May 26th, 2023

Appeal: offshore hydrogen economy calls clear goals for electrolysis on the high seas in the National Hydrogen Strategy

In the update of the National Hydrogen Strategy (NWS) by the federal government, an additional 10 gigawatts (GW) of offshore electrolysis capacity should be anchored. The outstanding potential of the North Sea to function as a green power plant must be taken into account. Clear and sustainable perspectives are needed to build value chains and make investments. The NWS must now follow up on the statements made by the Esbjerg and Ostend governments and set a clear role for offshore hydrogen.

The signatories therefore call for the following cornerstones to be included in the NWS:

1) Anchor target of 10 GW offshore electrolysis capacity by 2035 in NWS

With the designation of a first "other energy generation area" (SEN-1), an important milestone was reached, which will provide space for a total of 1 GW of generation capacity by 2030. Companies along the entire value chain are ready to advance the development of an offshore hydrogen economy in Germany and Europe. The prerequisite for this is that the associated supply chains receive a sustainable perspective from the NWS. The German contribution to a networked European hydrogen economy should therefore be set in the NWS at 10 GW of generation capacity for green hydrogen at sea by 2035.

2) Advance European offshore hydrogen grid planning

In Ostend, Germany, Denmark, the Netherlands and the United Kingdom (UK) have jointly set the target of reaching around 30 GW of onshore and offshore electrolysis capacity by 2030 and to further expand their production by 2050. The connection of production areas at sea and the development of a dedicated offshore hydrogen pipeline infrastructure as part of national and European grid development planning is a central component. This goal must become part of the NWS and also provide for networking with other actors, such as the Netherlands, Denmark, Scotland (UK) or Norway.

3) Securing offshore hydrogen long-term contracts and creating reliable framework conditions

Offshore electrolysis from wind power has great potential. A binding and stable legal framework for the production, transport and acceptance of hydrogen produced at sea is key to increasing investment security along the entire value chain. The aim must be to make Germany the technology leader for hydrogen production at sea. This must be accompanied by reliable incentives for individual sectors to use green hydrogen (e.g. via climate protection agreements or quotas). To the same extent, for reasons of planning security and economic viability, it is necessary for the Federal Government to support appropriate, predictable and stable network charges for the infrastructure. Long-term contracts for generation and demand are important and, due to the uncertain market development, require the cost difference compensation of instruments such as H2Global or the EU H2Bank for Germany and the EU.

The signatories:

