

Dear Vice President Timmermans, Commissioner Valean, Commissioner Simson, Commissioner Breton

We, the signatories, write to express our support for the goals of the European Green Deal for shipping, notably the objectives to deploy sustainable alternative marine fuels/energy via a dedicated FuelEU Maritime initiative.

Maritime transport is an important part of the EU economy and its decarbonisation will directly impact the Union's ability to achieve carbon-neutrality by 2050. **In order to deliver a sustainable, scalable and cost-effective green transition for maritime transport, the signatories call on the European Commission to stimulate within the framework of the FuelEU Maritime initiative the deployment of green hydrogen and ammonia for shipping.**

There are many potential alternative fuels for shipping, but not all are equally promising. Crop-based biofuels are more damaging than fossil fuels. And while some advanced biofuels could provide emissions reductions, they are limited in sustainable bio-feedstock availability. Therefore, the solutions, to be stimulated by the FuelEU maritime initiative, need to be sought among technologies that can be both *sustainable* and *scalable*.

Green hydrogen and ammonia provide such a solution as they can deliver zero-carbon propulsion and can be produced in virtually unlimited quantities. These fuels are currently very expensive compared to fossil fuels, but production costs can be reduced with economies of scale. To justify large investments in electrolyzers and ammonia plants, European maritime fuel policy needs to send a clear demand signal for the potential investors by focusing on these green fuels and their relevant propulsion technologies.

Developing and deploying sustainable green fuels for shipping present enormous economic and employment opportunities. The production of green hydrogen and ammonia for shipping will require about **€1.4 trillion** in capital investments globally.¹ This is an opportunity for new jobs and sustainable economic growth.

These are the sort of investments required to lift Europe out of COVID's economic shatters. Well crafted EU shipping legislation will contribute to overcoming the current economic challenges facing Europe. As representatives of these industries, fuel and technology manufacturers and civil society, we are prepared to contribute to a robust and effective legislative outcome.

Sincerely,

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<https://www.globalmaritimeforum.org/news/the-scale-of-investment-needed-to-decarbonize-international-shipping>



CMB



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