



# SUSTAINABLE & SMART **MOBILITY STRATEGY**

## FuelEU Maritime

the Maritime Dimension of the Green Deal and “Fit for 55”  
Package



SMM, Hamburg, 5-9 September 2022

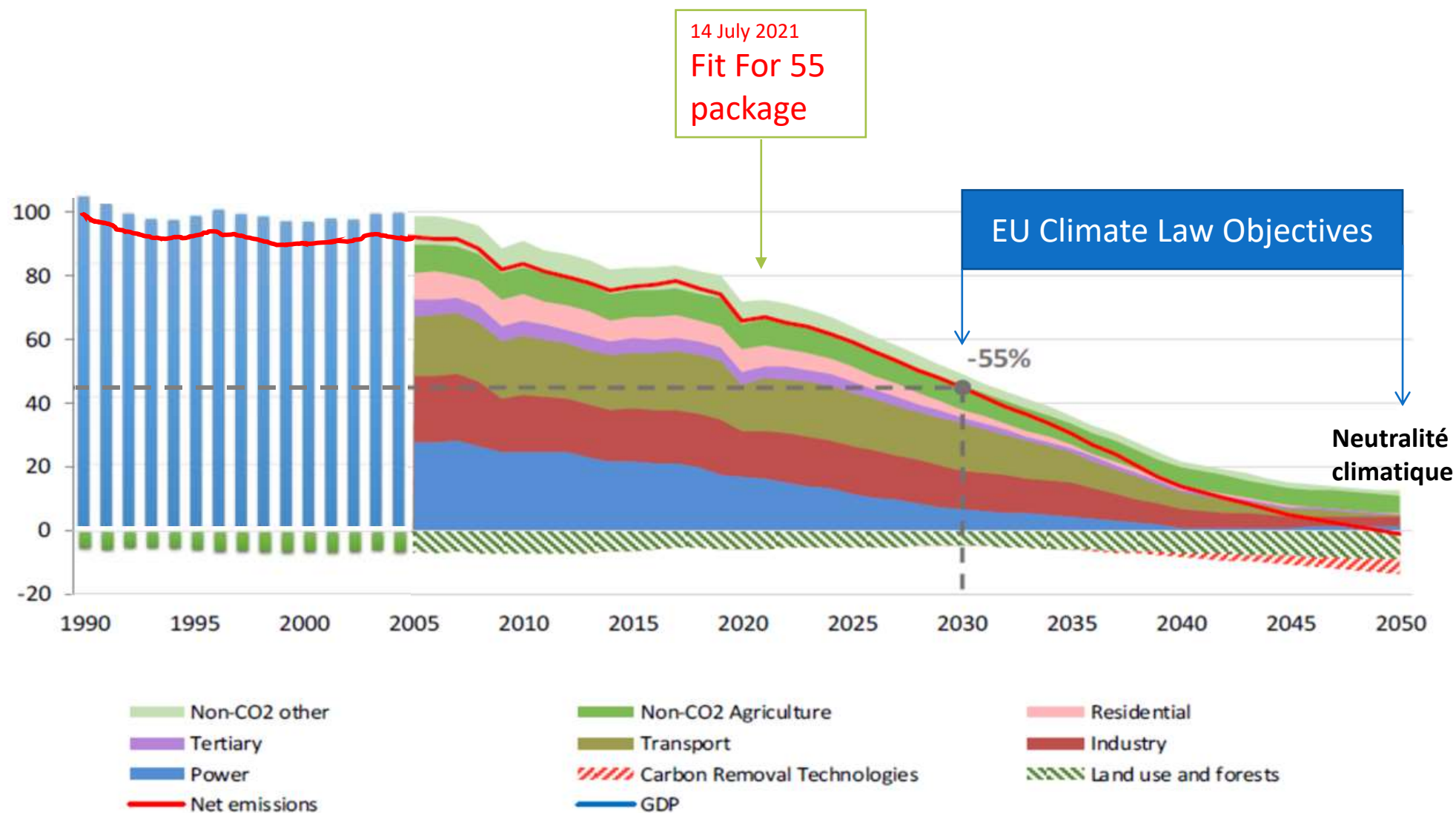
Annika Kroon, European Commission,  
*Directorate General for Mobility and Transport, Maritime Transport and Logistics*

Digital and  
Transport

# Context

- December 2019 – the Commission Communication and roadmap: **the European Green Deal**
- March 2020 - the Commission proposal for the **EU Climate law** – to mandate the goals set out in the European Green Deal.
- September 2020 – the Commission Communication and impact assessment - the **2030 Climate Target Plan** calling to:
  - to **cut EU GHG emissions by at least 55 % in 2030**
  - to **become climate neutral in 2050**
- The EU Climate law entered into force July 2021
- In July 2021, the Commission proposed the **Fit for 55 Package** to implement the Climate Target Plan

# EU pathway to climate neutrality



# Delivering on the 2030 commitment

## CLIMATE



## ENERGY



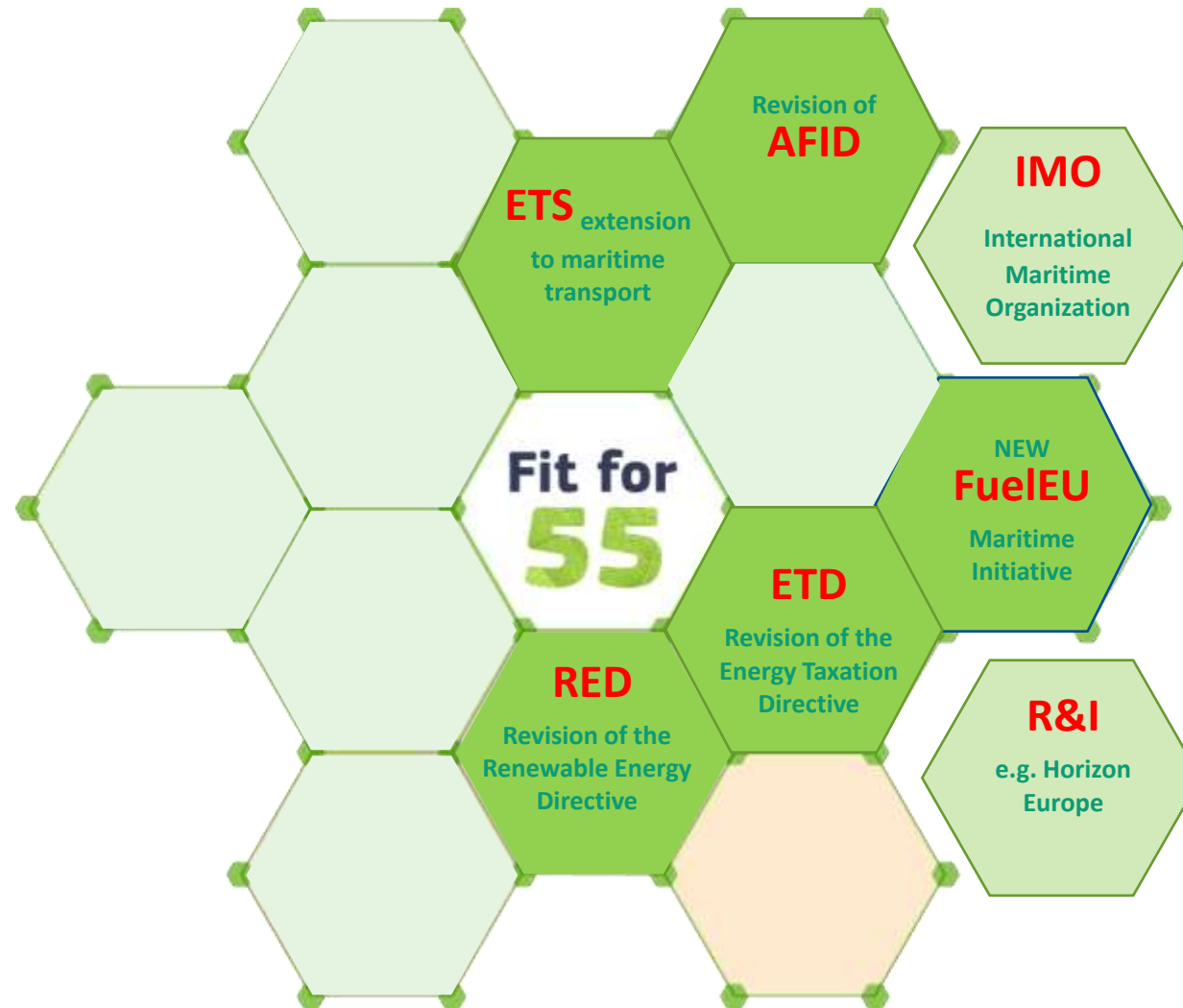
## TRANSPORT



## TAXATION AND TRADE



# Initiatives that concern **waterborne transport** (“basket of measures”)

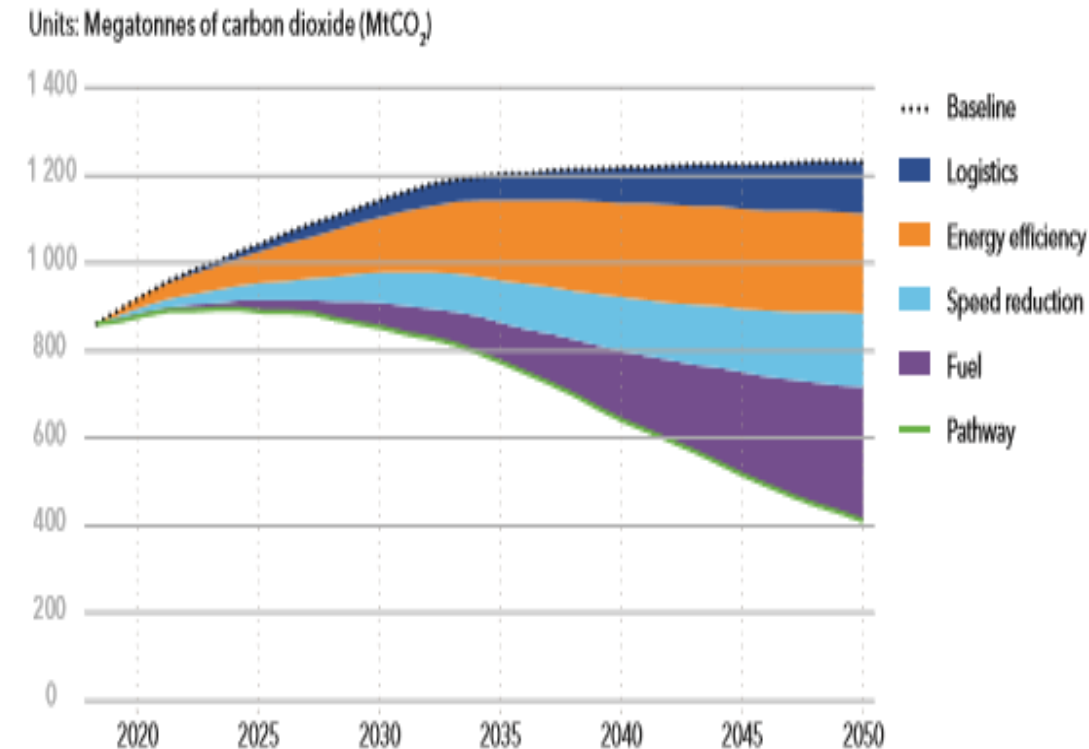


**MARITIME**



# Key objectives

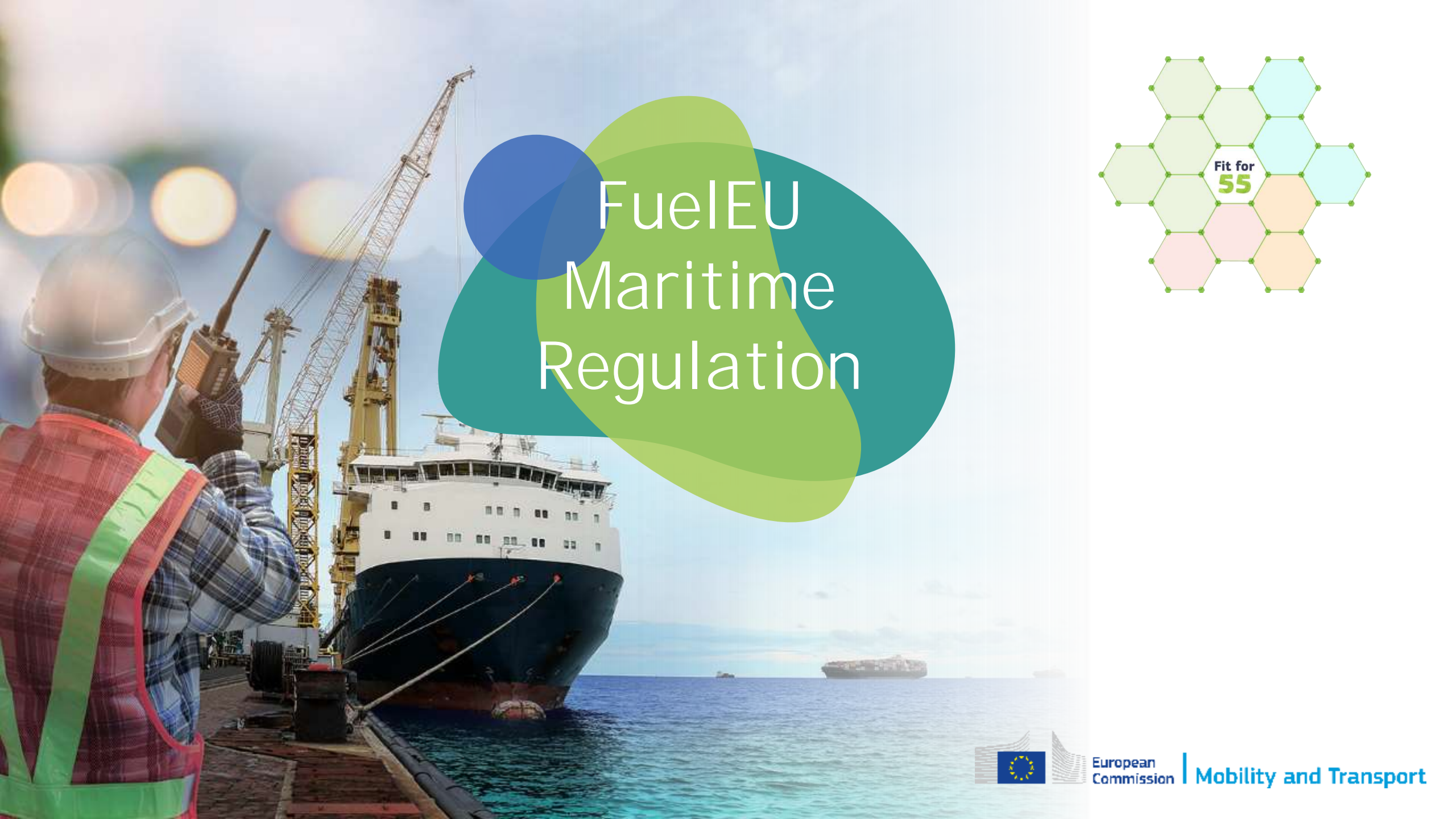
- Ensure maritime transport **contributes** to EU climate efforts and to the **Paris Agreement commitments** → **reduce maritime emissions by around 90%**
- Abating maritime emissions requires:
  - Improving energy efficiency → **using less fuel**
  - Using renewable and low carbon fuels → **using cleaner fuels**
- A **‘basket of measures’** to address various obstacles
- **Coordination** at global level



