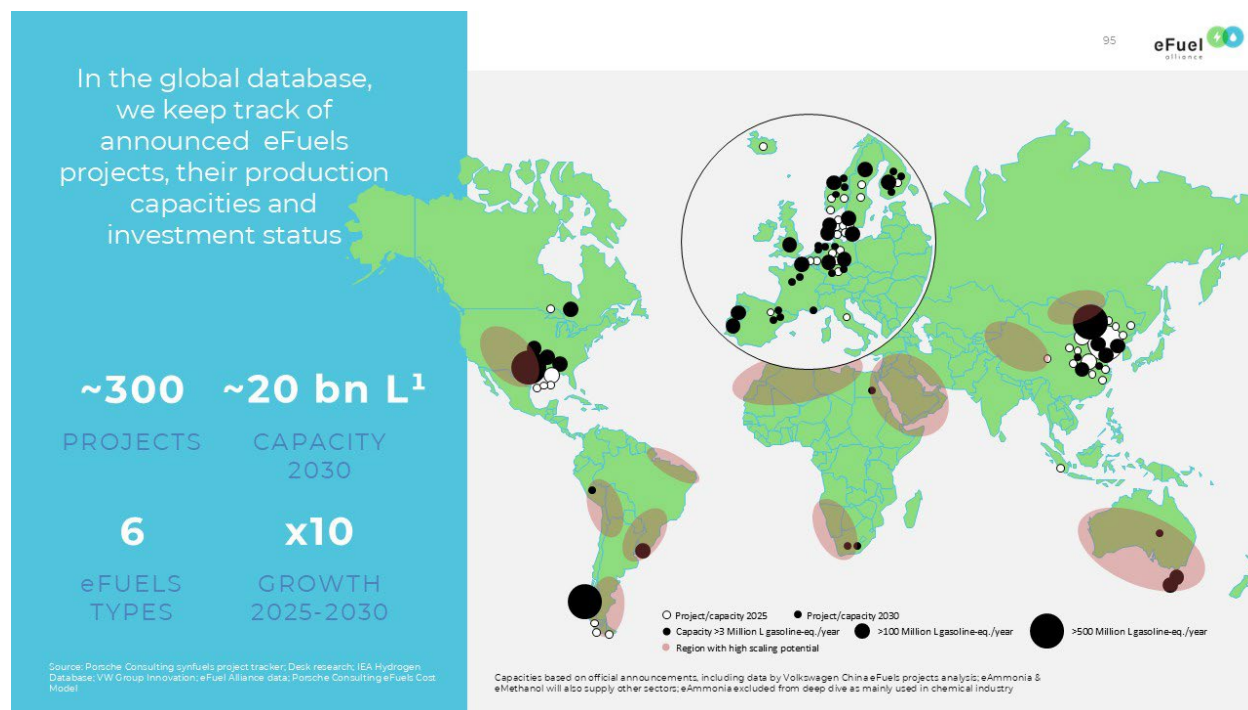


Consultation Response: EU Industrial Maritime Strategy

The eFuel Alliance welcomes the opportunity to contribute to the EU Industrial Maritime Strategy. This initiative is a critical instrument to reconcile the objectives of Fit for 55 and the Clean Industrial Deal with the competitiveness and resilience imperatives outlined in the Draghi Report and consistently emphasized by EU institutions. Integrating renewable fuels of non-biological origin (RFNBOs)—produced from renewable electricity—is essential to meeting the strategy’s goals. Beyond supporting maritime decarbonisation, RFNBO integration will catalyse investment in clean shipbuilding, advanced retrofitting, and the deployment of crucial fuel infrastructure, reducing Europe’s dependency on non-EU suppliers.

A recent study by Porsche Consulting for the eFuel Alliance, presented at the Vienna Motor Symposium, identified over 300 eFuel projects worldwide. Together, these projects represent a potential production capacity of 20 billion liters and an investment volume of €550 billion. The study also found that eFuel production in the EU could scale to 74 billion liters by 2035 and 159 billion liters by 2040—enough to meet 28% and 81% of the EU fuel market, respectively. This reflects strong global momentum behind synthetic fuels. Yet despite this, final investment decisions remain few and far between.



This gap between technical potential and project delivery points to a deeper issue: weak market signals and limited offtake certainty. As highlighted in the [European Commission’s Innovation Fund Knowledge Sharing Report](#), developers in emerging fuel markets face significant hurdles in securing offtake agreements—particularly in sectors like eFuels, where pricing models, feedstock risks, and demand forecasts remain uncertain. Many projects rely on just one or two off-takers, leaving them highly exposed to delays or cancellations. At the same time, financing structures still favor mature, low-risk infrastructure, putting innovative clean fuel projects at a disadvantage.

While the call for evidence rightly emphasizes the need for closer coordination between fuel producers, shipowners, and ports, it must also address the commercial misalignment that is stalling investment. Strengthening RFNBO targets, supporting risk-sharing mechanisms, and incentivising diversified offtake will be critical to accelerating market deployment.

