



EUROPEAN COMMISSION
SECRETARIAT-GENERAL

Directorate D – Twin Transition, Economic and Social Affairs

REPowerEU – industrial leg

Minutes

12 April 2022

SG recalled the importance of actions in the industrial cluster as a central element in the REPowerEU plan to be adopted on 18 May. The objective of this meeting was to identify and advance the concrete deliverables of the main workstreams.

1) Solar, heat pumps, supply chains & raw materials, skills:

GROW presented their analysis of the main supply chain bottlenecks. While the market of heat pumps and wind technology was dominated by EU companies, Asian competitors were increasing their market share. On solar the EU was dependent on imports and on hydrogen its technology leadership was fading. In addition dependencies on critical raw materials hamper supply. GROW proposed several policy options: (1) clear high level policy signal; (2) investment support schemes involving EU funds (3) accelerating permitting (incl. manufacturing) (4) complete regulatory framework on hydrogen (5) support steady demand (6) revise trade policy (7) EU-wide campaign to attract talent.

ENER referred to ongoing work linking the commitments set out in the REPowerEU communication to policy choices to achieve the targets, including the cost related to each option (investment needs). In addition, the draft solar strategy had been circulated to relevant DGs for comments. The strategy would provide measures for scaling up the solar ambition, e.g. through a European Solar Rooftop Initiative, faster permitting procedures, and promoting the skills development.

EMPL shared its assessment of the green skills gap. While there was no shortage of funding (e.g. from ESF+ or RRF), further efforts would have to be made to increase the attractiveness of pursuing a career in this sector to attract talent. They were still assessing what kind of targeted action they could launch for certain technological areas, e.g. heat pumps.

2) Industrial process transformation in EU, Innovation Fund project volumes:

Turning to the next workstream, **CLIMA** explained that through anticipating ETS revenues from next year into this year, they would be able to frontload another large-scale call to be launched in this year. New calls should provide for supporting REPowerEU objectives, particular with regard to electrification/degasification and manufacturing of renewables technology. While prior to

selection all projects would have to be independently assessed, previous calls had already allowed identifying a pipeline of generally suitable projects, in particular on hydrogen. The work on an EU-wide contracts for differences scheme was ongoing, but required a delegated act on the governance of the scheme. **GROW** recalled the need for swift adoption of this delegated act.

3) Delegated Act on Additionality:

Concerning the Delegated Act on Additionality, **ENER** informed that they were aiming for publication of the draft Delegated Act on 18 May, with adoption to follow after the four week consultation period. Possible adoption by late June. A discussion among Cabinets was scheduled for 13 April. **CLIMA** asked for close coordination on the delegated act and **GROW** suggested adoption (not publication) on 18 May.

Referring to hydrogen actions in REPowerEU, **ENER** also informed participants that they were working on different options for the Global European Hydrogen Facility.

4) Approval of hydrogen IPCEI projects:

COMP provided an update on the assessment of the two hydrogen IPCEI applications. Work had been accelerated where possible, while also ensuring a high quality assessment. A clearer picture on a possible publication should have emerged in the beginning of May.

Follow-up:

- **Bilateral contacts** to continue to further develop deliverables.
- **Next meeting of industrial cluster** to be scheduled when need arises



REPowerEU - industrial cluster,

12 April 2022

Participants

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