









# Funding Guideline for International Hydrogen Projects

Division IIA2  
Bilateral Energy Cooperation

## Implemented and Planned Funding Instruments

	<b>H2Global</b>	Market incentive through compensation of differential costs between purchase and sales prices	
	<b>FRL</b>	Funding guideline for international cooperation projects	
	<b>Fund</b>	Global as well as bilateral innovation funds	
	<b>H2-Uppp</b>	Project scouting and support in strategic partner countries	

## Funding Instruments



### Funding guideline for international cooperation projects – jointly with BMBF

#### Objective:



- Strengthening of **international cooperation** and the build-up of a global green hydrogen market.
- Establishment of facilities for production of green H<sub>2</sub> and derivatives, for storage, transport and integrated application of H<sub>2</sub> outside the EU/EFTA. Additionally accompanying research projects and academic and vocational training.



#### Type and amount of funding:

- Non-repayable grants as partial funding, between 25-45% of fundable costs, but higher for SMEs.
- Maximum amount of funding **15 million euros per applicant & project**.



#### Procedure:

- Funding applications/projects should be able to be submitted to a project management agency, which is still to be named.

The first step is the hand-in of project drafts (first round until 31.10.2021; last round until 28.02.22)



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## Type and amount of funding: non-repayable grants on a pro-rata basis – Module I

GBER Art.	Eligible costs	Amount	
<b>Art. 25 Research, development and innovation</b>	Personnel costs, costs of instruments, equipment, buildings, land, contract research Additional overheads and other operating costs	25% of the eligible costs	<b>Medium-sized enterprise + 10 percentage points; Small enterprise + 20 percentage points;</b>  Maximum funding amount of €15 million per applicant and project
<b>Art. 36 Funding for environmental protection</b>	Cost of an investment in environmental protection as a separate investment OR Difference between the cost of an investment in environmental protection and a similar less environmentally friendly investment	40% of the eligible costs	
<b>Art. 41 GBER Funding of renewable energy</b>	Cost of an investment in renewable energy generation as a separate investment OR Difference in cost compared with a less environmentally friendly investment OR total investment cost of projects seeking to increase the level of environmental protection (small-scale projects)	30 to 45% of eligible investment costs	



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## Type and amount of funding: non-repayable grants on a pro-rata basis – Module II

GBER Art.	Eligible costs	Amount	
<b>Art. 25 Research, development and innovation</b>	Personnel costs, costs of instruments, equipment, buildings, land, contract research Additional overheads and other operating costs	25% of the eligible costs	<b>Medium-sized enterprise + 10 percentage points; Small enterprise + 20 percentage points;</b>
<b>Art. 28 Innovation aid for SMEs</b>	Costs for obtaining, validating and defending patents and other intangible assets Costs for secondment of highly qualified personnel from a research and knowledge-dissemination organization or a large enterprise Costs for innovation advisory and support services	Maximum 50% of the eligible costs	Maximum funding amount of €5 million per applicant and project

## Funding object – Module I

Funding object	Examples	Funding purpose
<b>Electrolysis</b>	Installation of electrolyzers (for example for PEM electrolysis, alkaline electrolysis, high-temperature electrolysis, TRG 7-9)	Production of hydrogen from renewable energy, testing of innovative generation technologies
<b>Hydrogen storage</b>	Exploration and preparation of storage infrastructure, installation of hydrogen tanks, processing plants, ancillary components (for example for compressed hydrogen storage, liquid hydrogen storage, absorption, metal hydrides, LOHC; chemical storage)	Temporary storage of renewable hydrogen, testing of new types of storage technology
<b>Hydrogen processing</b>	Converting hydrogen into chemical base substances or synthetic fuels (e.g. ammonia, air capture plants, e-fuel for aviation, e-diesel, methanol)	Provision of hydrogen derivatives for certain consumer technologies, testing of innovative processes
<b>Transport/ infrastructure</b>	Installation of facilities and infrastructure for loading and unloading H <sub>2</sub> and H <sub>2</sub> carriers for all types of transport (e.g. liquid hydrogen, ammonia, LOHC)	Transport of hydrogen and its derivatives to final costumers, testing of innovative transport options
<b>Use</b>	Processes in the steel and chemical industry, applications in maritime transport, aviation and fuel cells	Greenhouse gas reduction thanks to the use of climate-neutral hydrogen
<b>Integrated projects</b>	Renewable energy + electrolyzers + processing into derivatives + transport + use	All aforementioned purposes depending on the funding object and synergies between individual process steps

# Funding Instruments



## Funding guideline for international cooperation projects (I)



### Central eligibility requirements (this list is not exhaustive)

- **Headquarters in the EU and establishment or branch in Germany** at the time of payment of the grant. In **consortia, more than 51% of value** has to be created by such companies.
- Usage obligation: Plants must be used according to funding purpose for at least 3 years.
- Project implementation must be **economically infeasible** without funding.
- The application must be handed in and approved **before the start of the project**, only planning steps can be taken in advance, but cannot be funded through the guideline.
- Proof of **pre-development status** indicating feasibility and declaration of intent with local partners.
- Electricity used must generate **incentives for additional renewable energy investment** and must not hinder the local energy transition or electricity supply.
- Sustainability of water supply, local labor standards must at least meet relevant ILO standards
- Carbon used has to originate from air capture or from biogenic CO<sub>2</sub> / capture of process-related industrial emissions that cannot be avoided.

# Planned and Implemented Funding Instruments

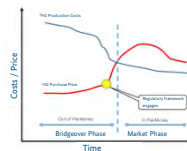


## H2Global



### Bridgeover

Immediate creation of a toolkit for market ramp-up until regulatory framework takes effect



### Well-defined system

Long-term (10-year) purchase agreements  
Contribution of €900 million from the economic stimulus package allows for the implementation of 4-5 PtX installations with an electrolysis capacity of 100-150 MW each



### Contracts for Difference

Compensation payments in the form of CfDs

Setting up an H2 intermediary: the HYDROGEN INTERMEDIARY NETWORK COMPANY [HINT.CO]



### Competition

Auctions (or a comparable mechanism) on both the H<sub>2</sub> purchase and sale sides.

Setting competition-based prices on both sides





Fund



H2-Uppp

## Planned Funding Instruments



Fund



**Objective:** Financing of international and bilateral hydrogen projects (including infrastructure), also beyond 2023.



**Type and amount of funding:** low-interest loans, risk capital guarantees, establishment of bilateral innovation funds.



H2-Uppp



**Objective:** To support the identification, preparation and implementation of pilot projects for the production and use of green H2 in foreign markets.



**Type and amount of funding:** Max. 200,000 EUR/project via performance contract + additional accompanying support services.

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Bundesministerium  
für Wirtschaft  
und Energie



# Thank you for your Participation!

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