



European Hydrogen Bank

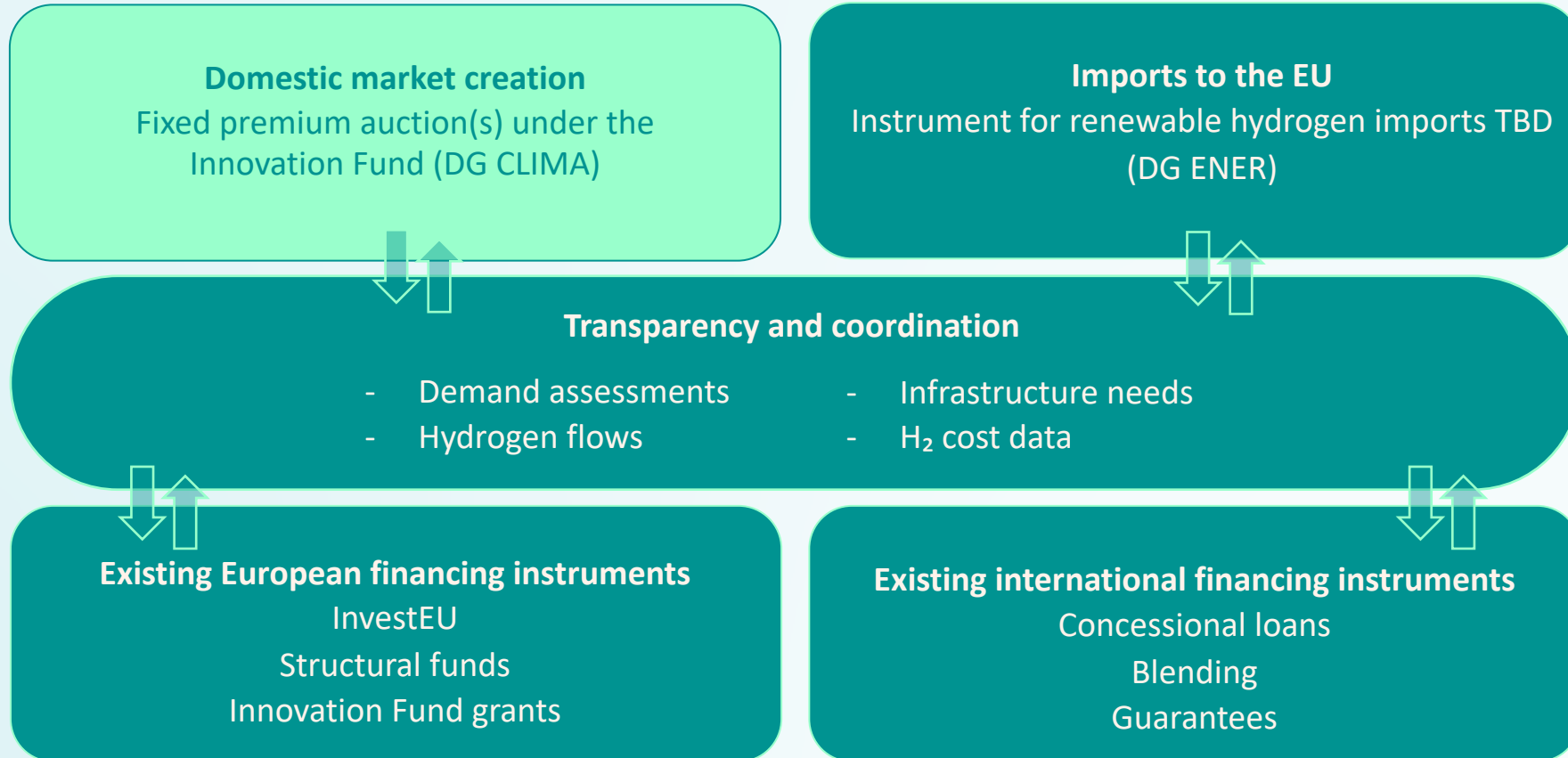
RFNBO Hydrogen Auctions under the EU Innovation Fund

