
CLEAN AND SUSTAINABLE TRANSPORT

The Union of European Petroleum Independents (UPEI) welcomes the Energy Union Strategy and its aim of delivering secure, affordable and sustainable energy to Europe's consumers. UPEI calls for competitiveness to be at the heart of the approach to achieving this goal. We support actions designed to fully integrate the European energy market and to promote energy efficiency as a key dimension of future policies.

On the transition to a low carbon economy, UPEI calls for an enhanced policy dialogue which recognizes the contribution of current and future energy sources, in order to guarantee a smooth and viable transition for Europe's households and businesses.

UPEI (The Union of European Petroleum Independents) represents European importers and wholesale /retail distributors of refined petroleum products and their alternatives, supplying Europe's customers independently of the major petroleum producers.

As the voice of the European independent fuel suppliers covering more than a third of Europe's demand, UPEI stresses the role of its members' role in ensuring competition throughout the fuel supply chain, providing the consumer with choice. Independent suppliers also play a vital role in guaranteeing fair fuel supply at a local, regional and national level, as their independence enables them to respond rapidly to changes in terms of market structure, products and services responding to evolving consumer demands.

UPEI welcomes the Commission's plans to propose new policy and legislative initiatives aimed at rendering Europe's transport more sustainable, clean and secure, as well as the efforts invested in the transition towards a low-carbon economy in Europe. Being the closest to the consumer in the fuel supply sector, UPEI members are in a unique position to respond to today's transport sector challenges.

Independent suppliers are at the forefront of the introduction of alternatives to oil products in Europe: UPEI members were amongst the first to supply biofuels on their domestic market, a business that has continued to develop over the past 10 years. Moreover, a number of companies within UPEI's membership are already involved with the deployment of hydrogen refuelling networks, electric vehicle schemes and LPG.

In order to safeguard the independents' contribution to security of fuel supplies, as well as to optimise their contribution to the decarbonisation of transport in Europe, UPEI calls on the EU institutions to **develop new policies having regard to the reality of markets**: while the need to move away from oil products has been recognized as one of the main priorities for the transport sector, new initiatives must acknowledge that oil will remain in the decarbonised 2050 scenario. Its substitution with alternative fuels should not be artificially imposed on consumers, risking major mismatches between supplies (and their inherent investments) and consumer acceptance (as seen with the introduction of E10 in Germany).

Supporting the diversification of Europe's fuel pool, we call on the European Commission to **maintain a technologically neutral approach when addressing alternative fuels**. While we look forward to the upcoming *Communication on decarbonising the transport sector, including an action plan on second and third generation biofuels and other alternative, sustainable fuels*, UPEI stresses the need to keep open all options available for every fuel that contributes to the

decarbonisation of transport while responding to a real market demand, without favouring one option over the other.

As one of the players within the sector that is most affected by regulatory changes, UPEI calls on the European Commission to **remove any barriers to trade and to address market distortions** resulting from the adoption of incoherent measures adopted (mainly) at national level and affecting the natural deployment of fuels and infrastructure.

Given their current and future contribution to security of fuel supplies, as well as the central role that independent fuel suppliers play in the transition towards a low-carbon transport system in Europe, UPEI and its members look forward to contributing to the drafting of the upcoming initiatives in support of a competitive and cleaner transport in Europe.

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Independent suppliers, covering more than a third of Europe's demand, play a crucial role in an evolving market by bringing competition which is vital to the economy. Their independence enables them to respond rapidly to changes in terms of market structure, products and services, contributing to security of supply on a local, regional and national level.

UPEI was created in 1962 with the aim of ensuring a level playing field for the supply of energy on the European market and safeguarding a competitive approach. The organisation brings together national associations and suppliers across Europe.

Today UPEI also acts as an informed and responsible partner to Europe's decision-makers on the risks and opportunities involved in the transition to a genuine European Energy Union.

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