

Summary Minutes Meeting 3

Working Group 3 'Funding Instruments and Double Funding'

05.09.2022, 10:30 a.m. – 12 p.m.

I. Background and Goal¹:

The third meeting within the framework of the working group (WG) "Funding Instruments and Double Funding" serves to illustrate the different funding situations and landscapes. In response to a request from the group of donors, the external experts Dr Burkhard Fückel, Kerstin Annassi, Dr Tanja Bauschlicher, Dr Tobias Stein and Dr Erik Busche from *Projekträger Jülich* (PtJ) presented international funding initiatives related to green hydrogen and PtX, including the *German-Australian Hydrogen Innovation and Technology Incubator* (HyGATE). The presented initiatives are administered by PtJ on behalf of the *German Federal Ministry of Education and Research* (BMBF) and the *German Federal Ministry for Economic Affairs and Climate Action* (BMWK), respectively.

II. Topics:

1. Presentation 1: International Hydrogen Projects (Dr Erik Busche, Kerstin Annassi)

- The aim of the funding initiative is the development of sustainable options for the production, storage, transport and the integrated use of green hydrogen and its derivatives in cooperation with partner countries outside the European Union and the EFTA states. Investments in pilot projects and related development activities can become supported with a grant up to 15 Mio. Euros.
- The initiative is funded with up to 350 Mio. Euros from the German Government.
- Funding guidelines were drawn up by the *Federal Ministry of Economics and Climate Protection* (BMWK) in cooperation with the *Federal Ministry of Education and Research* (BMBF).
- A non-exhaustive list of general eligibility requirements for funding include the following:
 - The headquarters must be located in the EU;

¹ The working groups' primary goal is to provide knowledge and recommendations to the public and, within the framework of its statutory purposes, to policy makers in order to support a rapid market ramp-up of green hydrogen and its derivatives. For compliance reasons, the accumulated knowledge will be published on our website and papers will be prepared in order to place the results in a broader context.



- There must be an establishment or branch in Germany;
- Subsidised facilities must be used for at least three years;
- It must be demonstrated that the projects are not feasible without funding;
- Projects must be in pre-development status.
- Other general requirements are related to sustainability and in particular the usage of renewable electricity within the project.

2. Presentation 2: HyGATE (Dr Burkhard Fückel)

- The *German-Australian Hydrogen Innovation and Technology Incubator* (HyGATE) is an initiative between the German and the Australian governments to establish a German-Australian supply chain for green hydrogen.
 - BMBF has commissioned PtJ to implement HyGATE on the German government side.
 - On the Australian side, the initiative is being implemented by the *Australian Renewable Energy Agency* (ARENA) on behalf of the Australian government's *Department of Industry, Science, Environment and Resources* (DISER).
- Germany and Australia signed a *Memorandum of Understanding* (MoU) for a *German-Australian Hydrogen Accord* in June 2021 to strengthen cooperation in the areas of research and industrial cooperation, and to promote trade in hydrogen and its derivatives between the two countries. HyGATE is one of the three main initiatives under this MoU.
- HyGATE is intended to support practical pilot, trial, demonstration and research projects along the hydrogen supply chain. It additionally pursues the following objectives:
 - Demonstration of innovative technologies;
 - Reducing the costs of hydrogen production, transportation, storage, and use;
 - Development of a German-Australian supply chain;
 - Promotion of cross-border cooperation and knowledge exchange;
 - Price determination and transparency in relation to green hydrogen.
- The initiative is funded with 50 Mio. AUS-Dollars from the Australian Government and 50 Mio. Euros from the German Government.
- **Project funding conditions:**
 - Two-stage award process:



- The first stage is an Expression of Interest (EOI), in which applicants submit proposals to PtJ and ARENA. Applicants received a notification of the outcome in early August 2022.
- The first step was evaluated by BMBF and ARENA on the basis of the following performance criteria:
 - Contribution to the program results/objectives;
 - Capability and capacity of the applicant;
 - Project/activity design, methodology, risk and compliance;
 - Financial viability and commitment to co-financing;
 - Knowledge sharing;
 - Additional project conditions must be met on the Australian side. These include, but are not limited to, the applicant receiving funding and organising the financing of the project.
- Successful applicants must form a consortium consisting of at least two German partners (research institution or university and company) and one Australian partner.
- In the second stage, a complete application is required by the 12th of October 2022 and a selection will be made by the end of 2022. The funding is granted as non-repayable subsidies.
 - On the German side in particular, the requirements of the *EU Commission's General Block Exemption Regulation (GBER)* must be taken into account. According to this, subsidies are an exception under EU law and can be granted based on Articles 25, 27, 28, 36, 28, 40 and 41.
- The funding is expected to be supplemented by the applicants.
- Funding is provided for each research consortium for a project duration of up to four years.