The European Hydrogen Bank

- Announced in the State of the Energy Union 2022
– linked to **REPowerEU** objectives
- Communication adopted on 16 March 2023
- **Pilot auction** opened on 23 November 2023
- **Auctions-as-a-service**

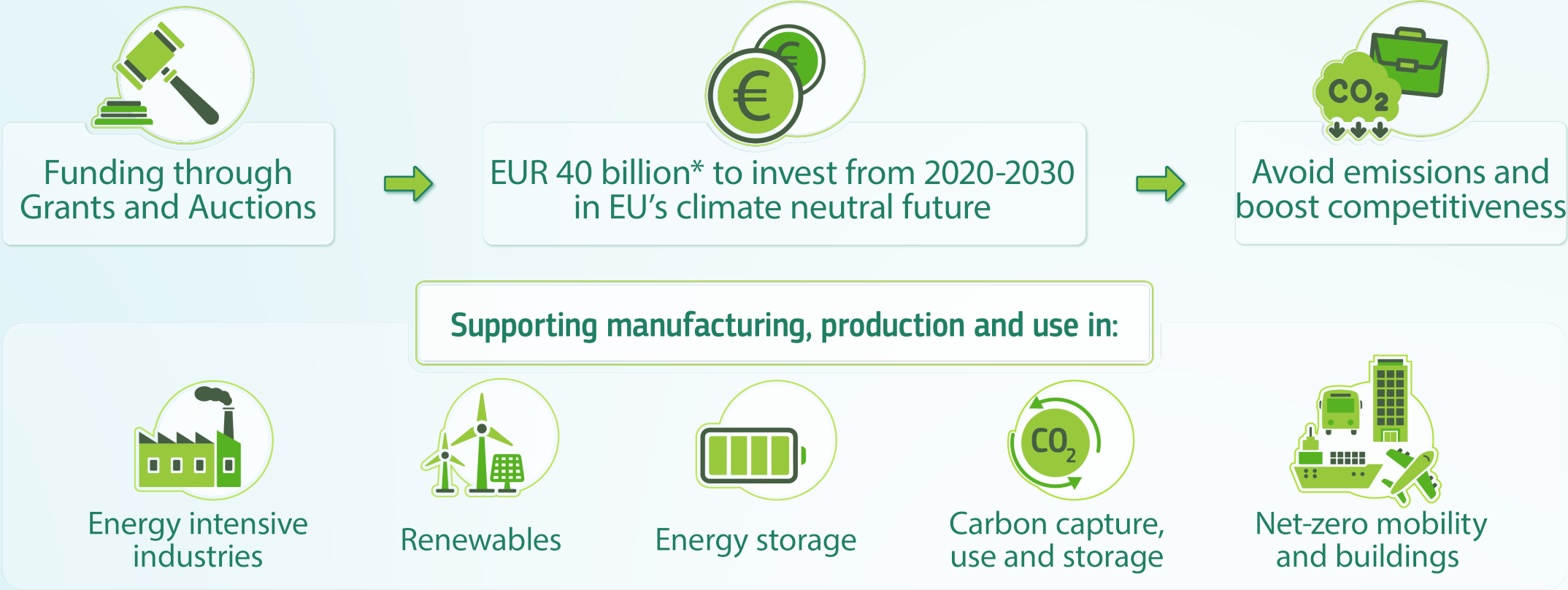


European Hydrogen Bank proposed activities



Innovation Fund

Deploying innovative net-zero technologies for climate neutrality



IF23 Auction objectives

Putting Europe's net-zero industry in the lead:



Reducing the cost gap between renewable and fossil hydrogen in the EU



Allowing for **price discovery** and **market formation** in renewable hydrogen



De-risking European hydrogen projects

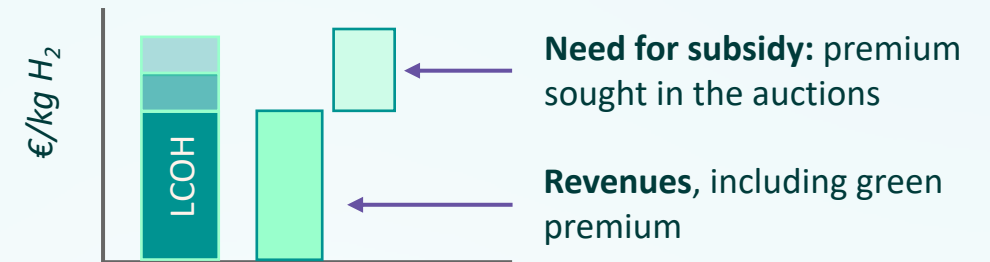


Reducing administrative burdens

simplicity and implementation speed in mind...

- Budget: **€800 million**
- Auctioned good: **RFNBO hydrogen**
- Support in form of a **fixed premium** in €/kg of renewable hydrogen **produced** over **10 years**
- Bids **ranked on price** – budget allocated to projects with the lowest specific support requirements
- Other award criteria assessed **Pass/Fail**
- **Pay-as-bid** (no indexation to inflation)
- **Output based support**, upon verified and certified production of RFNBO volumes (no payments before entry into operation)
- **Semi-annual** payments

Fixed-premium auction



Bids ranked on price only



Requirements for participating projects

Minimum electrolyser capacity

5MWe per bid

- one location in EEA, no virtual capacity pooling
- new capacity only (no “start of works” prior to application)

Maximum requested grant per project (=price*volume) capped

1/3 of total auction budget (€800m) to avoid “winner takes all”

Maximum bid price (“ceiling price”)

4.5 €/kg of RFNBO hydrogen produced

Planned entry into operation

less than **5 years** from grant signature

No restriction on off-take sectors or origin of electrolysers

Termination for severe under-production over 3 consecutive years

Below 30% on average of planned yearly average volume

Completion guarantee (“deposit”)

4% of maximum grant amount

- To enter the auction, you need to provide an Lol for the guarantee from a financial institution
- To sign GA, you need the financial institution to issue the guarantee

Reporting at the end of the support period

Certification of 70% GHG savings on overall production

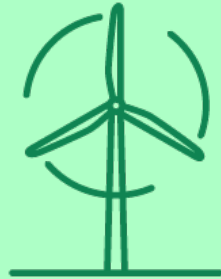
- Independent third-party certificate or audited report