At present, the vast majority of offtake volumes for RFNBOs in maritime transport have been secured in China—not in Europe. If the EU is serious about strategic autonomy in maritime decarbonisation, the Industrial Maritime Strategy must close the gap between policy ambition and real-world fuel deployment. We offer the following recommendations to incorporate into the EU Industrial Maritime Strategy:

1. Align mandatory fuel quotas to enable cross-border scale up

The long-term competitiveness and climate neutrality of the maritime sector depend on the creation of a coherent, transparent, and durable fuel market framework. A central element of this framework must be the integration of mandatory fuel supply obligations—such as those set out under Renewable Energy Directive (RED III)—with ambitious greenhouse gas (GHG) reduction targets that are backed by meaningful penalties for non-compliance—in combination with FuelEU Maritime and global instruments on IMO level.

Yet, the current fragmented national implementation of RED III undermines the effectiveness and predictability of the system. Member States are taking divergent approaches in terms of ambition levels, multipliers, eligibility rules, and penalty mechanisms—creating a complex and uneven regulatory landscape for fuel suppliers and vessel operators. For instance, Belgium has proposed a renewable fuel obligation of 16.4% for international maritime by 2030, with sub-quotas for RFNBOs including multipliers of 2 (plus an additional 1.5 for RFNBOs in maritime) and penalties set at €2,800 per 34 GJ. Netherlands has presented a GHG reduction of 8.2% for international and 14.5% for inland shipping in 2030. Spain could demand a GHG reduction of 3% for coastal navigation. Other member states like Germany plan to include shipping in the overall reduction target which means that maritime fuels could face a GHG reduction of 12% in 2026. Fuel bunkering in Europe could look quite different in the following years. Spain has not yet updated its penalty regime, which currently sits around €1,623 per ton. Germany plan to adopt higher penalties of €70 per GJ and additional sector-specific rates (e.g., €17,000/ton for e-kerosene under ReFuelEU Aviation).

This regulatory patchwork not only complicates investment decisions but also risks undermining the overall ambition of the EU's climate goals. To enable cross-border fuel supply chains and de-risk industrial investment, the Industrial Maritime Strategy must commit to aligning RED III implementation across Member States, with binding RFNBO sub-targets and a coherent compliance framework

2. Strengthen FuelEU Maritime and align it with the IMO Net Zero Framework

FuelEU Maritime is the EU's primary regulatory instrument for driving fuel decarbonisation in shipping. However, its current design lacks the ambition and specificity needed to trigger large-scale investment in RFNBOs. Meanwhile, international developments—particularly the [IMO's forthcoming Net Zero Framework](#)—are set to raise the global bar with more stringent GHG intensity targets projected to deliver greater cumulative emissions reductions by 2045.

Rather than seeing these frameworks as conflicting, the EU should pursue a dual-track strategy:

- [Reform FuelEU Maritime](#) to include binding sub-quotas for RFNBOs and raise GHG reduction targets (e.g., 6% by 2030, 48% by 2050), ensuring the regulation delivers real additional renewable fuel volumes and market certainty.

- Proactively shape the IMO Net Zero Framework to embed key FuelEU Maritime design elements—such as technology neutrality, well-to-wake accounting, and market-based compliance mechanisms (e.g., banking and pooling)—to secure globally harmonised RFNBO targets.

To ensure investor confidence, the EU must signal a clear, long-term commitment to ambitious RFNBO quotas anchored in a coherent global framework.

3. Deploy targeted funding mechanisms

No less than €5.4 billion in public revenue are becoming available through the EU ETS extension to maritime according to [Hecla Emissions Management AS](#), and a further €1.3 billion are expected to accrue through FuelEU Maritime non-compliance penalties according to [OceanScore](#). In addition, the [Clean Industrial Deal's Industrial Decarbonisation Bank](#) is expected to mobilize no less than €100 billion toward clean technology deployment and the integration of renewables. It is imperative that these funds be deployed directly to de-risk and mobilize private investment into renewable fuel production for maritime.

This should include the immediate rollout of EIB-backed guarantees, First-of-a-Kind (FOAK) tranches, and Contracts for Difference (CfDs) to bridge early-stage financing gaps—measures comprehensively detailed in our [contribution](#) to the consultation on the Sustainable Transport Investment Platform (STIP). Equally critical is the establishment of a centralised, EU-backed long-term offtake mechanism that can provide revenue certainty and enable projects to reach bankability. Alongside these instruments, the Commission should launch targeted funding modules within existing frameworks such as Connecting Europe Facility (CEF), InvestEU, and the Innovation Fund, with a specific focus on maritime RFNBO infrastructure. Maritime renewable fuels must also be fully integrated into EU renewable energy policy, ensuring they are eligible under all relevant funding mechanisms, with dedicated calls tailored to sector-specific needs.

These actions will convert theoretical policy-driven demand into real, financeable project pipelines, unlocking the full potential of industrial investment across Europe.