2.1) Subsequent questions

- Are there any special requirements for the Australian partner regarding participation in the HyGATE project – e.g. specific requirements regarding the size of the company?
 - There are no special requirements regarding the Australian partner. All framework conditions are specified in separate document.

- Is it still possible to participate in the HyGATE project?
 - No, the deadline has already passed.
- Is there any special requirement regarding the execution of educational initiatives within the framework of the funding?
 - This is not a specific requirement to be considered for funding.

3. Presentation 3: BMBF projects with Africa – Examples (Kerstin Annassi)

PtJ presented five projects with the participation of African countries that are being carried out in cooperation with the BMBF:

- **Atlas of Green Hydrogen Potentials, Sub-Saharan region**
 - The project is a cooperation of the BMBF with the Forschungszentrum Jülich, SASSCAL (Southern African Science Service Centre for Climate Change and Adaptive Land Management) and WASCAL (West African Science Service Centre on Climate Change and Adapted Land Use).
 - The project analyses the potential of green hydrogen production in the Sub-Saharan region. Main criteria are:
 - Renewable energy potential estimation data;
 - Socio-economic data;
 - Data on hydrogen production and valorisation.
 - The project results are made available online in the form of an interactive map. The results for 15 countries in West Africa are already available on the website [H2Atlas-Africa](#). The results for Southern Africa will be added early 2023.
- **Implementation of the JCOI with Namibia**
 - In August 2021, the BMBF and the Namibian Government signed a *Joint Communiqué of Intent (JCOI)* to establish their common interest in green hydrogen.
 - The BMBF provides funds for:
 - Development of a Namibian hydrogen strategy (started in 2022);
 - First results will be presented at the COP27.
 - Pilot and R&D projects (start of first projects end of 2022);
 - The selected projects were announced at the Namibian Green Hydrogen Conference in August 2022.



- Scholarship programme.
 - The selection process is ongoing, with more than 1.000 applicants in its first round.
 - The BMBF has pledged funding of up to 40 Mio. Euros.
- **Graduate School Program IMP-EGH in West Africa**
 - The BMBF is funding the two-year International Master Program in Energy and Green Hydrogen (IMP-EGH). With the support of Forschungszentrum Jülich and RWTH Aachen University, students from West African countries will be qualified for the topics of renewable energy, green hydrogen and PtX. 60 students from all 15 ECOWAS states have been selected who all receive a scholarship for the entire master's programme. Their first semester started in October 2021.
 - The programme includes a semester abroad in Germany.
 - Several batches are planned
- **Development of an ECOWAS Hydrogen policy and action plan in cooperation with ECREEE**
 - The project is a cooperation between the BMBF, *ECREEE* (ECOWAS Centre for renewable energy and energy efficiency) and *WASCAL*.
 - Its goal is to develop a green hydrogen strategy in all 15 ECOWAS countries. For that purpose, guidelines for the national regulatory frameworks are derived.
- **Project Care-O-Sene (SAF), South Africa**

In the CARE-O-SENE (Catalyst Research for Sustainable Kerosene) project, seven German and South African project partners are working together on the development and optimisation of catalysts in the Fischer-Tropsch process, playing a key role for the large-scale production of sustainable aviation fuel (SAF) based on green hydrogen and carbon dioxide.

 - The project will run for three years with a funding of ~30 Mio. Euros and aims to use the developed catalysts to set the course for large-scale commercialisation of green paraffin production by 2025.



III. Further procedure

If there are ideas for speakers or desirable input for the upcoming session from among the participants, participants are asked to provide feedback on them to the team of H2Global Foundation.



H2Global Advisory GmbH*
Trostbrücke 1
20457 Hamburg
Träger der nicht rechtsfähigen Stiftung

T: + 49 40 60306460
M: info@h2-global.org
W: www.h2-global.org

Handelsregister: Hamburg
HRB: 170310

Geschäftsführer:
Markus Exenberger