

## **NON-PAPER TO FOSTER THE UPTAKE OF CLEAN <sup>1</sup> ENERGY IN MOBILITY IN THE POST-2030 FRAMEWORK**

EU 2040 energy targets are essential to provide long-term investment certainty, support the transitioning away from fossil fuels and to give clear direction. They should be supported by strong European instruments to help ensure an efficient energy transition and support market development across the European Union. This non-paper focuses on the transport instruments that the new clean energy framework should entail.

The current renewable energy framework has been an instrumental driver of the energy transition in the transport sector up to 2030, next to sectoral legislation such as RefuelEU Aviation, FuelEU Maritime and CO<sub>2</sub> emission standards for cars and vans. As the Commission prepares its proposals for the post-2030 framework, it is essential to build on this foundation while addressing key areas that require further attention. A well-designed framework should provide long-term investment certainty, a level playing field, and mode-specific effectiveness to support the transition to sustainable mobility.

The Netherlands supports a framework that is harmonised, ambitious and coherent, and that incentivises the phase-out of fossil fuels in all modes of transport through the uptake of renewable alternatives.

### **1. Strengthen investment in renewable and other clean fuel production, while maintaining a level playing field for energy suppliers.**

The market mechanism for renewable fuels in transport (Article 25.4 RED) should be modified to ensure the energy transition throughout different modes of transport, hence maintaining a level playing field. The current framework's broad sectoral targets do not always provide sufficient incentives for decarbonisation in specific transport segments, particularly inland navigation and maritime transport. In addition, divergent national implementation increases complexity for fuel suppliers, hinders the offtake of renewable fuels and undermines cross-border investment. Binding mode-specific minimum obligations are needed to reduce the risk of bunker tourism and to create a European level playing field for fuel suppliers, while offering investment security for renewable fuel producers.

A more targeted approach is required to ensure that decarbonisation efforts are cost-effective and aligned with market realities.

This requires the following policy choices:

- Introduce separate, annually increasing renewable energy minimum binding targets for road transport, inland navigation and maritime transport sectors. Sector-specific binding sub-targets – including for RFNBO's and electrification – should likewise be established for each transport sector on an annual basis to maintain a European level playing field, particularly for the waterborne sectors, and should be uniform to all EU Member States.
- Set these annually increasing obligations through to 2050 to provide long-term investment certainty for renewable fuel producers.
- Ensure that the beneficial use of CO<sub>2</sub> in horticulture in a responsible manner is taken into account in greenhouse gas calculations.

### **2. Harmonise the instruments for renewable and clean fuels in transport, while keeping them ambitious**

The market mechanism for renewable fuels in transport (Article 25.4 RED) should be further harmonised to ensure a level playing field for all stakeholders, reduce administrative burdens, and facilitate faster implementation.

The interaction between different EU instruments can create unintended complexities that hinder implementation. For example, the current inclusion of aviation fuels in RED transport targets, while ReFuelEU Aviation imposes separate obligations, can lead to misalignment and unnecessary

---

<sup>1</sup> Renewable and nuclear energy

administrative burdens. Moreover, better alignment between the RED and the EU ETS is essential. Unclear rules, such as on mass balance and greenhouse gas emissions reduction calculations, lead to different interpretations and may result in inconsistent implementation across Member States. The future framework should therefore harmonise these instruments to create a coherent and predictable regulatory environment.

Key policy choices include:

- Clarifying the role of aviation within the RED market mechanism. Currently, aviation fuels are included in the RED targets, but ReFuel EU prohibits member states to include it in the RED market mechanism.
- Making a clear choice between a compliance obligation on either lifecycle greenhouse gas emission reductions, or on energy content.
- Expanding the scope of the market mechanism to cover all fossil transport fuels delivered to the transport modes that are included. Include fuels supplied to non-road mobile machinery, thereby reducing administrative burdens.
- Harmonising the rules governing renewable energy deployment within ReFuelEU Aviation, FuelEU Maritime, the EU ETS and ETS-2. Points for harmonisation are amongst others clarification on desirable multiple claims and the role of physical deliveries vs administrative claims. Furthermore, the energy carriers allowed through RED are not always the same as the ones allowed in the mentioned other instruments (eg. Food and Feed crops are forbidden in ReFuelEU and treated as least favourable fossil fuel emission in FuelEU Maritime; fossil fuels with lower GHG emissions (such as LNG) can also be used to meet the target in FuelEU Maritime).
- Introducing clear criteria for eligible bio-feedstocks (like intermediate crops and severely degraded lands) for the production of advanced biofuels. The use of food crops should be regulated consistently across all sectors to avoid increasing the pressure on food prices and availability. Safeguards are also needed to prevent unintended consequences. These include limits on the use of food and feed crops, careful monitoring of sustainable biomass availability and robust supervision and enforcement across biomass value chains.
- Aligning definitions across policies.