

STATEMENT

Brussels, 29 May 2020

EU Recovery Instrument – A step towards a sustainable economic recovery

UPEI, as the voice of Europe's independent fuel suppliers, strongly welcomes the European Commission's proposal for an updated EU budget, which seeks to address the actions needed to drive Europe's recovery from the economic downturn caused to the COVID-19 crisis supporting the EU's transition towards a sustainable, digital and resilient economy. UPEI equally supports the proposed the new EU Recovery Instrument, also called Next Generation EU, which will guide and build a more sustainable, resilient and fairer Europe, all the while supporting companies severely affected by the COVID-19 spread via the proposed Solvency Support Instrument and similar measures.

"Independent fuel suppliers have experienced a substantial impact on their business activities, as COVID-19 outbreak hit harshly fuels demand across Europe", said Brian Worrall, UPEI President. "The European industry, and the transport sector in particular, needs to undergo exceptional measures in order to recover. This unprecedented challenge represents a pivotal opportunity to reshape the energy sector as we know it."

To achieve this goal, an ambitious and stable policy framework is crucial. UPEI members are fully committed to provide flexible, affordable, and clean energy to consumers in order to meet Europe's short- and long-term climate objectives.

We believe that the transition to climate neutrality will require a combination of technologies, as there is no silver bullet to climate change. Supporting all types of technologies that can have an impact on decarbonisation is the only affordable way to effectively reach carbon neutrality, both in the transport and heating sectors.

The European Recovery Instrument will play an essential role in shaping the policy framework for the sector, hence we stress the need to set out favourable investments in low-carbon technologies, such as hydrogen, advanced biofuels, biogases, e-fuels and recycled carbon fuels. UPEI further calls on the Commission to provide clear and comprehensive pathways setting out how it will support these areas in the upcoming Sector Integration, Hydrogen, and Smart and Sustainable Mobility Strategies. Moreover, the Recovery Instrument should also support investments into repurposing existing fuel distribution infrastructure to meet the demands of a greener Europe.

UPEI, being the voice of Europe's independent fuel suppliers, is in a unique position to offer perspectives to the EU long-term strategy and contribute to this challenge. As we represent approximately one third of Europe's import and wholesale/retail distribution of energy, our members will be a critical element in the supply chain to bring low carbon solutions to consumers, providing a full coverage of the European territory.



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UPEI represents nearly 2,000 European importers and wholesale/retail distributors of energy for the transport and heating sectors, supplying Europe's customers independently of the major energy producers. They are the interface between producers and consumers, using their own infrastructure and flexibility to supply existing demand for conventional and renewable liquid fuels, as well as non-liquid alternatives as part of the energy transition. They cover more than a third of Europe's current demand. The organisation brings together national associations and suppliers across Europe.

Independent fuel suppliers bring competition to Europe's energy market and are able to respond rapidly to changes affecting supply, contributing to security on a local, national and regional level. They have developed and maintain a comprehensive infrastructure for the sourcing, storage and distribution of transport and heating fuels, with a commitment to delivering a high-quality service to all consumers, including those in remote areas.

Since 1962 UPEI has been advocating for a level playing field and fair competition to ensure an affordable, sustainable and secure energy supply for Europe's consumers. Today, in the context of the transition to a low carbon economy, UPEI and its members are also addressing the challenges of adapting the product range and meeting consumer demand through market-oriented solutions.

With its strong track record in pioneering the supply of renewable fuels in the EU, UPEI members remain committed to delivering and embracing new, cost effective solutions which further promote energy efficiency and reduce pollutants and emissions.