Flash report: AN AFIR CONSORTIUM: How to fund & finance the deployment of alternative fuels infrastructure in the European Member States
30/01/2023 17:30
Hydrogen Europe Office

Present (participants who took floor):
- [Name], Hydrogen Europe
- [Name], Hy24
- [Name], Daimler AG
- [Name] from Federal Ministry for Digital and Transport in Germany
- Henrik Hololei, Director General, DG MOVE
- Ismail Ergug, MEP, S&D

Summary:
1. [Name] of Hydrogen Europe opened the meeting. [Name] argued that if only 5% of all fuels would be replaced to hydrogen, (as in line with the RepowerEU ambition) this would mean a need to deliver 4.17 Mt of Hydrogen annually. [Name] also referred to the recent announcement from OEM that 50,000 trucks should be on the EU roads by 2030. Hydrogen Europe also argued that investing in both battery electric and hydrogen infrastructure results in the over lower costs than in only electrification (slides attached).

2. [Name] from Hy24 recalled that the Commission proposal for a new AFIR regulation implies a replacement of only 1% of existing refuelling stations with hydrogen stations. Hy24 informed about the 2bn EURO investment fund created together with a number of recognized companies (Air Liquide, VINCI, CHART, Baker Hyghes, AXA, EDF, Alliance and many more). The new investment fund proposed to come operational in several phases:
   a. Concept and initial outreach
   b. Scoping and outreach - to work with a small number of willing Member States and economic operators to test the framework.
   c. Scale up to rest of the Europe
   [Name] offered Hy24 to act as an coordinator of the proposed consortium that would bring hydrogen value chain, infrastructure operators, OEMs and investors as well as public authorities and public support schemes. (slides attached)

3. [Name] from Daimler AG suggested that phasing zero emission vehicles depend on 3 factors: Infrastructure, Vehicles uptake and Price parity. [Name] referred to the various forecasts of number of trucks being expected to be in service by 2030 in Germany. [Name] quoted an estimate by ACEA with 60.000 trucks in EU (of which 30.000 would be located in Germany). Newer industry estimates suggest that the number will be larger - around 38.000 trucks in Germany alone. [Name] also recalled that
most of the EU truck manufacturers will have a hydrogen truck offered by 2025 (slide photo attached – 1b.jpg). It is suggested that the EU should be still considered as the leader in the fuel cell technologies - an advantage that should be recognized and built upon. It is considered that autonomy (1000km) and a 15 min refuelling time is a real competitive advantage over other technologies.

It is called for AFIR requirements to include technical requirement to serve heavy duty vehicles.

4. From Federal Ministry for Digital and Transport in Germany reaffirmed that refuelling infrastructure is crucial. It referred to the German efforts in building a refuelling network in Germany. It referred to the ongoing discussion with the European Commission on the IPCEI or other instruments to be used to apply public support to the hydrogen refuelling infrastructure.

5. Mr. Hololei stressed that hydrogen is an inherent part of the Commission vision for future mobility system. He stressed that the Commission has done its part with the regulatory framework (AFIR) and the public support (AFIF). He stressed that there is no 'chicken and egg problem' - the infrastructure must come first. He stressed that the new instrument must be developed as a support to the existing instruments. It also needs to keep in mind the time constraints that are needed to set up new support frameworks.

6. Mr. Ertug, MEP, AFIR Rapporteur, referred to the difficult discussions in the trialogues. He stressed the need for the German government to step its efforts to unlock the negotiations in the Council. He recalled the failure of the existing AFID directive which entrusted Member States to delivery upon their commitments made through the National Policy Frameworks. He stressed that hydrogen solutions are not a competition to battery solutions, but a complementarity. He stressed that he does not lack of funds is not a problem - there are huge funds available under RRF, which are not used by the Member states yet.

Kind regards,

[Signature]

European Commission
DG Mobility and Transport

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