

What does the EU's Clean Industrial Deal mean for hydrogen?



- ➔ The EU Commission's new Clean Industrial Deal (CID) aims to boost **clean and competitive transition** of European industries
- ➔ Several measures related to hydrogen are expected to be released this year, including the **Delegated Act on Low Carbon Hydrogen**
- ➔ The **Industrial Decarbonisation Accelerator Act** could impact the hydrogen sector within the broader decarbonisation context, increasing demand for clean, EU-made products such as steel

What is the Clean Industrial Deal about?

The Clean Industrial Deal (CID) identifies **6 business drivers** for a successful and sustainable industrial transition in the EU.

- **Low energy costs**
- **Demand for decarbonised products**
- **Public and private investment**
- **Critical minerals and circularity**
- **Global markets and partnerships**
- **Reskilled workforce**

Several measures and action plans are proposed under the CID, notably...

- **Industrial Decarbonisation Accelerator Act** (Q4 2025)
- A comprehensive review of CBAM (Q3-4 of 2025)

Hydrogen and its derivatives continue to play an important role in the discussion with 4 major initiatives expected this year.

Q1 2025

**Publication of
Low Carbon H2
Delegated Act**

Q2 2025

**Launch of
the Hydrogen
Mechanism**

Q3 2025

**3rd European
Hydrogen Bank
Auction**

2025

**Review of RFNBO*
regulations**

**RFNBO: Renewable Fuel of Non-Biological Origin*

A new Delegated Act on low carbon hydrogen will be published

The Commission will adopt a Delegated Act of the Gas Directive in Q1 2025, clarifying the **rules and methodology** for “**low carbon**” hydrogen defined as:

- hydrogen which the energy content derives from **non-renewable sources**
- with meets **at least 70% GHG emissions reduction** compared to fossil fuels comparator of 94 gCO₂eq/MJ

	Definition	Methodology	Target	Subsidy
Low-carbon	 <i>Gas Directive 2024/1788</i>	In progress <i>Delegated Act by Q1 2025</i>	?	?

With the new Delegated Act...



H₂ and derivatives producers can choose flexibly from options other than RFNBO



Investors will have more certainty on the H₂ ecosystem



Certifiers to implement the low carbon methodology

Existing measures will be enhanced or reviewed to meet the EU's H2 targets



3rd call under the European Hydrogen Bank (IF 25)

- Expected to launch in **Q3 2025**
- **€1bn budget** funded by the Innovation Fund (IF) collected from the EU ETS revenue
- Allocate subsidies for **domestic hydrogen production projects**
- Auction-as-a-service



Pilot Hydrogen Mechanism

- an **online matchmaking platform** for H2 buyers and sellers
- May cover **renewable** and **low carbon** hydrogen, and **derivatives** from within and outside of the EU
- To be launched in **mid-2025**

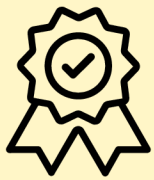


Review of the RFBNO Delegated Act

- The Commission is launching a study to assess the **effectiveness of the RFBNO framework** (i.e., additinality, hourly and geographical correlations)
- Addressing the barriers to upscaling of renewable hydrogen
- Supporting certification process with a regularly updated online Q&A

Industrial Decarbonisation Accelerator Act (IDAA)

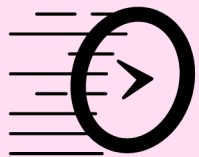
The upcoming Act, which is to be published in Q4 2025, will introduce the following measures to boost European industrial decarbonisation



A **voluntary label** for low carbon industrial products, starting with **steel** in 2025 and later **cement**



Applying **non-price criteria (resilience, sustainability, and local content requirement)** in public procurement for strategic sectors



Faster permitting for energy and industrial decarbonisation projects (e.g., modernisation of steel production sites)

Such measures are expected to:

- Allow companies to **collect green premium** and **inform customers**
- Boost **demand for EU-made** clean products
- **Resolve permitting bottlenecks** for critical decarbonisation projects

What happens next?

In summary, the **Clean Industrial Deal** (2025) extends the effort of the European Green Deal (2020) to **boost the industrial competitiveness** while **meeting Europe's climate targets**.

To achieve this dual goal, a coordinated effort needs to happen between...



*Clean and
affordable energy*



*Domestic
manufacturing*



*Global
partnerships*



*Policy and
regulation*



Finance



Our take at Yamna

While new measures can boost demand for clean products (e.g., green steel), future action plans should address three critical areas:

- **Legal and regulatory certainty:** Establish a clear legal framework to provide visibility and confidence for market players and investors.
- **Accelerated implementation:** Ensure a fast implementation of the established legal framework to enable timely investment decisions for 2030 and beyond.
- **Avoiding subsidy overlap:** Prevent competition between RFNBO and low-carbon alternatives, as both are essential for achieving the EU's decarbonisation goals.



**Yamna, green molecules producer, is
developing several green hydrogen and
derivatives projects worldwide**

Contact:

Amine Masnaoui,

Business Development Manager

amine.masnaoui@yamnaco.com

