



## Contribution of the European Sea Ports Organisation

### to the Call for evidence for REPowering the EU with Hydrogen Valleys (roadmap)

5 September 2023

**The European Sea Ports Organisation (ESPO) welcomes the opportunity to contribute to the call for evidence for REPowering the EU with Hydrogen Valleys (roadmap).**

Europe's seaports played a strategic and essential role throughout recent crises. Ports are key partners for Europe's future sustainability and resilience and are more than ever needed. To step up this role, ESPO calls on **the Commission to recognise the strategic and essential role of ports in contributing to the decarbonisation and repowering of Europe.**

ESPO recognises the need to ramp-up the hydrogen economy, and sees more in particular the importance of supporting import infrastructure and understanding the cross-border relevance of hydrogen projects.

To reach the REPowerEU objective of doubling the number of hydrogen valleys in the EU by 2025, and support the implementation of the Net-Zero Industry Act, it is essential to adopt an approach that **covers the entire supply chain that ports are part of.**

Being at the crossroads of supply chains as well as being hubs of energy and blue economy, and often industrial hotspots, Europe's ports and port areas can be instrumental in attracting and hosting new industries. Ports have always been multimodal hubs where synergies can be realised, both between transport modes and between industries, thereby shortening supply chains and avoiding often unnecessary transport.

**Hydrogen infrastructure is needed as soon as possible in ports to enable the ramp up of Europe's hydrogen economy.**

In that context, European ports maintain that the Commission should acknowledge the importance of **hydrogen import infrastructure**. As made clear in the Commission's Hydrogen Strategy, there will not be enough supply to satisfy Europe's hydrogen demand by 2050, and the new target set in the

REPowerEU plan. This is also why the work on certificates of origin should continue to enable a real global hydrogen economy.

ESPO further stresses that **infrastructure should be interpreted in a comprehensive way to account for the various needs of hydrogen**. Infrastructure should include: terminal-superstructure; dedicated port infrastructure (jetties, quay walls); splitting-installations (to convert from ammonia or methanol to hydrogen); vessels and ship-to-ship transport (eg. for hinterland distribution via inland waterways); pipelines from offshore generation fields into ports; and pipelines systems for oxygen (given that hydrogen systems will need specialised oxygen facilities).

At the same time, ESPO highlights the **importance of including ‘last mile’ infrastructure connections, understood as local distribution and related infrastructure**, insofar these have a cross-border impact and/or are linked to the wider network. While most seaports are situated only in one Member State, their role exceeds land borders. Realising a last mile connection can be the missing link to the realisation of a cross-border network project and in that sense projects in ports should thus be considered cross-border.

Moreover, ESPO underlines **the importance of renewable energy** - particularly the offshore variety - in the new energy transition. As Europe’s ports are unique intersections between land and sea, they are unique onshore landing points for offshore renewable energy infrastructure, meaning they have a crucial role in the production, storage and recycling of these technologies. Offshore renewable energy can also play an important role in decarbonising the port, industries within the port cluster and wider transport activities.

Overall and as a conclusion, ESPO insists on the need to have **adequate EU financial incentives**. There is also a strong need among investors to have easier and quicker access to these funding programs and to cut red tape. While ESPO sees the need of public support and recognises the unlevel playing field caused by the support programmes of some third countries, it is important to avoid a new unlevel playing field between Member States, which could be the consequence of easing state aid procedures and the matching subsidies possibility as part of recently adopted Temporary Crisis and Transition Framework for State Aid (Commission Communication 2023/C 101/03). Such supporting measures could lead to investors shopping for the best deal and creating a lot of disruption in the ports’ investment strategies.



*The European Sea Ports Organisation (ESPO) represents the port authorities, port associations and port administrations of the seaports of 22 Member States of the European Union and Norway at political level. ESPO has also observer members in Albania, Iceland, Israel, Montenegro, Ukraine and the United Kingdom. ESPO is the principal interface between the European seaport authorities and the European institutions. In addition to representing the interests of European ports, ESPO is a knowledge network which brings together professionals from the port sector and national port organisations. ESPO was created in 1993.*