4. Reform production rules for improved bankability

Next to clear demand signals, RFNBO production rules require urgent reform to improve bankability and unlock industrial-scale investment. While the sector is strategically critical for maritime decarbonisation, current EU policy frameworks impose complex, restrictive, and uncertain requirements that undermine competitiveness and delay final investment decisions (FIDs).

The production criteria for RFNBOs were introduced through two delegated acts under the Renewable Energy Directive, which were expected by 2021 but only formally adopted in mid-2023—a delay that created significant legal uncertainty. Moreover, the first voluntary certification schemes were only approved in September 2024 and still require national-level validation. As a result, many projects have stalled, with developers unable to proceed due to lack of clarity on whether their production pathways will meet the criteria. These delays are compounded by the overly rigid design of the delegated acts.

For grid-connected production—which will be the backbone of EU RFNBO supply—electricity must come from additional renewable sources built within 36 months of RFNBO production start. It must also meet temporal correlation rules (monthly until 2030, hourly thereafter) and geographical correlation (same bidding zone). However, while renewable projects like wind or solar can be built in 2 years, RFNBO facilities often require 3–4 years to complete. This mismatch in timelines introduces unacceptable risk for investors. Academic studies have shown the cost impact of these rules: the

[University of Cologne and Harvard](#) found that moving from monthly to hourly correlation increases hydrogen costs by 25%. Similarly, the [University of Duisburg-Essen](#) estimated that current electricity criteria would reduce European electrolysis capacity by 33% in 2035.

We urge the Commission to use the Industrial Maritime Strategy to explicitly acknowledge that eFuel competitiveness is being undermined by policy design—not technological limitations. As detailed in our [analysis](#) of eFuel deployment barriers, we propose the following regulatory improvements:

- Allow unavoidable industrial point sources of CO₂, many of which are ideally located near existing infrastructure. Allowing these sources would enable early-stage projects while maintaining high sustainability standards.
- Allow targeted state aid for renewable electricity procurement. Electricity cost volatility is one of the largest operational risks for eFuel producers. Without the ability to hedge this risk through supported procurement mechanisms, many projects will remain commercially unviable despite their technological maturity.
- Maintain monthly correlation in the interim would significantly reduce compliance costs and operational risk—up to 35% in some [estimates](#)—without compromising environmental integrity.
- To provide the regulatory certainty required for capital-intensive industrial investments, we call for a grandfathering mechanism that is clearly time-bound or unconditional. This would signal long-term regulatory stability, reduce project risk and accelerate final investment decision by giving project developers and financial institutions greater confidence.
- Streamline mass balancing and traceability systems to lower transaction costs without compromising environmental integrity

By comparison, frameworks in the US and UK apply robust sustainability safeguards while offering greater regulatory flexibility, providing developers with the clarity and stability needed to mobilize private capital.

5. Leverage green corridors to enable alternative fuel infrastructure

Green shipping corridors are critical to accelerating maritime decarbonisation by concentrating early demand, pooling investment, and enabling coordinated infrastructure development for clean fuels like hydrogen, ammonia, methanol, and eFuels.

By focusing infrastructure deployment within these corridors, the EU can overcome uncertainties around fuel supply, reduce investment risks, and unlock economies of scale. This approach allows for tailored solutions that reflect regional strengths—such as access to renewable electricity and CO₂ sources—and addresses practical constraints like safety and land use.

To support RFNBO production, the strategy should prioritize the development of maritime carbon transport infrastructure, including CO₂ import/export port hubs facilitating accessible and eligible CO₂ supply. Care must be taken to ensure carbon capture and storage (CCS) of biogenic CO₂ is not over-incentivized to the detriment of RFNBO producers, maintaining fair competition within the sustainable fuel market. This also highlights the importance of integrating industrial carbon management into the green corridor framework to secure sustainable feedstock supply chains.

In parallel, European port logistics must be adapted and upgraded to accommodate the arrival and bunkering of alternative fuels such as eMethanol and eAmmonia, ensuring operational safety and efficiency across the supply chain.

The EU's industrial maritime strategy should include a robust indication of how green corridors will be leveraged to accelerate the deployment of RFNBO-compatible infrastructure. These corridors represent a unique opportunity to concentrate early demand, coordinate cross-border investment, and unlock economies of scale in the supply of renewable fuels of non-biological origin. As part of a broader market-based approach, they can serve as critical enablers of Europe's zero-emission maritime transition.

ABOUT THE eFUEL ALLIANCE

The eFuel Alliance is interest group working for the political and social acceptance of eFuels and for their approval. We represent more than 160 companies, associations and consumer organizations along the eFuel production value chain. We stand for fair competition and a level playing field for all relevant emission reduction solutions. We are clearly committed to greater climate protection and want to see the significant contribution of eFuels to sustainability and climate protection more widely recognized. Our goal is to enable the industrial production and widespread use of CO₂-neutral fuels from renewable energy sources.