

Brussels, 7 December 2023

Dear Deputy Ambassador Raúl Fuentes Milani,

Representing the transport, engineering, fuel manufacturing industry and energy sectors, the 24 signatories of this joint letter firmly believe that reducing the use of fossil fuels in the Heavy-Duty Transport sector is of key importance to achieving our climate goals, which we unequivocally support.

Alongside the electrification of road transport, alternative fuels offer significant CO₂ savings potential and can speed up the transition to more sustainable mobility and supply chains, by reducing net carbon emissions, reducing the reliance on fossil fuels and by diversifying energy carriers in the transport system, including for aviation and shipping. **Some technologies to accommodate CO₂-neutral fuels are mature, cost-efficient while the distribution of CO₂-neutral fuels benefit from a developed and existing infrastructure.**

The transport system cannot afford the risk of following a single path towards decarbonization. The failure to adequately plan the supply and demand of CO₂-neutral fuels could hinder the normal functioning of freight transport, more than half of which is currently carried by road in the EU.

To unlock this potential, it is essential to create incentives aimed at increasing the share of CO₂-neutral fuels in the mix and provide certainty and a perspective to fleet operators and investors to go beyond the targets of the Renewable Energy Directive (RED).

In its recent vote on stricter CO₂ emission standards for heavy-duty vehicles, the European Parliament acknowledged the role of renewable fuels in the decarbonization of road transport by adopting:

1. a definition of CO₂-**neutral** fuels, which would ensure compatibility with existing EU standards in the RED,
2. a mandate to the European Commission to develop a methodology for **registering** heavy-duty vehicles **running** exclusively **on** CO₂-**neutral** fuels and to acknowledge the carbon emission reduction potential of such fuels,
3. a mandate to the European Commission to **assess** the role of renewable fuels by the end of 2025.

We regret the narrow rejection of the Carbon Correction Factor that would have reflected the immediate contribution of CO₂-neutral fuels to the decarbonization of the sector.

The Council's General Approach only provides for the role of CO₂-neutral fuels to be assessed as part of the review in 2027. We strongly believe it would be a missed chance to let another four years go by without setting course towards this effective climate-friendly solution. If we want to tap into the decarbonization potential of CO₂-neutral fuels and increase **the resilience of the heavy-duty sector, investment and planning security needs to be created now.** Therefore, we support the inclusion of a provision that tasks the Commission to provide an evaluation of the roles of such CO₂-neutral fuels in decarbonizing the sector by 2025.

In view of the upcoming trilogue negotiations, we strongly encourage you to support the above-mentioned amendments of the European Parliament on CO₂-neutral fuels and to integrate these into the final legislation.

We call for increased action to create a solid policy framework for the greening of the heavy-duty sector that reflects the diverse needs and realities of our companies and societies across Europe by a diverse choice of viable solutions. We therefore strongly recommend supporting the European Parliament's amendments.

We would appreciate your support for this position in the debate amongst Member States in the Council and the upcoming negotiations. If you have any questions, please do not hesitate to reach out to us. Thank you in advance for your time and consideration.

Sincerely,

Ralf Diemer (Managing Director of eFuel Alliance), Benjamin Krieger (General Director of CLEPA), Dr James Watson (Secretary General Eurogas), Alessandro Bartelloni (Director FuelsEurope), Bernard Lycke (Director General CECRA), Dirk Bosteels (Executive Director AECC), Dickon Posnett (Chairman NBAA), Angel Alvarez Alberdi (Secretary General of EWABA), Xavier Noyon (Secretary General European Biodiesel Board), Detlef Evers (Managing Director MVaK), Erich Cuaz (Chairman Advanced Biofuel Coalition), Giulia Laura Cancian (Secretary General of European Biogas Association), Raluca Marian (Director EU Advocacy and General Delegate, IRU Permanent Delegation to the EU), Marco Digoia (Secretary General European Road Haulers Association - UETR), David Carpintero (ePURE's Director General), Elmar Baumann (Managing Director Verband der Deutschen Biokraftstoffindustrie e. V.), Elmar Kühn (Managing Director Uniti), Erik Østergaard (chairman of the Nordic Logistics Association (NLA) and CEO of Danish Transport and Logistics (DTL)), Prof. Dr. Dirk Engelhardt (CEO of Bundesverband Güterkraftverkehr Logistik und Entsorgung e.V.), Pasi Moisio (CEO, Head of Brussels Office of FinMobility), Florence Berthelot (Déléguée Générale de la FNTR), Matthías Ólafsson (Chief representative to the EU of Methanol Institute), Ewa Abramiuk-Lete (General Manager of Liquid Gas Europe), Pierre Lucas (Secretary General of UPEI).

[AECC](#), the Association for Emissions Control by Catalyst is an international non-profit scientific association of European companies operating worldwide in the research, development, testing and manufacture of key technologies for emissions control. Their products are the ceramic substrates for catalysts and filters; catalysts (substrates with catalytic materials incorporated or coated); adsorbers; filter-based technologies to control engine particulate emissions; and speciality materials incorporated into the catalyst or filter.