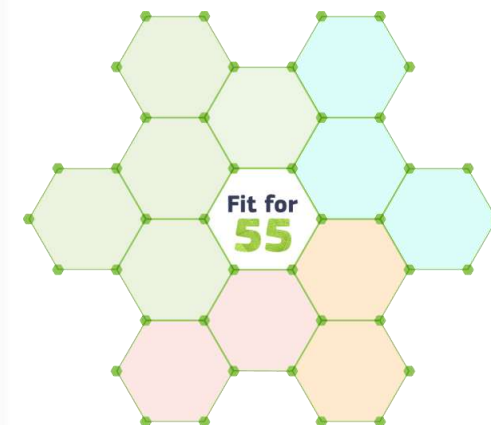
DNV-GL (2019) | Maritime  
Forecast to 2050

## Challenges

- To reach the climate targets in 2050, maritime sector should use close to 90% of renewable and low-carbon fuels. **Today: fossil fuels over 99% of the fuel mix**
- Not a single technological option for the large variety of ship types and trades. Operators are trapped in a “**wait-and-see attitude**”
- **Coordination failure between supply, distribution and demand.** Need to address all relevant aspects – *fuel production* (Renewable Energy Directive); *fuel distribution* (Alternative Fuel Infrastructure Regulation) and *fuel demand* – to break the chicken-and-egg issue
- **Obligations must be imposed on demand** not only to promote investments in supply and distribution, but also to avoid carbon leakage
- **Long lead times** for fuel supply chains and fleet renewal: need for immediate, yet gradual action



