GOVERNMENT OF INDIA MINISTRY OF NEW AND RENEWABLE ENERGY LOK SABHA UNSTARRED QUESTION NO. 2083

ANSWERED ON 12/03/2025

REGULATORY DISPARITY IN GREEN HYDROGEN TRADE

2083. DR. M P ABDUSSAMAD SAMADANI

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

- (a) whether the Government has noticed that regulatory disparities between India and the European Union pose significant challenges to green hydrogen trade and technology transfer as for instance, the EU's Carbon Border Adjustment Mechanism could increase costs for Indian exports, while differing energy market structures may hinder cross-border trade and if so, the details thereof; and
- (b) whether the Government has taken any measures to sort out these bottlenecks and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR NEW & RENEWABLE ENERGY AND POWER (SHRI SHRIPAD YESSO NAIK)

(a)&(b) The European Commission has adopted the Delegated Act on a methodology for renewable liquid and gaseous fuels of non-biological origin (RFNBO). The Act defines the conditions under which hydrogen, hydrogen-based fuels, or other energy carriers can be considered as RFNBO.

These conditions were framed based on European conditions, so interpretation for compliance of these conditions for countries outside Europe, is to be done by certification agencies authorised by the European Commission.

The Green Hydrogen Standard notified by Ministry of New and Renewable Energy (MNRE) on 18th August, 2023 specifies that Green Hydrogen should be produced using renewable energy and the non-biogenic carbon emissions in the process should be not be more than 2 kg CO2 eq per kg of Hydrogen.

During the recent visit of the European Commission to India, it was acknowledged that both sides have held in-depth discussions on trade and decarbonization through several bilateral channels and have engaged jointly with stakeholders, especially on the implementation of the European Union's carbon border mechanism (CBAM). Both sides discussed the challenges arising out of CBAM implementation, in particular for the small and medium enterprises and agreed to continue addressing them.

MNRE has also engaged in extensive discussions with European certification agencies to facilitate RFNBO certification for Indian projects aiming to export Green Hydrogen and its derivatives to European market.
