



## PRESS RELEASE

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# Nel ASA: EU Commission increases ambitions on renewable hydrogen

(Oslo, 19 May 2022) Yesterday the European Commission presented a wide range of initiatives to reduce Europe's reliance on fossil fuels from Russia. A list of proposals aimed to stimulate the production of renewable hydrogen and to improve framework conditions for European electrolyser manufacturers are included in this plan, known as RePowerEU.

These proposals include:

1. A call to the co-legislators (European Parliament and the Council) to increase the demand side targets for the use of renewable hydrogen in certain sectors, specifically:
  - an increase in the industry target from 50% renewable hydrogen consumption in 2030 to 75%
  - an increase in the transport target from 2.5% renewable hydrogen consumption in 2030 to 5%
2. The European Commission has committed to doubling the next ETS Innovation Fund call for large scale projects set to be announced in Autumn of this year. EUR 3 billion will be made available for among other electrolyser manufacturers.

"The recently announced RePowerEU plan is good news for the electrolyser manufacturers and represents an important milestone for the green hydrogen industry in Europe. We expect this will contribute to increased investment activities", says Nel's CEO Jon André Løkke.

In March the European Commission amplified its ambitions for green hydrogen production and is now aiming at a production target of 10 million tons of renewable hydrogen domestically and an additional 10 million tons of annual imports. According to industry estimates, reaching this target will require an installed electrolyser capacity of 90-100 GW in Europe, depending on utilization factors and efficiency rates. Adding 10 million tons of green hydrogen production capacity outside Europe as well, and assuming a lower load factor, we could be looking at as much as 300 GW of electrolyser capacity needed by 2030. Consequently, the electrolyser production capacity must be scaled-up significantly.

"We recently opened the World's first fully automated electrolyser manufacturing plant at Herøya in Norway and has initiated a site selection process for a new manufacturing facility in Europe, to make sure we are ready to increase production when needed", Løkke says.

Nel has previously communicated an ambition to reach 10 GW production capacity in Europe, Asia and the US within 2025, if required by the market. The company has also stated that it will start a site selection process for additional production capacity in Europe

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About Nel ASA | [www.nelhydrogen.com](https://www.nelhydrogen.com)

Nel is a global, dedicated hydrogen company, delivering optimal solutions to produce, store and distribute hydrogen from renewable energy. We serve industries, energy and gas companies with leading hydrogen technology. Since its origins in 1927, Nel has a proud history of development and continual improvement of hydrogen plants. Our hydrogen solutions cover the entire value chain from hydrogen production technologies to manufacturing of hydrogen fueling stations, providing all fuel cell electric vehicles with the same fast fueling and long range as conventional vehicles today.