# FuelEU Maritime Regulation

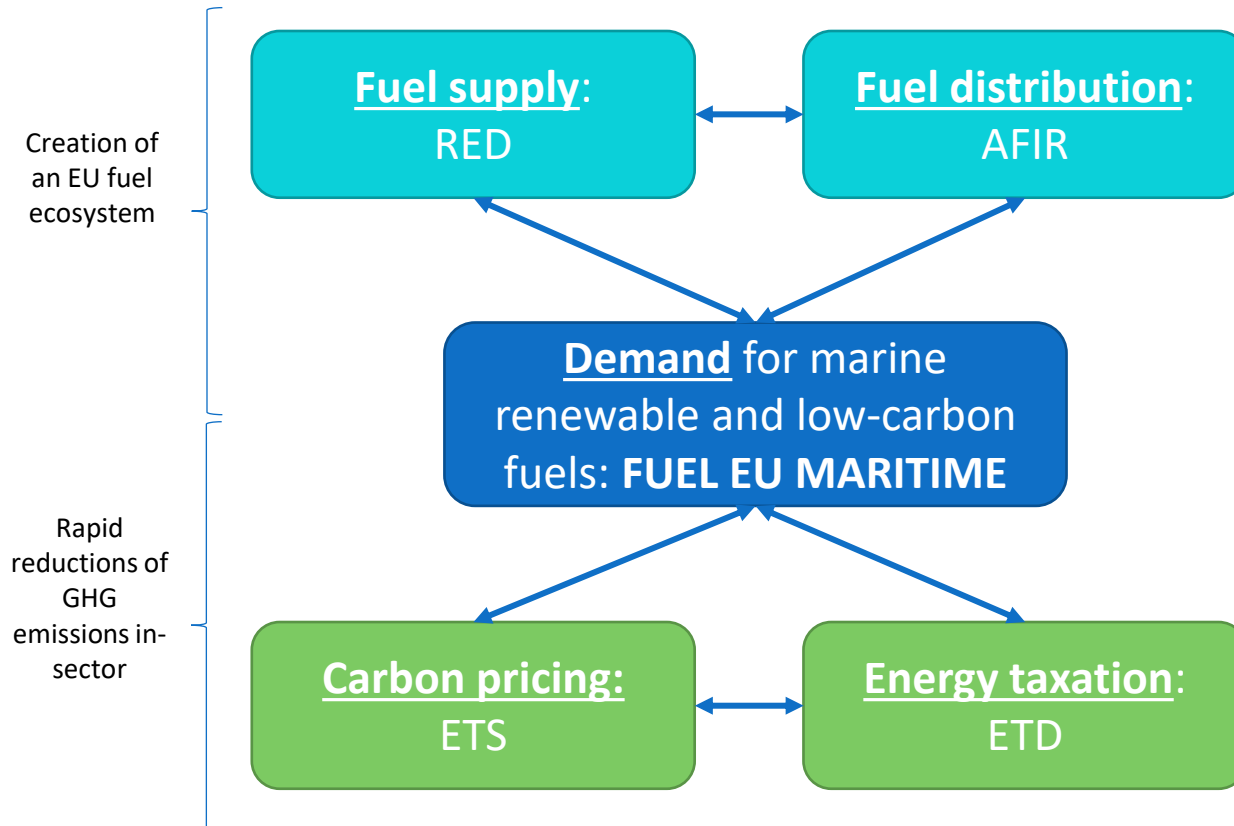




## Goals

- **Complement ETS** by specifically addressing the technology issue related to fuels, which may not be sufficiently incentivised by the ETS price signals in the short-medium term
- Provide **regulatory predictability**
- EU supports **global measures** at IMO, where discussions are ongoing:
  - The **EU submission to IMO on a low GHG fuel standard** reflects the Fuel EU proposal.
  - Proposal on guidelines on well-to-wake GHG emission is also coherent with the **FuelEU Maritime** approach

## FuelEU Maritime as part of Fit for 55



- **Complementary with ETS:** ETS promotes energy savings while FuelEU addresses **fuel technology**.
- **Complementary with RED and AFIR:** FuelEU addresses fuel demand, RED fuel supply and AFIR fuel distribution
- **Complementarity with ETD:** taxation levels for renewable and low-carbon fuels and for electricity at berth are consistent with FuelEU goals.

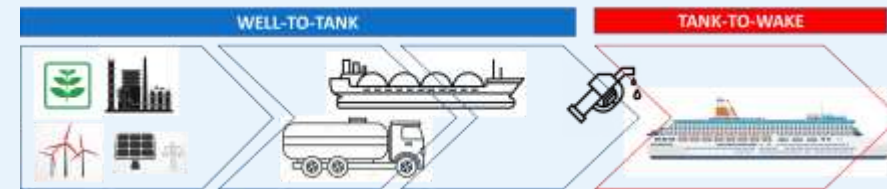
## FuelEU Maritime – Proposed Approach

- Focus on **fuel** and on **demand** – **promotion of uptake of renewable and low-carbon fuels** for maritime transport – complement to Energy Efficiency
- Technology-neutral approach**: maritime operators will need to use an increasing proportion of zero and low carbon sustainable fuels, without obligation to use a specific technology
- Establishes** limits on the yearly average GHG intensity of the energy used on-board (**CO<sub>2eq</sub>/MJ**)

2025	2030	2035	2040	2045	2050
-2%	-6%	-13%	-26%	-59%	-75%

- Scope**: ships above 5000 GT, intra-EU traffic + 50% international, EU ports (same as for ETS)
- Additional requirement for Zero-Emission at berth** (OPS and alternative zero-emission technologies) - compulsory as of 2030 for container and passenger vessels (some exemptions up to 2035)

- Inclusion of CO<sub>2</sub>, methane and nitrous oxide on a full Well-to-Wake calculation: allows fair comparison of fuels

