



## Renewable & Low-Carbon Liquid Fuels Platform

### Joint statement on the Fit for 55 package

The **Renewable & Low-Carbon Liquid Fuels Platform** considers the publication of the European Commission's Fit For 55 package a step in the right direction; however, the proposals do cause some concerns as they fail to fully recognise the crucial contribution of renewable and low-carbon liquid fuels in the decarbonisation of transport and the value of multiple technological pathways to achieve 2030 and 2050 targets.

#### **CO<sub>2</sub> standards for cars – a missed opportunity to establish technology neutrality**

The focus on tailpipe emissions from new vehicles hamper the transition potential to achieve climate neutrality. The revised proposal on CO<sub>2</sub> standards for cars and vans regulation should therefore recognise the crucial role of renewable and low-carbon liquid fuels and ensure that all possible decarbonisation technologies are taken into account. This means moving away from a pure Tank-to-Wheel approach and towards Well-To-Wheel, which also considers the carbon footprint of the respective technologies. To this end, a voluntary crediting scheme for renewable fuels would respect the responsibilities of the different stakeholders, use existing institutions and processes to avoid complexity and bureaucratic burdens, while also increasing the effectiveness of the system through a voluntary approach<sup>1</sup>.

Sustainable low-carbon liquid fuels are essential to the EU's decarbonisation efforts and the transition to zero-emission mobility, providing security for consumers whilst Member States develop their respective infrastructures and transportation companies transform their businesses in line with the 2030 and 2050 climate objectives.

To meet the 2050 climate-neutrality goal, the **Renewable & Low-Carbon Liquid Fuels Platform** believes that Europe and its consumers need a holistic plan where low-carbon liquid fuels, electrification and hydrogen in road transport sit side by side.

#### **Carbon pricing in road transport**

The creation of an Emission Trading System (ETS) for road transport, together with RED III and vehicle CO<sub>2</sub> standards is expected to create a carbon price signal necessary to trigger the investments in the developments of Low-Carbon technologies for vehicles and fuels. However, the consequences for both citizens and businesses should be carefully addressed, therefore it is important to make sure they do not create a socially unfair burden.



## Energy Taxation

We see a missed opportunity to support sustainable renewable fuels. We believe that leaving the decision to the Member States whether to exempt renewable fuels of the energy taxation or not will lead to a patchwork of fuel prices and an unharmonized European fuel market.

### **RED III – An opportunity to unleash the potential of sustainable renewable fuels.**

We appreciate that the revision of the Renewable Energy Directive provides the opportunity to step up the contribution of sustainable and renewable liquid fuels in transport. The **Renewable & Low-Carbon Liquid Fuels Platform** brings added value to the energy transition by delivering higher energy efficiency from engines and thereby further reducing their net carbon footprint.

We stand ready to contribute to the EU policy debate towards ensuring that the RED III adopts a technology-neutral approach enabling the use of best available options with proven emissions-reduction credentials. This includes biofuels from crops which meet stringent sustainability criteria, encourages the wider deployment of certified biofuels from sustainable agricultural biomass, waste and residues, as well as renewable fuels of non-biological origin including hydrogen and hydrogen-derived synthetic fuels so called eFuels; and ensures a level playing field for the promotion of renewable and low-carbon liquid fuels in the road, maritime and aviation sectors.

The **Renewable & Low-Carbon Liquid Fuels Platform**, representing companies acting at different steps of the value chain from feedstock and fuel production to storage, supply and distribution – is ready to work with EU and national regulators to contribute to the decarbonisation of the mobility sector in a sustainable, affordable and socially inclusive way.

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<sup>i</sup> [How does a crediting system for renewable fuels work, and what are the benefits? | Frontier Economics \(frontier-economics.com\)](https://www.frontier-economics.com)