

Sustainable biofuels, including advanced biofuels, are widely recognised as one of the most effective solutions for reducing the  $CO_2$  emissions in transport. Renewable fuels should be recognized in vehicle  $CO_2$  regulation.

Brussels 12 November 2018: T&E published its opinion "Why rewarding renewable fuels under the truck CO2 regulation would be a bad idea" in Euractiv on 7 November 2018. FuelsEurope believes that the arguments outlined in the opinion require some clarification or corrections.

Sustainable biofuels, including advanced biofuels, are widely recognised as one of the most effective solutions to the objective of reducing the CO<sub>2</sub> emissions in transport, and particularly in those sectors (heavy duty road, aviation, shipping) where liquid fuels — thanks to for their superior energy density - are more difficult to be replaced. It is therefore in the interest of the EU to create a level-playing field in the regulatory conditions to unlock investments in technologies for sustainable renewable fuels. This concept is more deeply described in FuelsEurope's "Vision 2050" - https://www.fuelseurope.eu/vision-2050/.

During the debate on  $CO_2$  for cars regulation, it became very clear that a large fraction of the MEPs recognized that the current tailpipe based regulation is not able to address all aspects of the climate impact of powertrains, fuels and energy adequately. Amendments calling for early action to correct this, were voted down with a very tiny majority.

The early action the industry is calling for, aims to recognise the contribution that fuels can make through a reduction of their fossil  $CO_2$  footprint via the truck  $CO_2$  regulation, while still respecting the desire to regulate the truck  $CO_2$  emissions based on a tailpipe approach. In order to achieve this, time and proper reflection and consultation with stakeholders is required. The

Commission should conduct and finalise this process, which will include also the measures to avoid double-counting of  $CO_2$  benefits of sustainable biofuels under multiple regulations, before the regulation enters into force.

Is it possible to guarantee that there is a match between the amount of renewable fuels used in transport and their fossil  $CO_2$  reduction credited in the  $CO_2$  for trucks regulation? Yes of course. This can be achieved via guarantees of origin. A system which is equivalent to what is being used for the renewable electricity. What counts is that the amount of renewable electricity – or renewable fuels in our case entering the system, is equal to the amount accounted for. This certification system already exists for sustainable biofuels for compliance with the RED, and could be used instead for this link to Truck  $CO_2$  regulation.

Additionally, the early recognition of the contribution of the reduction of the fossil CO<sub>2</sub> footprint of fuels is extremely important for the development of decarbonised fuels, strongly needed to achieve the 2050 Paris agreement goals. And the vehicle manufacturers will have a strong incentive to keep investing in the further improvement of CO<sub>2</sub> efficiency of internal combustion engines, a field where the EU is the world leader.

Experts now agree that we need lower carbon liquid fuels as well as electrification for transport solutions. We ask MEPs to support this proposal to enable more investments in low carbon liquid fuel technologies in Europe.

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## FuelsEurope, the voice of the European petroleum refining industry

FuelsEurope represents with the EU institutions the interest of 41 companies operating refineries in the EU. Members account for almost 100% of EU petroleum refining capacity and more than 75% of EU motor fuel retail sales.

FuelsEurope aims to inform and provide expert advice to the EU institutions and other stakeholders about European Petroleum Refining and Distribution and its products in order to:

- Contribute in a constructive way to the development of technically feasible and cost effective EU policies and legislation.
- Promote an understanding amongst the EU institutions and citizens of the contribution of European Petroleum Refining and Distribution and its value chain to European economic, technological and social progress

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