

Joint Statement: Clean Industrial Deal must support production and uptake of clean fuels for shipping

We, representatives of the shipping industry and environmental groups, express our commitment to the European Union's climate and industrial objectives and stand ready to play our part in the transition to sustainable and safe maritime transportation. The European Green Deal has set a high ambition. We welcome the commitment of President von der Leyen to put forward a new Clean Industrial Deal in the first 100 days of the new Commission. Making clean fuels and clean innovative technologies for shipping available in Europe must be an integral part of the Clean Industrial Deal.

The Draghi Report highlights the EU leadership in global high-value patents and the most innovative green fuel and technology companies. It specifically stresses that green fuels and technologies are essential for the decarbonisation of shipping. According to the report, European shipping will need around €40 billion in annual investments between 2031 and 2050. The Draghi Report therefore advises the EU to start building a European green marine fuels supply chain. Otherwise, it warns that the costs of meeting climate targets will be significant.

Progress achieved in early-mover sectors, such as power generation, demonstrates that climate action and industrial growth can be mutually inclusive. The same logic applies to the maritime industry. Energy transition in maritime transport is inextricably linked to the production of green fuels. However, shipping companies do not produce the fuels they use and are heavily reliant on companies that specialise in energy production.

As a result, clean energy supply, technology manufacturing and availability to European shipping is heavily dependent on the policies and opportunities that the European Union and Member States put in place. The objectives set as part of the Net-Zero Industry Act (NZIA), funding schemes under the EU Innovation Fund and maritime ETS revenues accrued in Member State budgets present a good opportunity for Europe to become the frontrunner of maritime decarbonisation in the world.

The Draghi report identifies shipping as one of the most difficult sectors to decarbonise. Lack of access to financial resources, a higher abatement cost gap and strong competition from other offtake sectors create the risk for shipping to be left behind in the race for access to clean energy production in Europe.

With this in mind, we call on the new leaders of the European Union and Members of the European Parliament to:

- Ensure the international competitive advantage of the European industry by positioning shipping, clean energy and technology producers at the forefront of the green transition.
- Accelerate the transition of European shipping and the maritime cluster by channelling investments into clean fuels and clean and innovative technologies. It is key to invest ETS revenues in maritime decarbonisation through national and EU investment plans and to

facilitate access to public and private finance, including through the implementation of NZIA and its future updates.

- Include shipping in an ambitious Clean Industrial Deal, ensuring that at least 40% of clean fuels and clean and innovative technologies needed to achieve EU's climate targets for shipping are manufactured in Europe.
- Enable shipping's access to green energy through dedicated supply requirements on fuel producers in European ports.

We look forward to working with European policymakers to implement an ambitious Clean Industrial Deal which ensures our industry's competitiveness and a clear pathway to meet the EU's climate targets.



***Transport &
Environment***