

## EU Low-Carbon Hydrogen production rules are not the signal investors were waiting for

**Brussels, 11 July 2025: The much-awaited methodology for hydrogen production is not the enabler investors need to scale up the European hydrogen market. By imposing overly prescriptive and impractical rules, the Act risks discouraging investment decisions for planned and new projects, undermining Europe's industrial decarbonization goal, and jeopardizing the EU's own hydrogen ambition.**

Investors' recommendation to use real-world project data was not taken into account, and the methodology risks discouraging investments by forcing investors to use default values that artificially inflate their projects' emission profile, preventing them from being recognized as 'low-carbon hydrogen'.

Key production pathways may therefore be discarded not because of their real emissions, but because of a methodological choice. In addition, it introduces a distinction between gas sourced via pipeline and LNG for the production of hydrogen, which raises traceability concerns.

Unfortunately, the lack of a grandfathering clause adds significant uncertainty for investors as it opens the door for future, unforeseen changes to the methodology, which may disqualify future projects.

IOGP Europe calls on the co-legislators to request an extension of the scrutiny period, and on institutions to establish a regulatory framework that effectively enables, not hinders, the scale-up of key hydrogen production pathways essential to the decarbonization and competitiveness of European industry.

*"The European Commission had the opportunity to send a strong signal to clean hydrogen investors and consumers across Europe. Instead, this Act introduces rigidity, complexity, and uncertainty; three elements that risk delaying investment decisions and ultimately the transition itself."*



**François-Régis Mouton,**  
**Managing Director of IOGP Europe.**

Read IOGP Europe's detailed recommendations: [EU Hydrogen Strategy needs a fundamental reset](#).

## About IOGP Europe

IOGP Europe is the European and advocacy arm of the International Association of Oil & Gas Producers (IOGP), the leading voice of the global oil and gas industry, pioneering excellence in safe, efficient and sustainable energy.

We represent around 30 energy companies, accounting for 70% of EU oil & gas production.

We support policymakers in crafting impactful and inclusive policies that drive prosperity for Europe's businesses and citizens.

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