

## PRESSRELEASE

# CO2 fleet regulation of heavy-duty vehicles: EU Commission ignores climate benefits of renewable fuels

The EU wants to regulate emission-intensive long-distance freight transport and its heavy-duty vehicles strictly. Renewable fuels are not considered. The proposal of the Commission deliberately accepts risks regarding the resilience and flexibility of the logistics sector.

**Brussels/Berlin, 14 February 2023:** The European Commission presented its proposal on CO2 fleet regulation of heavy-duty vehicles today. The decision-makers agreed on a CO2 reduction of 90% by 2040. They have set interim targets of 45% for 2030 and 65% for 2035. Similar to cars and vans, the proposal does not take renewable fuels such as eFuels into any account at all. With this, the EU Commission is moving towards a de facto ban on internal combustion engines for heavy-duty vehicle, as it has already done for passenger cars and light commercial vehicles.

73% of all goods transported by land in the EU are carried by trucks. This means that heavy-duty transport represents the backbone of European trade. At the same time, heavy-duty transport is responsible for 27% of CO2 emissions from road transport and 5% of total CO2 emissions in the EU - more than aviation and shipping combined. Shifting away from conventional fossil fuels in this sector is essential to meet the EU's ambitious 2030 and 2050 climate targets. Renewable fuels such as eFuels as well as direct-electric powertrains have significant climate potential to accelerate the phase-out of fossil fuels in European transport.

"Heavy-duty transport covers diverse mobility needs of freight forwarders, logistics companies, municipalities, retail chains and heavy hauliers. Limiting options for action and flexibility jeopardises an efficiently functioning internal market and thus the resilience of the European economy. Especially since there are still no satisfactory answers to problems such as the lack of megawatt charging parks, the lack of hydrogen infrastructure or the reliable availability of renewable electricity. The Commission wants to build on a foundation which is very fragile or, in some cases, does not even exist yet," Ralf Diemer, Managing Director of the eFuel Alliance, gives food for thought.

The CO2 emission reduction only considers tailpipe-emissions. Even if 100% climate-neutral renewable fuels are used, these vehicles are considered fossil. "This proposed regulatory approach not only undermines the principle of technology neutrality, but also restricts the choices of logistics operators as well as hauliers and jeopardises effective climate protection. To propose a defacto phase out of the internal combustion engine in heavy-duty transport with a reduction quota of 90 % entails unknown consequences.

"The Commission justifies a rejection of the consideration of renewable fuels in its impact assessment mainly with cost disadvantages, but this is done very selectively. For example, tax advantages and an exemption from the HDV toll are assumed for electric trucks - but not for internal combustion engines with sustainable fuels," says Diemer. "In addition, the open questions about the availability of battery raw materials, new political dependencies, the costs of charging infrastructure, hydrogen filling stations and expanded parking space must also be critically discussed. Furthermore, the cost of energy storage to make renewable electricity available anytime and anywhere, as well as a reduction in the payload of electric trucks due to battery weight, should not be neglected. The industry faces many question marks".

Thanks to their drop-in capability, climate-neutral eFuels can be blended gradually with conventional fuels. Economies of scale of falling production costs and thus falling prices at filling stations would make eFuels affordable for logistics companies at every stage. This ensures resilience as well as flexibility and entails an immediate reduction in greenhouse gas emissions.

Recently, more than 120 industry representatives and around 90 scientists wrote a joint letter to policy makers at EU level calling for renewable fuels to be included in regulation.



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#### >>>The eFuel Alliance e.V.<<<

The eFuel Alliance is an interest group committed to promoting political and social acceptance of eFuels and to securing their regulatory approval. We represent more than 170 companies, associations and consumer organizations along the eFuel production value chain. We stand for fair competition and equal competitive condition for all relevant emission reduction solutions. We are firmly committed to further climate change mitigation and seek recognition for the significant part eFuels can play in sustainability and climate protection. Our aim is to create the conditions for the industrial production and widespread use of CO2-neutral fuels from renewable sources of energy.

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