General cumulation rules with other support



Electrolyser
manufacturer

✓ Other public
support is allowed



RE electricity
producer

Rules for public
support spelled out
in RFNBO Delegated
Act



Electrolyser

✗ Cumulation is in
general not allowed

✓ Some exceptions
to this rule



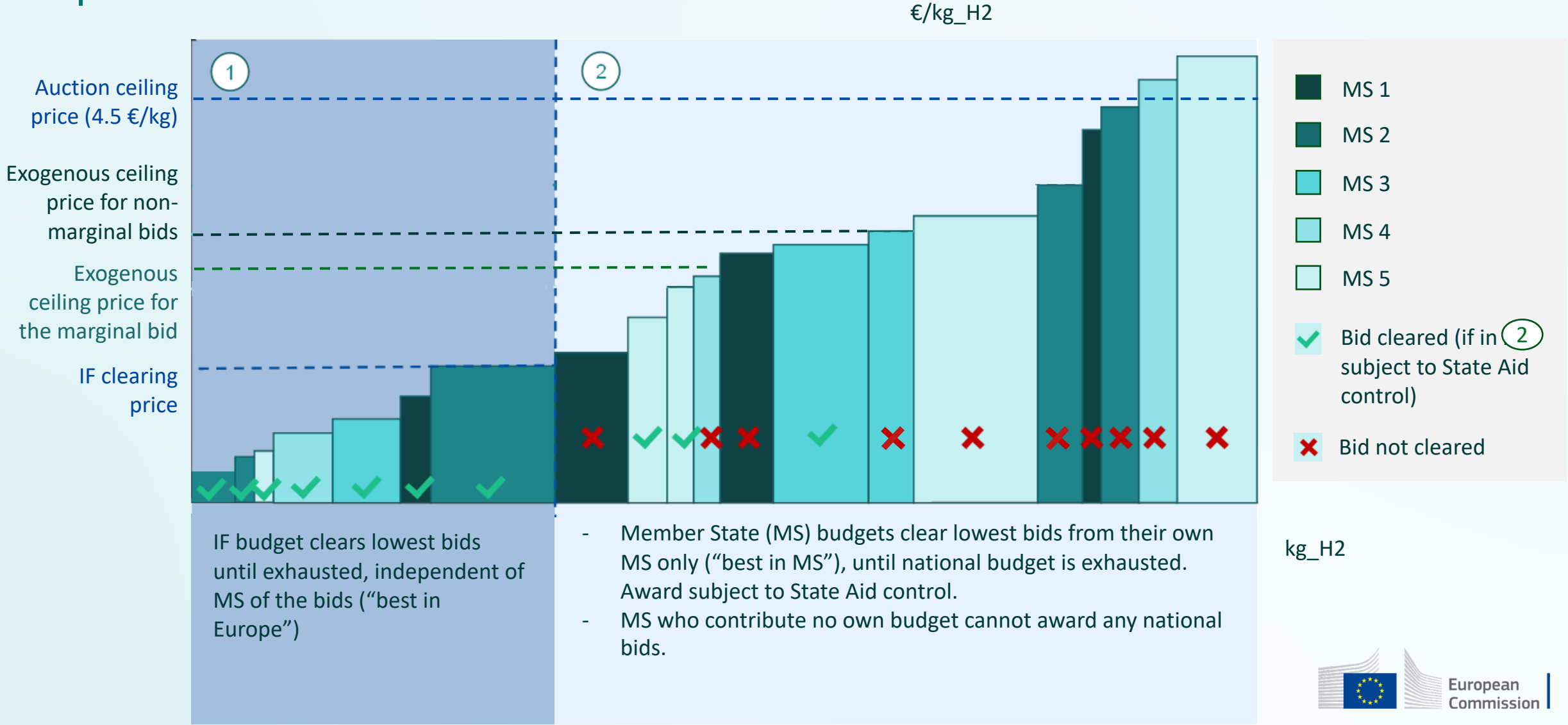
Hydrogen
offtaker

✓ For CAPEX or non-dedicated
infrastructure other public
support is allowed

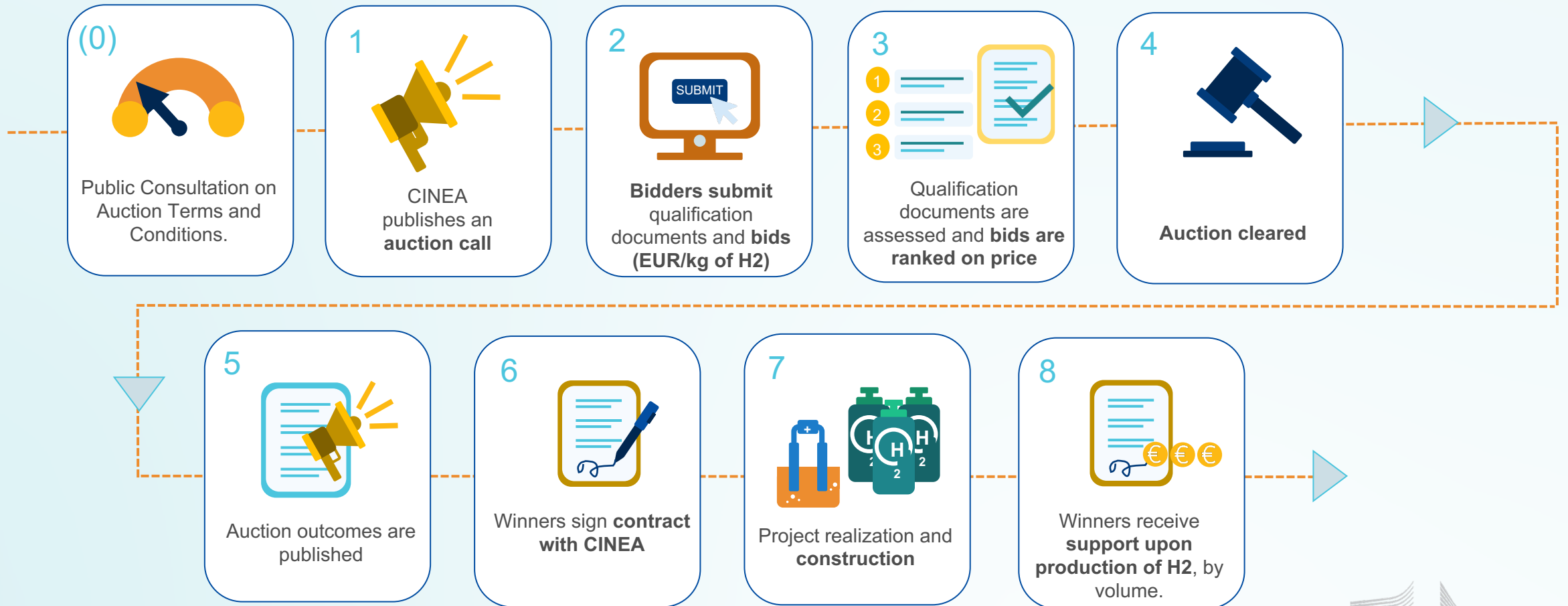
✗ For OPEX related to
consumption of hydrogen from
auction winner other public
support is not allowed

Auctions-as-a-Service

illustrative



Steps in the application



Key Information

- Auction opened on **23 November** and **close on 8 February**
