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# Norwegian Hydrogen Forum's views on the Industrial Decarbonisation Accelerator Act

Norwegian Hydrogen Forum (NHF) appreciates the invitation to submit views on the Industrial Decarbonisation Accelerator Act.

NHF supports the European Commission's overall problem description and suggested solution. Lengthy permit-granting procedures, insufficient access to affordable and clean energy and lack of demand for clean industrial products delay investments in industrial decarbonisation. It is vital that the EU, including EEA, preserves strategic industries and avoids developing new dependencies in its decarbonisation efforts. Supporting decarbonisation investments will safeguard a resilient energy and industry sector while maintaining the path towards net-zero by 2050.

The Norwegian market for hydrogen and hydrogen-based fuels is in development. Projects having reached Final Investment Decision (FID) will contribute to an increase in hydrogen production capacity from 38 MW in 2024 to 152 MW in 2027. Additional projects are in development, and total production capacity may reach 1.407 MW in 2030 if all projects that have been awarded funding from EU or Norwegian support mechanisms take FID.

On the demand side, there is noticeable development in the maritime sector. New vessels under construction will increase demand for hydrogen significantly when they come into operation from 2026 and onwards.

However, industrial decarbonisation efforts by use of hydrogen are progressing more slowly. During the last year, several large-scale hydrogen production and industrial decarbonisation projects have been put on hold. This has partly been due to cost increases, long and cumbersome electricity permitting processes combined with low investments in new renewable energy production, insufficient support mechanisms, and regulatory uncertainties.

To successfully decarbonise industry while maintaining competitiveness and resilience, demand-side measures are essential. EU and national financial support mechanisms must be in place for Energy Intensive Industries (EIIs) to decarbonise their processes by using hydrogen. NHF supports the creation of European lead markets for low-carbon products.



Furthermore, NHF has the following recommendations:

### 1. Technology neutrality is key to achieving cost-effective decarbonisation

As clearly stated in the Draghi report, a technology-neutral approach is key to accelerate decarbonisation in a cost-efficient way. There are several different hydrogen production pathways which may contribute to significant GHG emission reductions today and in the future. Both renewable (RFNBO) and low-carbon hydrogen will be vital to developing the European hydrogen market, to safeguarding European resilience, and to accelerating industrial decarbonisation. ACER's first hydrogen monitoring report recommends more clarity regarding the role of non-RFNBO hydrogen in the market ramp-up phase and beyond. This is vital to achieve faster ramp-up of hydrogen consumption in Ells.

## 2. A pragmatic approach to regulation will drive down costs

It is becoming increasingly clear that a strict definition of RFNBO contributes to higher costs for industrial consumers. In this early maturation phase of the hydrogen market, definitions must not be so strict that they constitute an obstacle to scaling up hydrogen consumption.

Regulatory pragmatism is essential, especially considering that competing countries in Asia and elsewhere roll-out and ramp-up clean technologies at higher pace partly by defining clean hydrogen much more pragmatically. NHF therefore sees the need for an evaluation and possible revision of the RNFBO delegated acts set in the Renewable Energy Directive sooner than the directive's July 2028 deadline.

Similarly, the draft version of the Low-Carbon Fuels delegated act due to be published by 5 August 2025 has introduced emission default values for energy inputs that severely impede low-carbon hydrogen production. Furthermore, as the draft does not allow project-specific certification of natural gas upstream emissions, there is no incentive to achieve continuous emission reductions. For industrial decarbonisation to succeed, supporting higher uptake of low-carbon hydrogen is crucial. We therefore encourage the Commission to take these criticisms into consideration in finalising the delegated act.

#### 3. Measures to increase hydrogen competence can improve permitting procedures

Speed is of the essence, and it is imperative that permitting procedures are streamlined and simplified. In Norway, administrative capacity for electricity permitting has been increased, but further improvements are needed. Permitting by national safety and environment authorities, at municipal and at county governor levels may also delay processes. Upskilling and reskilling measures are needed to improve permitting procedures. It will be important to ensure that faster pace and simplicity do not reduce the quality of assessments related to environment, water and safety, as these are of high importance to achieving social acceptance.



## **About Norwegian Hydrogen Forum (NHF)**

NHF is the national members' association for hydrogen and hydrogen-based derivatives in Norway. Its 100 members represent the entire hydrogen value chain, from producers via distributors to end users, including both industry, public authorities and academia. NHF promotes its members' interests towards public authorities and decision makers and works actively to disseminate key information on hydrogen as an indispensable climate solution.

With kind regards,

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