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EuLA position on the EC roadmap on the Hydrogen and Gas Markets Decarbonisation Package

The European Lime Association (EuLA) welcomes the initiative of the European Commission (EC) to receive feedback on the inception impact assessment on the Hydrogen and Gas markets Decarbonisation Package, revising [Directive 2009/73/EC](#) and [Regulation \(EC\) No 715/2009](#). Ensuring common rules for the internal market in natural gas and enabling conditions for access to the natural gas transmission networks is key to ensure the decarbonisation of the lime sector. This reform shall be an opportunity to consolidate & develop Carbon Capture and Storage (CCS) and Carbon Capture and Utilisation (CCU) structures.

OUR CALLS

- The EC roadmap mentions that “Direct electrification is for most uses the most cost-effective and energy-efficient way to decarbonise final energy demand”. In cases where “alternative mitigation options are not available¹”, we call the policymakers to strengthen the role of capturing CO₂ via CCS & CCU, by supporting those sectors wishing to contribute to the decarbonisation objective.
- Taking into account this request, EuLA supports key elements of the inception paper, notably:
 - The reform should enable fair competition between smart electrification, energy efficiency, and renewable and low-carbon gases like hydrogen and bio-methane, of CCU technologies in achieving decarbonisation targets.
 - The necessity to create cross-border infrastructure ready for decarbonised gases and CO₂ transportation.
 - The need to take into account structural changes in the consumption of gaseous fuels as expected under any decarbonisation scenario.
 - Policy coherence with the different pieces of legislations adopted to reach the EU Green Deal objectives, including the role of ETS as a positive price signal to encourage valorisation and use of CO₂.

¹ Fraunhofer (2019): “Industrial Innovation: Pathways to deep decarbonisation of Industry. Part 2: Scenario analysis and pathways to deep decarbonisation”. March. (Pp. 50). Available at: https://ec.europa.eu/clima/sites/clima/files/strategies/2050/docs/industrial_innovation_part_2_en.pdf (Accessed on 8 March 2021)



- A more integrated approach to infrastructure network planning supported by the right legislation, aiming to reduce electricity oligopolies within the EU internal market. Renewable and low-carbon hydrogen are part of the EU's decarbonisation efforts.
- The need to include hydrogen pipeline transportation in the current regulatory framework. It should be the same for the transportation of CO₂.
- Ensuring the emergence of cost-effective hydrogen infrastructure.
- Facilitation of local and decentralised production of renewable and low carbon gases including synthetic-methane and e-fuel in general.
- Ensuring more holistic and inclusive infrastructure planning, in particular for the gas, hydrogen and electricity markets.
- Requirement of a cost-effective development including through repurposing of existing natural gas infrastructure.

Against that background, EuLA considers that the base line scenario (no policy change) is not an option. To achieve carbon neutrality, the transport and infrastructure of not only hydrogen, but e-fuel in general and CO₂ should be considered in a very coordinated manner. These gases equally participate to pave the way for a CO₂ neutral industrialisation of Europe. Access to transport infrastructures for hydrogen, e-gaseous fuels and CO₂ should be affordable for all industries, not only the major emitters or consumers. Access should be geographically largely spread at a cost reflecting the “public service” nature of these networks.

About EuLA

EuLA, the European Lime Association, represents about 95% of the European non-captive lime production through its 24 covered Member States (companies & national associations). The European lime sector operates around more than 160 sub-installations (plants) in the EU, producing a total of more than 22 million tons of lime and dolime (2019). Lime is an essential but often unseen ingredient, which possesses many applications for downstream industries. As a strong "enabler", lime is used from steel to water treatment and pharmaceuticals, environmental protection, glass and paper industrial processes, in the construction and civil engineering and in agriculture.



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