**(Carbon) Contracts for Difference (C)CfDs priorities and red lines for an EU-wide scheme**

***This meeting is under Chatham House Rules, some speakers are being confirmed***

**\*\*\* Agenda \*\*\***

**Date**: 28.11.2022

**Time:** 14.00 p.m. – 16.00 p.m.

**Location:** zoom meeting

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| This new work stream aims to bring together stakeholders, including policymakers and industry on a regular basis to discuss substantive issues around the topic of (C)CfDs, informed by original intellectual input from ERCST. (C)CfDs are discussed as one of the most promising alternatives to foster the deployment of low-carbon industrial technologies. However, it is still uncertain how (C)CfDs can be part of the policy mix towards decarbonization.In the revision of the EU-ETS Directive, the Commission proposed to extend the scope of the Innovation Fund. This extension will allow the innovation fund to provide support through competitive tendering mechanisms (such as CCfDs), whereby up to 100% of the relevant costs of the projects may be supported. Further details will be provided in secondary legislation (Delegated Act) once the legislative process for the EU-ETS Directive revision is completed. In preparation for this Delegated Act, DG Clima published in March 2022 a tender for assistance on the analysis and set-up of a competitive bidding mechanism for contracts for difference, carbon contracts for difference and other comparable schemes under the Innovation Fund. The European Commission further specified in the REPowerEU communication the technological scope for (C)CfDs, namely renewable hydrogen production and its application in industry. As some of the key design and implementation features of an EU-wide scheme for (C)CfDs are now being shaped, we would like to encourage a discussion on three key issues: (1) what are the priorities and red lines for the design of an EU-wide scheme, (2) whether just renewable hydrogen and its application in industry should be eligible for support and (3) how can be ensured that the industrial playing field is not altered by the implementation of national schemes. |

**14:00 Welcome**

* A. Marcu, Director of ERCST

**14:05 ERCST views**

* A. Fernández, ERCST

**14.15 Introductory remarks**

* J. Schiele, European Commission

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| This meeting will start by a presentation from ERCST which will provide an overview of the recent policy developments for (C)CfDs and will introduce the three questions for discussion. This will be followed by preliminary remarks by the European Commission and a panel discussion where speakers will have up to ten minutes to reflect upon the three questions below. Before wrapping up the session there will be a Q&A with interventions from the audience. Questions for discussion:* What are the priorities and redlines in the design of an EU-wide competitive bidding mechanism in the innovation fund?
* What should be the technological scope for (C)CfDs?
* What are the interlinkages between the EU scheme and national schemes and how can a distortion of the industrial level-playing field be avoided?
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**14.30 Panel discussion and Stakeholders’ views**

* E. Brutin, Cembureau
* F. Gonsolin, CEFIC
* D. Agostini, Enel
* J. Winkler, Fraunhofer ISI

**15:30** **Debate and Q&A from the audience**

**15:55 Concluding remarks and end of meeting.**