- Available application information through in [EU Funding & Tender Portal](#)
- Any questions? Ask us at [EU Funding & Tenders InnovFund HelpDesk](#)

More information



All (past) call documents available on the
Funding and Tenders Portal including:

- ✓ Guidance and calculation tools on GHG emissions and relevant costs
- ✓ Frequently asked questions

<https://europa.eu/!QB67by>

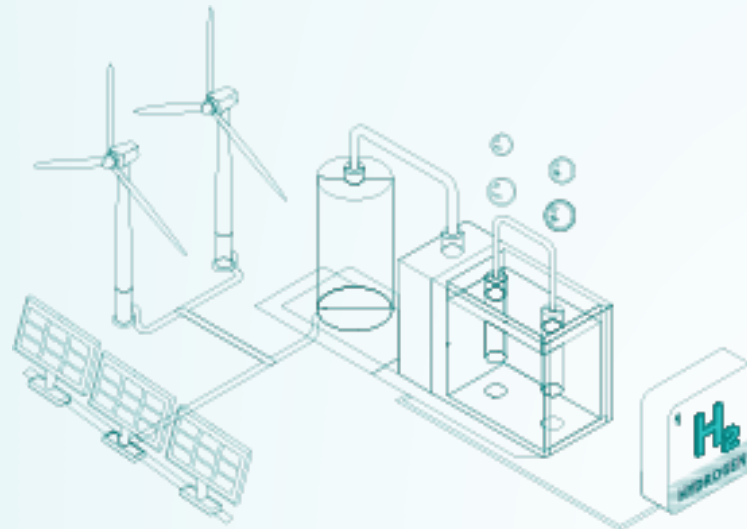


Further info, planning of new calls, recorded webinars
and videos available on the IF Website:

<https://europa.eu/!rx34Dt>

And more videos available on YouTube:

<https://bit.ly/2WxK8w7>



Let's keep in touch



climate.ec.europa.eu

cinea.ec.europa.eu/programmes/innovation-fund_en



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