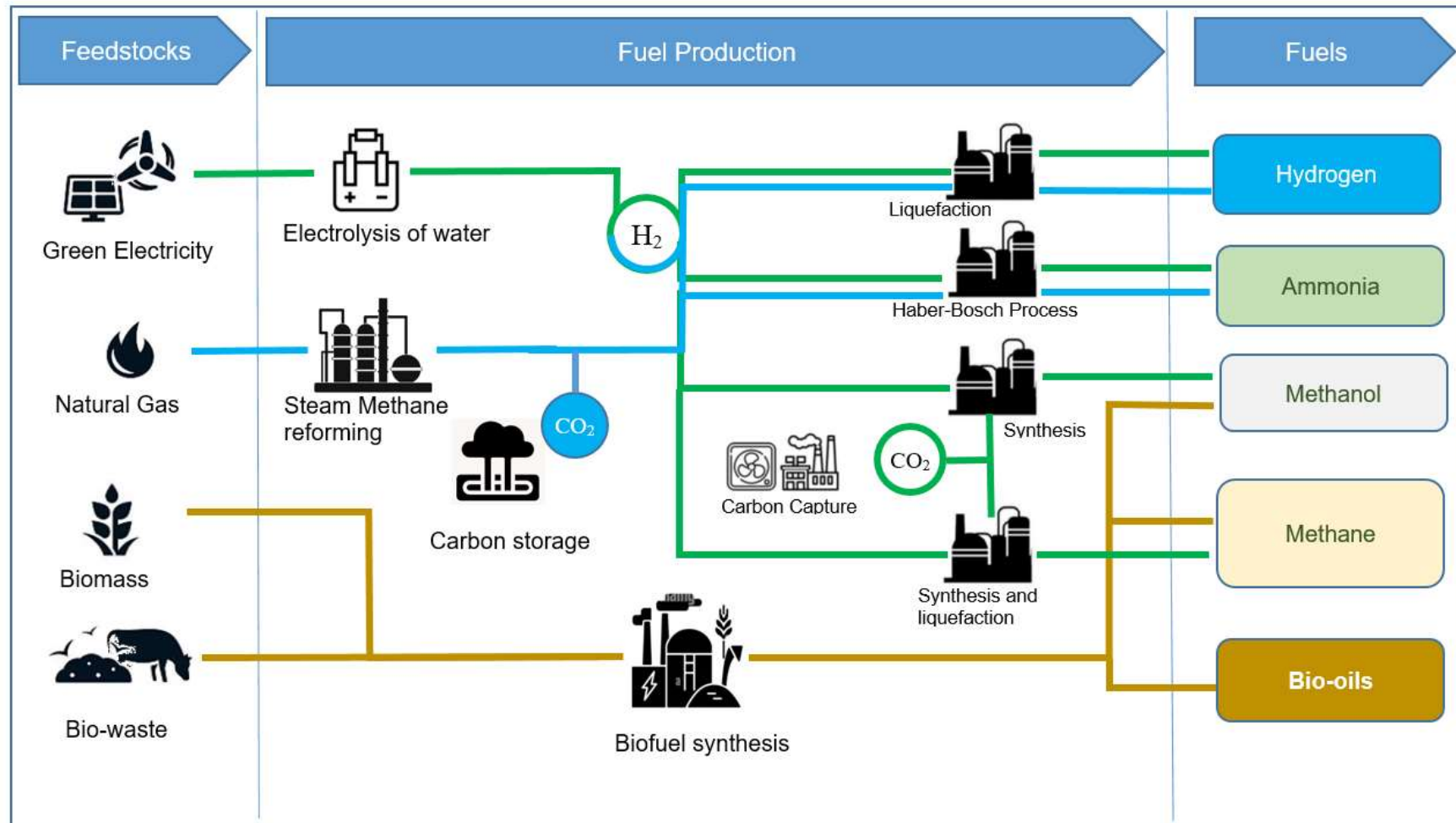


$$GHGe [gCO_{2eq}] = (WtT (fuel, electricity) + TtW (combustion, slip))$$

- Flexibility mechanism** via banking and borrowing: surpluses and (small) deficits can be carried over to the next year
- Voluntary and open **pooling mechanism** to reward/incentivise overachievers and encourage the rapid deployment of the most advanced options
- Non-compliance** – deterrent financial penalty
- Monitoring and Reporting is based on **MRV approach**, with some additional data (e.g. calculation of Compliance Balance)

## Technology Neutral Approach

Why we need it?



