## Joint Statement: Provisional agreement on stricter CO<sub>2</sub> emission standards for heavyduty vehicles undermines success of Europe's strategy for a green transition

Brussels, January 2024

Dear Minister Lemke, Dear Minister Dr Habeck, Dear Minister Dr Wissing,

Representing the transport, fuel manufacturing industry and energy sectors, the 24 signatories of this letter wish first and foremost to express our firm commitment to the European Union's climate goals. We believe that the reduction of greenhouse gas emissions is of critical importance and wish to stress that we stand ready to play our part in replacing the use of fossil fuels with  $CO_2$  neutral alternatives.

As a complementary solution alongside battery-electric and hydrogen-powered heavy-duty vehicles, CO<sub>2</sub> neutral fuels can speed up the transition to a more sustainable heavy-duty sector by providing additional climate-friendly options for the decarbonisation of road transport.

With this is mind, we consider that the provisional agreement reached between the Council of the European Union and the European Parliament on 18 January 2024 on stricter CO<sub>2</sub> emission standards for heavy-duty vehicles **does not duly reflect the significant emission reduction potential of CO<sub>2</sub>-neutral fuels, and fear that this shortcoming will undermine the success of Europe's strategy for a green transition.** Instead of embracing the variety of climate-friendly solution to curb transport emissions, the parameters of the agreed revision continue treating renewable fuels in the same way as fossil fuels, and enshrine a restricted framework, which de facto only allows for the roll-out of battery-electric and hydrogen-based drive technologies.

The compromise reached only provides for the role of  $CO_2$ -neutral fuels to be assessed by the European Commission as part of the review in 2027. In light of the challenges our industries face today, we cannot afford to let another four years elapse and create a void of uncertainty. A clear commitment in favour of the decarbonisation potential of  $CO_2$ -neutral fuels, and additional options for manufacturers and haulage companies to achieve the European Union's  $CO_2$  emission reduction targets needs to be taken today. With radical systemic changes in the heavy goods sector ahead, this is all the more urgent to prevent potential disruptions to the functioning of our supply chains and to ensure the economic performance of transport companies.

The transport system cannot take the risk of following a restricted path towards decarbonisation. Instead of an "either or" attitude, we need an "as well as" strategy: the availability of multiple solutions, relying on mature and affordable technologies, would reinforce long-term planning security by providing more safeguards against market disruptions and consumer cost increases.

The deal reached last week is also a missed opportunity to leverage road transport as a driving force for a widespread and cost-efficient introduction of renewable fuels across the entire transport sector – including aviation and maritime transport.

Europe has a responsibility not only to legislate for sustainable change, but also to ensure that this transition is managed successfully in a way that reflects the diverse needs and realities of our businesses and societies and offers a broad choice of viable solutions.

We believe that the revised regulation on CO<sub>2</sub> emission standards for heavy-duty vehicles, as set out in the **provisional agreement between the co-legislators, fails to ensure the resilience of the heavy-duty sector** and provide the investment and planning certainty that is needed now – not in four year's time.

We therefore appeal to you to <u>reject</u> the current compromise and return to the negotiating table to seek a **sustainable agreement** that can help Europe meet its crucial climate protection goals while also delivering for industries that are vital to its economic future.

Thank you for your time and consideration.

## Signatories:











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