

Brussels, 8th September 2023

## Subject: Your latest assessment and ranking of FuelsEurope on Climate Policy Engagement

Dear Influence Map Secretariat,

We have been made aware of your latest assessment of FuelsEurope's engagement in climate policy. We are surprised by the rating and explanation, and given the lack of prior engagement by yourselves we believe it is necessary for us to reply.

We consider the assessment and the ranking highly subjective, unfair, and disprovable with publicly available facts regarding FuelsEurope's positions and publications. Your work and wording suggests that the ranking may have been decided in advance, with the very limited analysis merely looking for some minimal (but actually incorrect) justification for your decision.

Our Association represents the EU fuel manufacturing industry, whose Members are deeply engaged, and heavily investing, in the transition of their businesses, aiming at contributing to 2050 climate neutrality objective, to which we subscribe.

Our comments on your assessment can be summarised as follows:

- We were not given the possibility to comment on your assessment before its publication. This is quite disappointing, as allowing the party that is subject to the investigation to provide clarifications is commonly accepted as a fair behaviour. With no justification, this time you decided to deviate from what you had done in the past when you shared with us a preview of your assessment. We would like to point out that this would have allowed you to avoid several inaccuracies in your report.
- **Inaccuracies in your report.** We have found several instances where FuelsEurope positions were incorrectly reported. For example:
  - You claim that the November 2022 joint statement on ETD does not define "renewable and low-carbon fuels". You apparently missed the footnote at page 1 of the statement, where we give a clear definition.
  - About the July 2022 open letter on ETS, you claim that FuelsEurope "appeared unsupportive" of the proposal to increase the ambition of the ETS. This is an incorrect interpretation, as FuelsEurope not only does not challenge the level of ambition, but also writes in the same document that "[...] higher climate ambition needs to be achieved cost effectively and be accompanied by strengthened carbon leakage protection [...]"
  - In several entries, you state that it is not clear whether our support for renewable liquid fuels includes fossil fuels. What we mean by renewable liquid fuels is clearly stated and documented throughout FuelsEurope's many public documents, starting from the <u>Clean Fuels for All</u>. As a further proof, please see our February 2023 press release (also quoted in your report) where we write "100% renewable (non-fossil) fuel(s)", for the avoidance of any doubt.



- Subjective interpretation and judgement of FuelsEurope position. Also in this case we quote a few examples:
  - FuelsEurope is accused of upholding the technology-neutrality principle. You have not made the case as to why supporting this principle equates to less climate action. Indeed, we strongly support the fundamental role that this widely accepted principle needs to play in regulatory design. Arbitrary selection of specific technologies have proven to lead to suboptimal results for climate, environment, economy, industrial competitiveness and welfare of the people.
  - FuelsEurope is accused of highlighting the risk of carbon leakage for EU industries. You have not made the case that carbon leakage protection equates to less climate action. In fact you seem to not understand that an industry needs to be competitive, especially against imported products that have not been subject to carbon costs, in order to be able to invest for the energy transition. This has long been recognised as necessary in climate policy by a wide group of experts. We are indeed strongly calling for the creation of a level playing field for international firms to compete in the EU and worldwide, overcoming the impact of unequal cost burdens from national legislations. In the absence of such measures against carbon leakage, the relocation of EU's investments and manufacturing activities abroad damages the global climate and the EU economy, increases the dependency of the EU from other regions (undermining security of supply and resilience of our value chain) and leads to substantial job losses.
  - FuelsEurope is accused of opposing the electrification of road transport. This is patently false, as not only many of our members are strongly engaged in the value chain of electromobility, but FuelsEurope is very clear in its statements that vehicle electrification is one of the main solution for decarbonisation of transport. In the name of the principle of technology neutrality (see above) we say that other low and zero-carbon solutions should be given the possibility to complement and compete with electrification. Renewable, non-fossil fuels in ICE and hybrid vehicles are one of the possible complementary solutions. The competition of decarbonisation technologies, in addition to ensuring a faster and more economic-efficient decarbonisation of transport, will offer a choice to citizens and businesses without restricting access to affordable mobility.

In conclusion, we are of the firm view that if you had taken into consideration the full facts and the well-established principles involved in the relevant policies, you would have given FuelsEurope a very different, much more positive rating. We would like to invite you to examine more thoroughly our policy positions and the logic behind them, and also to engage with us where appropriate in future, such that your ratings can be more accurate.

Regards,

John Cooper

John Cooper Director General