

The shipping industry and the European Independent fuel suppliers welcome the European Parliament's support to incentivize the uptake of low-carbon and carbon-free alternative fuels and to remove disparities in energy taxation

On 25 October the European Parliament adopted its report on [The deployment of infrastructure for alternative fuels in the EU](#) which pointed out that taxation has a major impact on the price competitiveness of alternative fuels and underlined that a technology neutral approach should be adopted to create a level playing field. It also noted that disparities in energy taxation for shore-side supply for ships and energy used to generate alternative fuels should be addressed. It also calls on the Commission to support the decarbonisation of the maritime and shipping sector with a clear focus on innovation, digitisation and adaptation of ports and ships.

The shipping sector and the European independent fuel suppliers welcome the European Parliament's report which broadly reflects the positions they have taken in its response to the consultations held earlier this year in view of the Evaluation and Fitness Check of the Energy Taxation Directive. The respective positions can be accessed using the following links: for the shipping industry (represented by ECSCA, CLIA Europe, Interferry and EUDA) [here](#) and for Europe's Independent fuel suppliers (UPEI) [here](#).

These stakeholders jointly call for the retention of the tax free bunkers and luboils provided for in the Energy Taxation Directive which are a reflection of the international norm and are essential for EU companies to compete on the same footing as shipowners and suppliers from outside the EU and thus must be retained. Moreover, they call for the exemption for fuels to dredgers to become mandatory in order to avoid market distortions and loss of competitiveness.

However, they recognise that the current Directive is not providing equal treatment of energy supplies to the shipping industry thus hampering investments in and the uptake of cleaner technologies, such as shore side electricity, fuel cells, methanol, etc. They therefore advocate a technology neutral approach. In view of the global nature of the industry and the importance of moving to greener shipping through the use of cleaner technologies in order to ensure that environmental objectives are met, a revised EU Energy Taxation Directive should provide for a mandatory EU wide taxation exemption for all energy carriers (i.e. fuels and electricity, including shore-side). Such level playing field would help close the cost gap between Heavy Fuel Oil and alternative fuels and electricity.

They therefore welcome the initiative taken by the European Parliament calling the EU Member States to incentivize the uptake of low-carbon and carbon-free alternative fuels and to remove disparities in energy taxation. They also support the call to the EU to increase and facilitate the use of Liquefied Natural Gas and shore-power electricity by further investment in port infrastructure.

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ECSCA: *The European Community Shipowners' Associations (ECSCA) is a trade association representing the national shipowners' associations of the EU and Norway. The European shipowners control 40% of the global commercial fleet, contribute 140 billion to the EU GDP and provide 2.1 million Europeans with careers both onboard and ashore. ECSCA promotes the interests of European shipping so that the industry can best serve European and international trade in a competitive free business environment to the benefit of shippers and consumers.*

CLIA Europe: *Cruise Lines International Association (CLIA) is the world's largest cruise industry trade association, providing a unified voice and leading authority of the global cruise community. The association has 15 offices globally with representation in North and South America, Europe, Asia and Australasia. CLIA supports policies and practices that foster a safe, secure, healthy and sustainable cruise ship environment for the more than 25 million passengers who cruise annually and is dedicated to promote the cruise travel experience. Members are comprised of the world's most prestigious ocean, river and specialty cruise lines; a highly trained and certified travel agent community; and cruise line suppliers and partners, including ports & destinations, ship development, suppliers and business services. The organization's mission is to be the unified global organization that helps its members succeed by advocating, educating and promoting for the common interests of the cruise community.*

UPEI – *The Voice of Europe's Independent Fuel Suppliers* – 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 organization brings together national associations and suppliers across Europe.