

# Unlock the **full potential of sustainable renewable fuels**: with a more ambitious Renewable Energy Directive (RED)

## What needs to be done now:

- **More ambitious 2030 targets**
  - **20 % GHG reduction target** in transport
  - **5 % sub-target** for hydrogen and eFuels (RFNBOs)
  - **2.6 % interim target** for RFNBOs by 2028
- **Multipliers**, by which the share of renewable energies in road transport could be statistically inflated, **should be removed**. This also applies to the '**hidden multipliers**', when calculating the GHG emission savings of different energy carriers in road transport. Since both green electricity and renewable fuels replace the use of fossil fuels in internal combustion engines, the **same fossil fuel comparator**  $E_{F(t)}$  of 94 g CO<sub>2</sub>eq/MJ as set out in Annex V of the REDII should apply when **calculating GHG savings** for all energy carriers.
- **Define a clear timeframe** within which the methodology for calculating CO<sub>2</sub> savings from RFNBOs can be revised, if appropriate. To ensure a **reliable planning security** the methodology should be reviewed at most every 5 years.
- **Develop targets beyond 2030** to create a longer planning horizon.
- The ramp up of renewable fuels in the aviation and maritime sectors must not undermine their strategic importance in road transport. Only **volumes of advanced biofuels and eFuels** that are placed on the market **beyond the RED requirements** should **qualify** for the sector-specific targets set out in the FuelEU Maritime and ReFuelEU aviation regulations.

## A technology-mix to **speed up defossilisation**

The use of all relevant emission reduction solutions is key for achieving the European Union's target of climate-neutrality by 2050. Only a **technology mix** can decisively accelerate the defossilisation of our economy. Greater consideration of **the role of sustainable renewable fuels**, eFuels in particular, is vital here.

The share of sustainable renewable fuels in transport is significantly lower than in other sectors – only 5.6 % in 2019<sup>1</sup>. This is partly due to the **lack of incentives** for necessary investment in the market ramp-up and deployment of renewable fuels – which is a result of **unambitious RED targets** and a fragmented policy landscape.

<sup>1</sup> [Report](#) from the Commission to the European Parliament and the Council: Quality of petrol and diesel fuel used for road transport in the European Union (2019), p. 4.

# Why eFuels?

- As a climate neutral alternative to fossil fuels, eFuels could contribute to a significant **reduction of CO<sub>2</sub> emissions**
- eFuels can be **blended** with conventional fuels or used as a **100 % substitute**
- eFuels are suitable for **all means of transport** powered by an internal combustion engine (ICE) and can use **existing infrastructure**
- eFuels are the only way to **store and transport renewable energy** from around the world
- eFuels can **complement the market ramp-up of electromobility**, especially in cases where e-vehicles might face challenges
- eFuels can be used as feedstock for the **industrial chemical sector** and are a **climate-neutral alternative** to conventional heating oil
- Production costs for **eFuels** are expected to be **between €0.70 and €1.33** per litre by 2050<sup>2</sup>

## Greening Europe with eFuels



### Transport

Only a combination of **several emission reduction pathways** enables rapid CO<sub>2</sub> reductions in the transport sector. In addition to e-mobility sustainable renewable fuels should be granted a **complementary role** in road transport.

An EU-wide blending of just **5 % eFuels** to conventional fuel in 2030, would result in a saving of **60 million tons of CO<sub>2</sub>** – which corresponds to taking 40 million cars off the road for an entire year.

eFuels are the only way to make the existing fleet of **300 million ICE** vehicles in the EU to climate neutral.



### Home

Around **20 million heating systems** in the EU run on conventional liquid fuels. As eFuels are compatible with existing modern oil-fired boilers, they can contribute to **significant CO<sub>2</sub> reductions** in the building sector and in domestic heating.

By using eFuels households would be **spared high conversion and renovation costs**, since the existing heating systems can continue to be used.

Increased volumes and lower cost of eFuels thanks to economies of scale, would make them **affordable for consumers** at every stage, thereby increasing acceptance for a clean energy transition.



### Industry

Large parts of our industrial base will **not be able to electrify**. For energy-intensive industries such as chemicals, glass and steel making, **only renewable fuels** can ensure the transition to a clean and sustainable production.

The Provision of clear basic requirements that sustainable renewable fuels must meet and a longer planning horizon beyond 2030 would create **planning and investment security** for the industry.

<sup>2</sup> According to a [study](#) by Prognos AG, the Fraunhofer Institute for Environmental, Safety and Energy Technology UMSICHT and the German Biomass Research Centre DBFZ, p. 39.