOS and its members.

Hydrogen is economic power, for the Federal Government too. With the National Hydrogen Strategy the Federal Government has recognised the technology's potential for Germany as an industrial location and its climate protection plans. As a result of the COVID-19 pandemic a global recession is expected. This makes it all the more important to use investments in a targeted manner. With a sum of 9 billion euros, the German government wants to support the market ramp-up and the development of international partnerships. Besides further funding from the 7th Energy Research Programme for the real laboratories of the energy transition, from the Energy and Climate Fund and the National Decarbonisation Programme the Federal Government has put together a comprehensive package for financial support of the coming years. HYPOS welcomes this strong signal from the federal government.

Green hydrogen is part of the energy transition. During the past months the German government discussed the role of alternative hydrogen sources. In the adopted version of the National Hydrogen Strategy a focus on green Hydrogen is now discernible. HYPOS explicitly welcomes this direction. Only with green Hydrogen the energy transition can now be continued credibly. In addition, the Federal Government for the first time has formulated a definite quantitative target with its announcement to install 5 GW electrolysis capacity by 2030 and another 5 GW by 2035 in Germany. Thus, the National Hydrogen Strategy presents the much longed for security of investment for involved parties. The technology for the production of green Hydrogen is already technologically mature today in order to integrate the required capacities into the market as quickly as possible.

Regulation and charges are being reformed. In its current form the tax and levy system prevents effective sector coupling and the possibility of cost-cutting production of green Hydrogen. With the National Hydrogen Strategy the German government is presenting the prospect of a reform and is striving in particular to exempt green hydrogen from the EEG levy. In addition, further regulatory revisions are provided to be examined. These include, for example, a set of rules for the establishment and expansion of hydrogen infrastructures and -networks or potential combined tenders for offshore wind energy and hydrogen production facilities. HYPOS welcomes the proposed reforms and calls on the federal government to incorporate the numerous relevant proposals and studies of the sector in order to make adjustments.



The National Hydrogen Council is unilaterally staffed. HYPOS welcomes the establishment of a permanent governance structure for the continuous development of the National Hydrogen Strategy. This includes the establishment of a National Hydrogen Council as an advisory expert body. Among the 26 experts proposed are HYPOS partners too. However, the current cast does not include any representatives of small and medium-sized enterprises, gas or hydrogen associations or specialised lawyers. It is precisely their professional involvement that is highly relevant for the rapid implementation of the strategy. Furthermore, the involvement of federal states, municipalities and existing hydrogen networks has not yet been specified. HYPOS calls on the German government to ensure that the hydrogen initiatives are constantly involved in the announced platform format in order to effectively integrate regional and local knowledge.

Catalogue of measures as a starting signal. The National Hydrogen Strategy contains 38 measures which will shape an action plan for a period up to 2023. Some of the measures are still vaguely formulated. Even if the strategy is only intended to provide a framework, it is now important to fill the measures with already existing knowledge as quickly as possible. Since 2013, HYPOS partners have been researching the entire green hydrogen value chain in 32 research and development projects including the cross-cutting issues of safety, economy and acceptance. This includes, for example, measurement and control systems, safety technology, materials research, comprehensive technical, economic and organisational studies for the use of the natural gas network and its facilities for increased hydrogen concentrations and also concepts for the design of a socially acceptable transformation process. HYPOS offers its support to the Federal Government in the ascertainment and implementation of the measures.

The National Hydrogen Strategy is a milestone. Even if some points are still undetermined, the German strategy is a milestone with international impact and an important signal to set off a green hydrogen. The large media echo must now be used productively to create confidence and convince the public of the necessity of the technology. This can only be achieved if operational implementation is started as quickly as possible and production facilities and utilisation paths are demonstrated. HYPOS invites all partners and interested parties to join forces in the future of hydrogen.

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About HYPOS

HYPOS is a broad network open to all interested in the hydrogen economy. Numbering over 100 members, HYPOS combines the potential of innovative SMEs, the expertise of companies from chemical industry and energy and plant engineering sectors, and the capabilities of universities and research centers for the joint development of a cross-sector green hydrogen economy. 32 project consortia are researching innovation potential from the provision of electricity to the production, storage, distribution and use of green hydrogen in the fields of chemistry, refinery, mobility and energy supply. The German Federal Ministry of Education and Research is funding HYPOS within the program "Zwanzig20 - Partnerschaft für Innovation" with 45 million Euro.

