

Subsidies for Low Carbon Hydrogen

Implementation examples for:
Demand-Side Subsidies & Tax Credits

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Implementation examples of subsidies for low carbon hydrogen

Examples of hydrogen hub programmes

These programmes generally aim to develop hydrogen hubs, which are superclusters of demand for green hydrogen and derivatives. They tend to include grants and subsidies for both supply and demand.

Jurisdiction		Policy description	Status	Sectors
Australia		Regional Hydrogen Hubs Programme : under this programme AUD 490m (\$324m) has been allocated to seven hydrogen hubs, which are large clusters of demand for renewable hydrogen, targeting 2.8 MTPA of hydrogen production.		Chemicals Steel Maritime Aluminium ¹
India		National Green Hydrogen Mission : ₹400 crore (\$48m) up to FY2025-26 committed to building at least two green hubs producing at least 100,000 tonnes of H ₂ annually in the initial phase. Funding and subsidies cover infrastructure such as: pipelines and storage; compressors and liquefaction plants; and port upgrading.		
Spain		Public tender : launched for developing at least two hydrogen valleys by 2030, with €200m in funding per valley.		
Brazil		\$1.09 billion committed to developing clean hydrogen hubs in partnership with Climate Investment Funds, to support: hydrogen production; storage; transportation; and utilisation - including for low emission steelmaking.		
UAE		As part of the National Hydrogen Strategy , the policy on Low-Carbon Hydrogen sets out plans to develop low carbon hydrogen oases and clean energy precincts, with end use applications such as cement, aluminium, chemicals and steel.		
 Covers ≥10% demand		 In place (and enforced)  In place, but to be implemented		

Examples of key enabling initiatives/detailed studies

- [IEA Global Hydrogen Review 2024](#)
- [Global Maritime Forum's study](#) on national and regional policy for green shipping corridors includes detailed study of shipping specific support schemes for hydrogen derived shipping fuels

1: Only applies to policies where this is specifically mentioned
Sources: IEA, Norton Rose Fullbright, European Commission, [Global Maritime Forum](#)

Implementation examples of demand-side subsidies for low carbon hydrogen

Examples of other subsidies supporting hydrogen consumption

Jurisdiction		Policy description	Status	Sectors
Chile		Up to USD 1m allocated for demand creation and the demonstration of new use cases, with up to 60% of costs covered. A total of \$1bn committed to foster domestic consumption and production of green H ₂ .		Chemicals Steel Maritime Aluminium ¹ Concrete ¹
India		National Green Hydrogen Mission : cumulative funding of ₹1,066 crore (\$126m) provided for pilot projects on the retrofitting or development of new infrastructure supporting green hydrogen consumption - initially targeting steel, mobility and shipping.		
Italy		Under the Temporary Crisis and Transition Framework (2023): €550m (\$603m) and €400m (\$438m) was allocated to support investments for hydrogen consumption in industrial processes and should be granted by 2026.		
Sweden		€265m (\$290m) grant to support the development of a 2.5MT low emission steel plant by Stegra. This includes developing a 690MW electrolyser, a DRI plant, two electric arc furnaces, and cold rolling and finishing facilities.		
United Kingdom		Industrial Energy Transformation Fund (Phase 3): £185m (\$240m) allocated for feasibility and engineering studies and deployment of decarbonisation projects - including the retrofitting or installation of equipment supporting the switch to low carbon fuels.		
Japan		A clusters support scheme has been announced, in conjunction with the supply chain subsidy, to support the industrial use of hydrogen and ammonia in Japan. The scheme was announced under the Hydrogen Society Promotion Act in May 2024 and is expected to be implemented soon.		
New Zealand		Interim Hydrogen Roadmap includes the Regional Hydrogen Industry Transition instrument, which offers a rebate for hydrogen consumption by companies in the heavy transport and industry sectors, to be implemented in 2025.		
 Covers ≥10% demand		 In place (and enforced)  In place, but to be implemented		

1: Only applies to policies where this is specifically mentioned
Sources: IEA, [Global Hydrogen Review 2024](#)