

The Commission Hydrogen and Energy System Integration strategies can help the refining industry transition as described in the “Clean Fuels for All” pathway

Brussels 08 July 2020: FuelsEurope recently published its **Clean Fuels for All** pathway, describing how the transport sector could contribute to the EU’s climate neutrality ambition by 2050. With this pathway the refining industry outlines its support to the EU Green Deal’s ambitions. The publication today by the European Commission of its *European Hydrogen strategy* and *Energy System Integration* are important steps that will play a **key role** in the Industrial strategy for **climate neutrality** and can enable the **low-carbon transition of EU refineries**.

John Cooper, Director General FuelsEurope stated *“the European refining industry recognises that there is no business as usual and, as outlined in the “Clean Fuels for All pathway”, under the right policy conditions, by 2050 every litre of liquid fuel for transport could be climate neutral, enabling the decarbonisation of road transport, aviation and shipping. The energy transition will require a combination of energy technologies that would bring resilience and flexibility to the EU energy system and would require an increasing amount of hydrogen.”*

FuelsEurope welcomes therefore the recognition in both the European Hydrogen Strategy and the Energy System Integration that **sustainable liquid biofuels and hydrogen-derived synthetic fuels** will play an essential role in the decarbonisation of transport. We welcome also the recognition that **Carbon Capture Storage and Utilization** are important contributors to a climate-neutral energy system.

Refineries have a prominent role in the hydrogen value chain, as they are **large users of hydrogen** and at the same time they **generate hydrogen during the manufacturing process of fuels**, supplemented by **dedicated hydrogen production plants**.

Based on the above considerations, we call on the EU institutions to take into account the following recommendations:

- **Innovation and investments in all promising technologies are key**, and we recommend that the EU Hydrogen Strategy takes a comprehensive approach by promoting all forms of clean hydrogen – not limiting its definition to just hydrogen from water electrolysis with renewable power.
- **Embrace the full opportunities under the *Hydrogen* and the *Energy System Integration strategy* to develop a market for hydrogen and for low-carbon liquid fuels, including hydrogen-derived synthetic-fuels.** Amongst other measures, a cross-sectoral approach, linking the regulations for CO2 reduction in vehicles and fuels, would generate the carbon signal necessary to unlock investments in Low-Carbon Liquid Fuels.
- **Acknowledge refineries as potential energy hubs** within industrial clusters, considering that refineries are often integrated with (petro) chemicals plants, are already energy and materials hubs, produce and store energy with the potential to expand this role substantially.
- **Recognise the potential key role of refineries in a circular energy system**, for their capability to recycle biological waste and residues from agriculture, food and forestry into fuels and other products.

- ENDS -

About the Clean Fuels for All Pathway:

By 2050, in the presence of an enabling regulatory framework, up to 650 billion € investments would result in the availability of 150 Mtoe/year of low carbon liquid fuels¹ (LCLF), cutting over 400 Mt CO₂/year. Add Carbon Capture & Storage (CCS) and the capture of emissions in biofuel production, and, in combination with electrification and clean hydrogen technologies, road transport reaches climate neutrality². A combination of critical technologies should be deployed in many plants across Europe to deliver LCLF at scale, and these include sustainable 1st Generation biofuels, advanced biofuels, biomass-to-liquid, hydrogenation of vegetable oils/waste & residues, and e-fuels.

FuelsEurope, the voice of the European petroleum refining industry

FuelsEurope represents with the EU institutions the interest of 40 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.

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¹ Low-carbon liquid fuels (LCLF) are sustainable liquid fuels from non-petroleum origin, with no or very limited net CO₂ emissions during their production and use compared to fossil based fuels

² Clean Fuels for all: <https://www.fuelseurope.eu/wp-content/uploads/FuelsEurope-Clean-Fuels-for-All-Final.pdf>