

PRESS RELEASE

Wind in the sails of the maritime sector: rapid scaling of renewable fuels required

Berlin, June 4, 2024: Yesterday evening, Monday, June 3, the Maritime Platform and the German Shipowners' Association hosted a parliamentary evening to discuss the challenges of the maritime energy transition. The eFuel Alliance was invited as an expert for the market ramp-up of renewable fuels.

To achieve recognizable steps, especially in the reduction of CO₂ emissions, all participants drew attention to a swift supply of renewable fuels and a rapid expansion of the onshore power supply: "A national, Europe-wide and consistent legal framework is needed that enables all players along the value chain of renewable fuels to boost the market ramp-up. We welcome the fact that politicians are pursuing an open-technology approach here. At the same time, clear planning and investment security is needed to fully activate these players," demanded Georg Ehrmann, Managing Director of the Maritime Platform and National Director of CLIA Germany.

Ship fleets operate for a long time and investment cycles extend over several decades. Today's investment decisions have a decisive influence on the climate footprint of the maritime industry into the 2050s. In July 2023, the International Maritime Organization (IMO) adopted a revised strategy that envisages a complete reduction in greenhouse gas emissions from ships by around 2050. However, this is not legally binding and specific implementation measures will only be defined in the coming years. National measures by the respective governments require readjustment.

So far, renewable fuels, especially eFuels, are rare. Although some areas of the maritime sector have already been able to gradually reduce their CO₂ emissions by switching to LNG, they are still calling for progress to be made in the supply of renewable fuels. "Given the current framework conditions, a noticeable increase in the volumes available on the market is not expected until the early to mid-2030s," Diemer criticizes. "It is fundamental that we do not continue to deal with potential distribution problems but concentrate purely on the market ramp-up. We urgently need more ambitious quotas for this."

EU legislation offers hardly any legally secure incentives for eFuels in shipping only. Although the FuelEU Maritime Regulation requires ships to gradually reduce the CO₂ intensity of the energy they use by 2050, they can fall back on a variety of fulfillment options.

In order to sustainably boost the production of eFuels, additional incentives are needed, explains Diemer: "The two percent quota for renewable fuels of non-biogenic origin (RFNBOs), which will come into force from 2034 if the share of RFNBOs in shipping is less than one percent in 2031, does not provide the necessary investment security - especially as the quota can also be met by other fuels."

"Our member companies are keen to produce for the shipping industry too. This requires clear and long-term incentives, which are currently not in place. However, with the national implementation of the Renewable Energy Directive, EU member states can put wind in the sails of producers: "The shipping industry will also benefit from a more ambitious blending quota for eFuels for across the transport sector. Our member companies are capable of blending five percent of the total European fuel market by 2030. This potential must be utilized," adds Diemer.

>>>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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