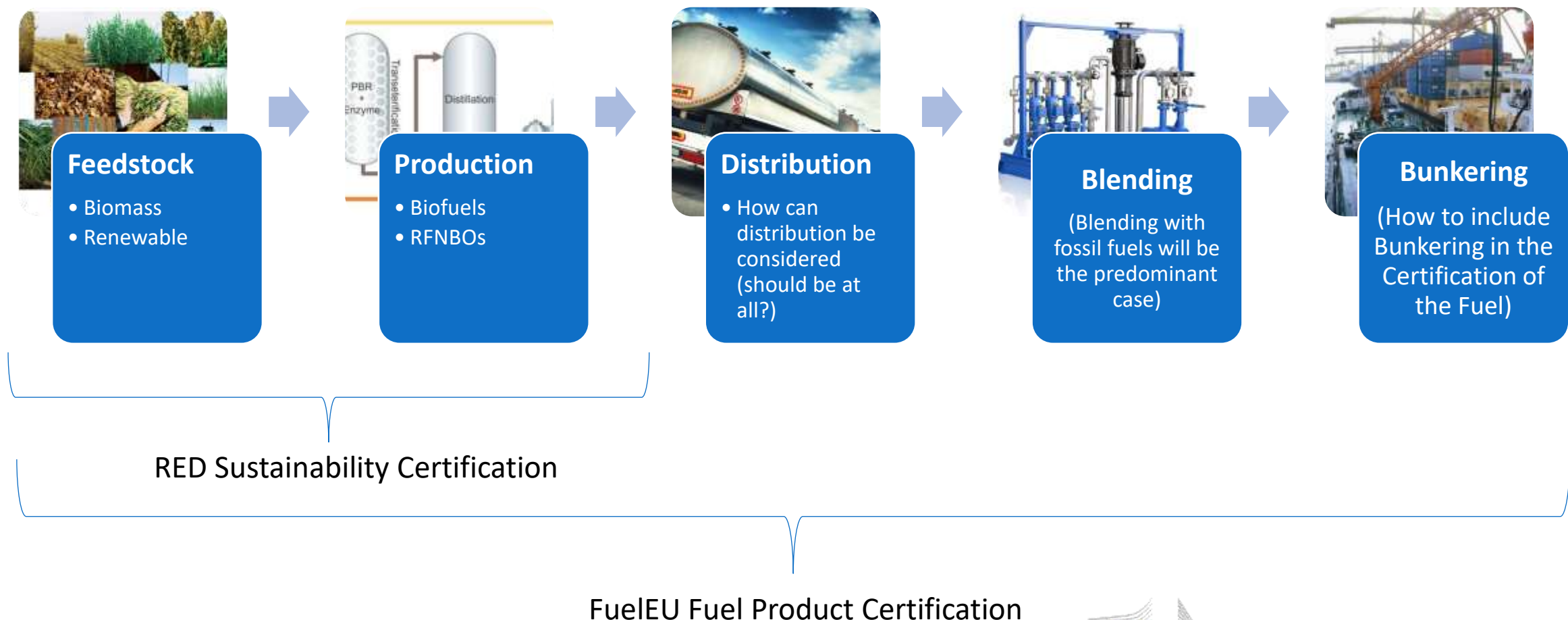
European  
Commission

Mobility and Transport

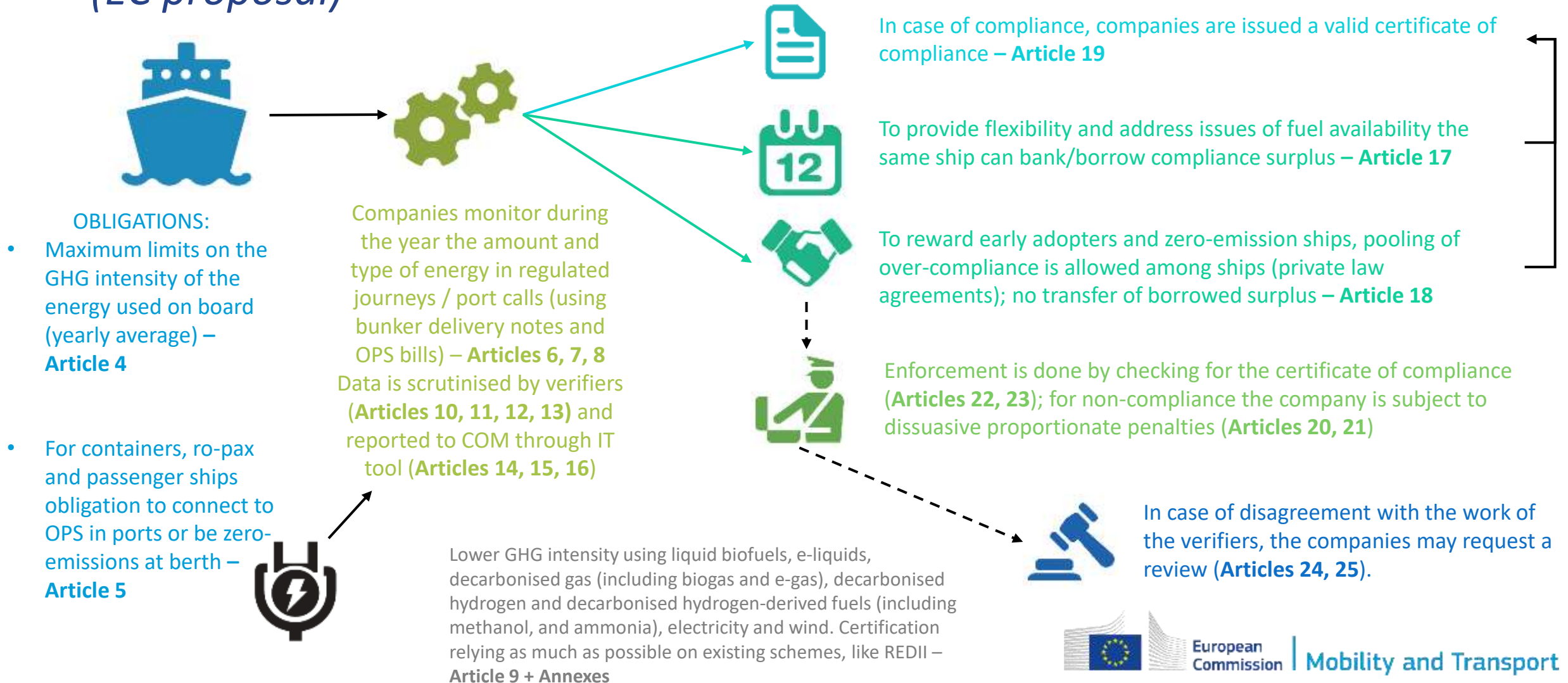


## Perspective/Looking ahead on Fuel Certification for Shipping

Several Challenges to address



## How would FuelEU work? (EC proposal)

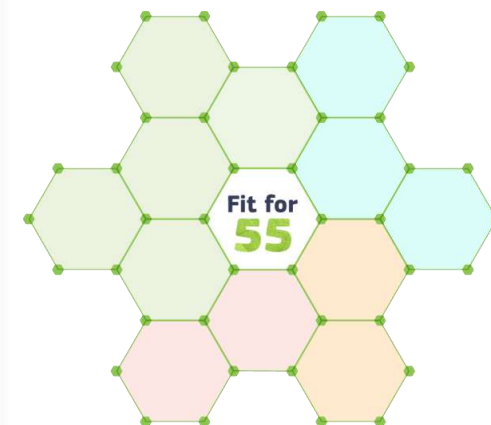


## State of play

- Council General Approach – 2 June 2022
- Voting in the EP (TRAN Committee and the Plenary )are planned for October
- Trilogues between the three institutions should start in November
- Fully applicable – 1/1/ 2025
- Link to proposal and accompanying documents:  
[https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12312-CO2-emissions-from-shipping-encouraging-the-use-of-low-carbon-fuels\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12312-CO2-emissions-from-shipping-encouraging-the-use-of-low-carbon-fuels_en)



# AFIR – infrastructure RED II – fuel supply





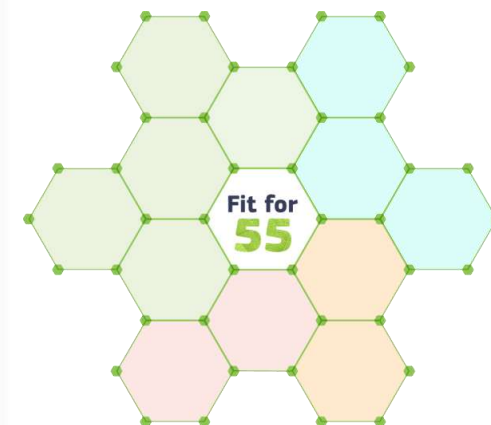
## Alternative Fuels Infrastructure Regulation - AFIR

- Sets the criteria and availability targets for the infrastructure of alternative fuels
- Major TEN-T ports – obligation to provide OPS connections
- All TEN-T ports – provide LNG bunkering

## Renewable Energy Directive - RED III

- **Targets:**
  - EU level for renewable energy – 40% by 2030
  - Reduction of greenhouse gas intensity of transport fuels - 13% by 2030
  - Subtarget for RFNBOs – 2.6%
  - Tightens criteria for bioenergy

