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To: (CAB-LENARCIC); CAB LENARCIC MEMBER; (CAB-LENARCIC)

 Cc:
 (CAB-LENARCIC)

 Subject:
 NP meeting with IOGP 15.01.2021

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Attachments: Presentation Ms Pauwels - Deputy Head of Cabinet Lenarcic - 8 Jan 2021.pdf

## NP meeting with International Association of Oil & Gas producers (IOGP), 15 January 2021 @ 14.30

This VTC with representatives of the International Association of Oil & Gas producers was held at their request to introduce their sector, in particular investments in low-carbon energy, and set out certain concerns related to Green Deal follow-up initiatives. They had prepared a power point presentation (attached) with key figures about the IOGP membership and main activities of their sector related to low-carbon energy infrastructure and decarbonisation technologies.

Their key concern is the role of gas in the transition towards climate neutrality by 2050. While maintaining the support of IOGP for this objective, they assert that it cannot be achieved without natural gas, renewable & low-carbon hydrogen combined with decarbonisation technologies such as carbon capture, usage and storage playing a role. According to IOGP, these are more cost-efficient solutions especially for the part of the economy that cannot be electrified (40% according to a study cited in the presentation), while also having co-benefits (e.g. for air quality when gas replaces coal). IOGP regrets the new definition of 'clean hydrogen' set out in the EU Hydrogen Strategy, which limits it to renewable hydrogen, effectively excluding low-carbon (i.e. from natural gas) with carbon capture, usage and storage. This definition also has implications for the Sustainable Development Taxonomy and therefore what qualifies as 'green' investments. IOGP calls for reverting to a definition of clean hydrogen that would include both renewable and low-carbon hydrogen in the draft Delegated Act under the Taxonomy, the preparation of which is apparently delayed. IOGP is concerned that the thresholds set for hydrogen in the draft are too ambitious. They advocate the inclusion of separate, dedicated thresholds for 'transitional activities' including natural gas.

Finally, with regard to carbon capture, usage and storage, they called for accelerating the establishment of the CCUS Forum foreseen in the energy systems integration strategy published last year.

I took note of their concerns. I also informed them that I will be leaving the Cabinet at the end of the month and that someone would be taking over my responsibilities for the Green Deal.

Natalie