[Bundesverband Güterkraftverkehr Logistik und Entsorgung e.V.](#) (BGL) is the leading association of road haulage, logistics and disposal in Germany with 7,000 affiliated member companies.

[CECRA](#), established in 1983, is the European federation bringing together national professional associations, which represent the interests of motor trade and repair businesses and European Dealer Councils. CECRA represents on a European scale 336,720 motor trade and repair businesses. Together they employ 2.9 million people.

[CLEPA](#), the association of the automotive suppliers' industry in Europe, represents over 3.000 companies supplying state-of-the-art components and innovative technology for safe, smart and sustainable mobility, investing over 30 billion euros yearly in research and development and employing overall nearly five million people across the continent.

The [European Biodiesel Board \(EBB\)](#) is a Brussels-based non-profit organisation established in 1997. We bring together producers of biodiesel (FAME and HVO) in Europe, gathering 35 members across 21 Member-States representing 70% of European biodiesel output. We represent biodiesel producers using all feedstocks and committed to meeting international sustainability standards for greenhouse gas emissions and sustainable feedstocks.

The [eFuel Alliance](#) is an interest group committed to promoting the political and social acceptance of eFuels and to securing their regulatory approval. We represent more than 170 companies along the value chain of the eFuel production. We stand for fair competition and a level-playing field for all relevant emission reduction solutions. We are clearly committed to more climate protection and aim to win broader recognition of the significant contribution eFuels can make in the drive for sustainability and climate protection. Our goal is to facilitate the industrial production and widespread use of carbon neutral fuels made from renewable energy sources.

[ePURE](#) – the European renewable ethanol association represents the interests of European renewable ethanol producers to the European institutions, industry stakeholders, the media, academia, and the general public. The organisation, established in 2010, promotes the beneficial uses of ethanol throughout Europe, including renewable fuel that reduces greenhouse-gas emissions by an average of 78.4% compared to fossil fuels. Based in Brussels, ePURE speaks for 44 member companies and associations (including 21 producers), with around 50 production plants in 16 member states, accounting for about 85% of the renewable ethanol production in Europe.

[Eurogas](#)/NGVA Europe are associations jointly representing 163 companies, involved in the natural, renewable and low carbon gases value chains. Our members cover gas wholesale, retail, distribution and transport along with companies manufacturing equipment and providing innovative solutions for services, such as cryogenic equipment or vehicle parts. The purpose of Eurogas is to accelerate the transition to carbon neutrality through dialogue and advocacy about optimising the use of gas and gaseous fuels. NGVA Europe is the European association that promotes the use of natural and renewable gas as a transport fuel.

The [European Biogas Association](#) (EBA) is the voice of biogas and biomethane in Europe, representing more than 280 members covering all the value chain, from producers to end-users. EBA advocates for the recognition of biogas and biomethane as sustainable, on demand and flexible energy sources that provide multiple knock-on socio-economic and environmental benefits. Supported by its members, EBA is committed to work with European institutions, industry, agricultural partners, NGOs and academia to develop policies which can enable the large-scale deployment of renewable gases and organic fertilisers throughout Europe, supported by transparent, well-established sustainability certification bodies to ensure that sustainability remains at the core of the industry.

[The European Confederation of Fuel Distributors \(ECFD\)](#) is the umbrella association of the federations of fuel distributors in Austria, Belgium, France, Germany, Ireland and the United Kingdom. We represent medium-sized companies operating petrol stations, trading and distributing fuels and heating oil to the final customers.

[EWABA](#) represents the interests of European waste-based and advanced biofuels industry by promoting the inclusion of waste-based and advanced biofuels in the EU fuel mix as a sustainable means of reducing greenhouse gas emissions in EU transport. Our 50+ members active in most EU Member States collect and use waste and advanced feedstocks listed in parts A and B of Annex IX of the Renewable Energy Directive (REDII) to produce sustainable biodiesel with the highest GHG savings (up to +90%) when compared with fossil fuels, thus enabling “near-term decarbonization” of the EU road and maritime transport sectors.

[Fédération Nationale des Transports Routiers \(FNTR\)](#) is the leading association of road haulage in France with 5,300 member companies giving direct jobs to more than 250.000 people.

[FinMobility](#) is a Brussels-based, leading voice in the EU for the Finnish employers’ and business organisations in the transport and mobility sectors. The eight Finnish organisations FinMobility represents have a membership of 13,500 companies employing a total of 100,000 people.

FuelsEurope represents the EU fuels & industrial value chains products manufacturing industry in the policy debate with EU Institutions and other stakeholders, providing an expert opinion on the production process, distribution and use of our industry's products, in order to contribute to a regulatory framework that promotes EU excellence in technologies contributing to the energy transition towards society's climate goal; boosts sustainable development through supporting a competitive EU industry and establishes effective, technically feasible and sustainable requirements to protect human health and the environment.

GD4S represents the leading natural & renewable gas distributors in France, Greece, Italy, Ireland, Spain, Portugal, the Netherlands and Romania. Together, we represent almost 35 million customers in Europe (more than 30% of the European market). Gas distributors are responsible for operating the gas distribution network, ensuring its maintenance, and its development. We are responsible for safely distributing natural and renewable gas to consumers.