# Integrating and supporting



- A R&D partnership in the framework of **Horizon Europe Programme**
- Objective: to provide and demonstrate **zero-emission solutions** for all main ship types and services before 2030
- Research call topics are announced annually by the European Commission
- Projects are evaluated and selected projects get EU co- funding



WATERBORNE

STRATEGIC RESEARCH  
AND INNOVATION AGENDA  
FOR THE PARTNERSHIP ON  
**ZERO-EMISSION  
WATERBORNE  
TRANSPORT**





# RENEWABLE AND LOW-CARBON FUELS VALUE CHAIN ALLIANCE

## General Objectives

- IMPROVE AVAILABILITY AND AFFORDABILITY OF RENEWABLE AND LOW-CARBON DROP-IN FUELS FOR AVIATION AND WATERBORNE TRANSPORT
- RAPIDLY BOOST PRODUCTION, STORAGE AND DISTRIBUTION CAPACITY WITHOUT COMPROMISING ACCESS OF OTHER TRANSPORT SECTORS



## Specific Objectives

- ✓ IDENTIFY PRODUCTION PATHWAYS OF FOCUS
- ✓ IDENTIFY STRONG AND WEAK POINTS IN THE VALUE CHAINS
- ✓ MAP AVAILABLE FUNDING OPPORTUNITIES and GATHERING ARGUMENTS FOR ADDITIONAL SUPPORT MECHANISMS
- ✓ LAUNCH A BUSINESS INVESTMENT PLATFORM
- ✓ Building synergies with across all transport modes and other alliances



## GOVERNANCE

- GENERAL ASSEMBLY  
TWO CHAMBERS (AVIATION + WATERBORNE)
- THEMATIC ROUNDTABLES
- SECRETARIAT
- STEERING GROUP  
INCLUDING THE COMMISSION



## OPENESS

Alliance will be open to:

- any company (regardless of ownership or location)
- EU Member States
- All stakeholder groups registered in the transparency register



**Thank you for your attention!**

