



To: EU Heads of State & Government  
Cc: Energy ministers

22 March 2022

## **RepowerEU: immediate demand reduction and structural measures to cut oil use must be part of any credible energy strategy**

Dear EU Heads of State & Government,

As the world looks on in horror at the endless suffering in Ukraine, Europe is [sending Putin](#) \$285 million a day to feed its dependence on imported oil. As Europe's leaders, you now have the moral imperative to act and cut the money that is subsidizing this and many other wars.

Europe is also facing its biggest energy crisis in decades, caused by sky rocketing prices on oil and gas that are squeezing the purchase power of many Europeans.

In view of these extraordinary circumstances, it is time for **a complete re-think of our energy policy** and our stance on fossil fuels. We very much welcome the launch of a new energy strategy for Europe which would cut our reliance on oil, gas and coal - no matter the rogue regime it comes from - for good.

But the Council discussion so far has focused exclusively on diversifying the supply of oil and gas. On top of - and even instead - Europe must also include measures to reduce our reliance on oil and other fossil fuels in the first place. A set of immediate and effective measures has recently been [outlined](#) by the International Energy Agency (IEA) in their 10-Point Plan to Cut Oil Use.

During your meeting this week, we call on you to:

- Welcome and **reference in your conclusions the IEA's measures** to reduce oil demand immediately, such as discounted public transport, speed limits, working from home and efficient freight operations.

- Rather than implementing blank fuel tax reductions that will [cost](#) European taxpayers almost €9 billion, put in place **targeted social measures** for those that are in need, such as cash cheques for low income households and lower taxes for SMEs and those on low income. Reducing excise duties generates perverse environmental incentives and inequitable social outcomes as the rich use eight times more fuel than the poor. Any reduction in excise duties already in place or about to be implemented by any EU member state should be from the outset **limited in time, with an automatic return to previous tax levels no later than in 3 months**.
- Alongside measures to cut demand in the short-term, Europe needs to **accelerate structural measures** to wean itself of Russian gas and oil by 2027 as agreed during the Versailles summit. Faster adoption of electric vehicles in private and corporate car, van, bus and truck fleets is one of the best structural measures available. We call on the EU to set a new goal of achieving **50% battery electric car and van sales by 2025**. The EU CO2 standards should be brought forward to help achieve this goal. Special targets should be set to electrify high mileage vehicles such as company cars, delivery vans, fleets, taxis, and buses as replacing them with electric drive would have the largest near term oil demand impact.
- Finally, Europe needs to put **an immediate halt to the use of food and feed crop based feedstocks for biofuels**. Both Ukraine and Russia are suppliers of wheat, other grains and vegetable oils to the global market. Now the war is driving prices even higher. For some crops the war has already resulted in supply shortages, both in Europe and beyond. Using edible vegetable oils and cereals for biofuels reduces the available quantities of vegetable oils and cereals that the food industry can process and that people can eat.

This is the turning point for Europe. We need to get rid of oil and other fossil fuels quickly in a socially responsible way, but making petrol cheaper for the rich or sending money to undemocratic regimes other than Russia is not the way to go. We call on you to show European solidarity and to agree more effective and structural measures instead.

Remain at your disposal for any questions and kindest regards,

William Todts  
Executive Director  
Transport & Environment