IRU is the world road transport organisation, promoting economic growth, prosperity, and safety through the sustainable mobility of people and goods. Founded in 1948, IRU has members and activities in over 100 countries.

Liquid Gas Europe is composed of national LPG associations, main LPG suppliers, distributors and equipment manufacturers of LPG and renewable LPG including bioLPG, renewable DME (rDME) and other drop-in and complementary gases. With the support of its working groups of industry experts, Liquid Gas Europe is actively involved in concrete initiatives and programs to ensure the sustainable, safe and efficient development of LPG in Europe.

Methanol Institute (MI) was founded in 1989 and serves as the global trade association for the methanol industry promoting its use as a clean and safe fuel and chemical product. MI brings together methanol producers, distributors and end-users from all over the world to advance the responsible and sustainable use of methanol. From our offices in Singapore, Washington, D.C., Brussels, Beijing and Delhi.

The **Mittelstandsverband abfallbasierter Kraftstoffe e.V.** (German waste-based biofuels association - MVaK) represents 29 members from Germany, Austria and The Netherlands which collect and prepare suitable vegetable waste oils and residues, mainly used cooking oil, process them into waste-based and advanced biodiesel or trade feedstocks and finished products.

The **NBAA** is an alliance of five waste-based biodiesel producers with a production site or facility in the Netherlands: *Argent Energy, Bio Oil, Chevron Renewable Energy Group, Greenergy and Muenzer*. The alliance cooperates closely with European and German / Austrian industry associations for waste-based biodiesel: *EWABA and MVaK*. The NBAA has a joint mission to highlight the advantages and opportunities of this sustainable biofuel and actively represents these views to (political) stakeholders.

The **Nordic Logistics Association** (NLA) is the joint Brussels representation of the leading road haulage associations in the Nordics representing around 15.000 member companies with more than 85.000 heavy-duty vehicles from Danish Transport and Logistics (DTL), the Norwegian Road Transport Association (NLF), The Swedish Association of Road Transport Companies (SÅ) and our associated member SKAL – the Finnish Transport and Logistics Association.

UNITI Bundesverband EnergieMittelstand is the German association of small and medium-sized companies in the fuels, lubricants and heating fuels sector. UNITI represents about 90 percent of the German medium sized fuels and energy companies and pools expertise in fuels, the heating market and lubricants. Around 70 percent of the independent service stations and around 40 percent of the road service stations are organized in UNITI.

UPEI is the European Independent Fuel Suppliers Association, representing since 1962 the independent importers, wholesalers, and retailers of fuels for the transport and the heating sectors, promoting a fair competition to ensure an affordable, sustainable and secure energy supply for Europe's consumers and supporting them in their transition to a low-carbon economy.

VBD – the Association of the German Biofuel Industry (Verband der Deutschen Biokraftstoffindustrie e. V. - VDB) represents the interests of 16 biofuel producers in Germany with a production capacity of 2.5 million tons of biodiesel and 900GWh of biomethane.

Annex

Article 3 – paragraph 1 – point 23 a

'CO₂ neutral fuel' means all fuels defined by Directive (EU) 2018/2001 where the emissions of the fuel in use (e_u) can be taken to be net zero, meaning for instance that the CO₂ equivalent of the carbon incorporated in the chemical composition of the fuel in use (e_u) is of biogenic origin and/or has been captured, so avoiding being emitted as CO₂ into the atmosphere, or has been captured from ambient air. Those fuels shall include renewable and/or synthetic fuels, such as biofuel, biogas, biomass fuel, renewable liquid and gaseous transport fuel of non- biological origin (RFNBO) or a recycled carbon fuel (RCF). Other fuels not listed in Directive (EU) 2018/2001 may fall within the meaning of CO₂ neutral fuel provided that they meet those criteria and the sustainability criteria of that Directive and associated delegated acts. A mixture of two or more CO₂ neutral fuels shall be considered to be a CO₂ neutral fuel.

Article 4a

Methodology for registration of heavy-duty vehicles running exclusively on CO₂ neutral fuels. Following consultation with stakeholders, at the latest by ... (one year from the date of the entry into force of the amending Regulation), the Commission shall develop a methodology for registering heavy-duty vehicles running exclusively on CO₂ neutral fuels for compliance purposes in conformity with Union law and with the Union's climate-neutrality objective.'

Article 15 – paragraph 2 c

2c. The Commission shall assess the role of sustainable renewable fuels in the transition towards climate neutrality, including in the heavy-duty vehicles sector. Separately from the review referred to in paragraph 1, and as part of a broader strategy for the deployment of such fuels, the Commission shall by 31 December 2025 present a report to the European Parliament and to the Council with a comprehensive analysis of the need to further incentivize the uptake of advanced biofuels and biogas and renewable fuels of non-biological origin in the sector and the appropriate framework of measures, including financial incentives, to achieve this. Based on that analysis, the Commission shall, if appropriate, make additional legislative proposals or shall make recommendations to the Member States.