



Joint letter in support of targeted 2030 policy for clean transport fuels

3 October 2014

Dear Sir/Madam,

We jointly call on the European Commission, European Parliament and Council of Ministers to deliver a coherent and stable policy framework to reduce GHG emissions from transport energy as a part of its 2030 framework for energy and climate policies. Implementing enduring regulation across all member states will attract entrepreneurs, innovators and investors and deliver real environmental and economic benefits to Europeans.

Transport should be decarbonised in line with the European Union's goal of keeping global temperatures to within 2°C of pre-industrial levels. If Europe wants to meet this objective in the most cost effective fashion, in addition to demand side management measures, it should improve the efficiency of vehicles and infrastructure; promote a shift to low carbon modes; AND decarbonise the fuels and energy sources used in transport in a coordinated manner.

The European Commission, in its 2030 communication for climate and energy policies, proposes not to set any targets for renewable energy or greenhouse gas intensity of transport energy after 2020. This creates a gap in the suite of policies aiming to decarbonise transport (the single biggest emitter of GHG). This will slow down the market uptake of low-carbon technologies and their progress toward cost competitiveness. In addition, by abandoning a harmonised approach, the EU risks the fragmentation of its fuels market. This will create inefficiencies for fuel suppliers and the vehicle manufacturers alike, as well as confusion for motorists; and, crucially, it will undermine investment certainty for those companies developing next-generation transport energy and fuels for Europe. It will also narrow consumer choice for sustainable alternatives, and exacerbate EU dependence on imported oil.

A transport-dedicated approach, therefore, should aim at stimulating investments and innovation in sustainable alternative fuels across all member states. At the same time it should also facilitate the uptake of low carbon technologies such as clean, low carbon electricity and hydrogen as well as advanced biofuels including a EU binding target for reducing emissions per unit of transport energy.

The European Commission should propose a 2030 policy framework for energy used in transport that adheres to the following principles:

- It should stimulate preference for fuels and energy with high carbon savings from sustainable sources. This approach underpinned by correct and predictable lifecycle carbon accounting of all energy used in transport and offer incentives for improving environmental performance of all fuels;

- It should provide sufficient long-term policy and regulatory stability to stimulate the large capital investments associated with the development, and pre-commercial deployment of new low-carbon technologies that contribute to environmental protection, growth, jobs and energy security in Europe;
- It should focus on harmonisation of EU markets for fuels;
- It should be as uniform as possible as regards requirements for the supply chain. A change in legal form from a transport fuel directive towards a regulation could be one way of achieving this objective, including an EU binding target for reducing emissions per unit of transport energy and favourable provisions for the uptake of sustainable renewable fuels. E-mobility, including electric vehicles, batteries and fuel cell powered vehicles, should be promoted as well since electricity is becoming increasingly decarbonized and its use in the transport sector will contribute to its decarbonisation.

Europe can only realise its climate and energy policy ambitions by addressing transport emissions specifically in a definitive and enduring way. Only including transport in overall decarbonisation targets will fail to deliver the emissions cuts and investments required. Europe must lead by creating an environment of steady and clear EU-wide regulation that encourages development and investment on a large scale, while protecting the environment.

We would be happy to discuss these issues in more detail with you.
For further information, please contact:

Pete Harrison

Programme Director
European Climate Foundation
pete.harrison@europeanclimate.org
T +32 2 894 9302
M +32 478 34 00 51

Pietro Caloprisco

Policy Officer
Transport & Environment (T&E)
pietro.caloprisco@transportenvironment.org
T +32 (0)2 851 02 11
M +32 (0)485 726 533