

Brussels, 21 November 2017

Dear Ambassadors,

Later this week, you will prepare the Council's general approach on the Recast Renewable Energy Directive.

Ahead of your meeting, with respect to the transport-related provisions in article 25 of this piece of legislation, the undersigned businesses and organisations - members of the <a href="Platform for Electromobility">Platform for Electromobility</a> would like to urge you to:

- 1) Ensure sufficient space for renewable electricity to contribute to transport decarbonisation
- 2) Enforce fuel supplier obligations and not national targets, to ensure that sustainable renewable fuels are delivered to transport
- Ensure that Member States put in place fuel supplier obligations that are based on RES shares only (and not on energy volumes, CO2 savings etc), to guarantee a harmonised approach across the EU
- 1) The latest version of the Directive drafted by the Energy Working Party involves both the inclusion of crop-based biofuels and the introduction of renewable energy in the rail sector under the scope of the renewables transport target. Consequently, the 12% target is unsustainable, and, contrary to the stated goal in recital 64bis, it creates little space for electromobility.

According to our calculations, renewable electricity (with the proposed multiplier of 5) can account for 7-10% of the energy used in road transport in the EU by 2030. Renewable <u>electricity in rail transport</u> (with the proposed multiplier of 2.5) will add another 2.5 percentage points to this. Thus, renewable electricity could constitute between 9.5 and 12.5% of energy used in road and rail transport in the EU in 2030.

We do share your view that, to compensate for the higher efficiency of electric engines compared to internal combustion engines, electricity supplied to transport should be assigned a multiplier. However, if this Directive is to truly encourage the uptake of electromobility, multipliers are not enough: there needs to be enough space under the target for electricity to contribute in a meaningful way.

2) As mentioned in previous <u>letters</u>, the E-Mobility platform rejects the re-introduction of national targets for renewables in transport and supports the EU Commission's proposal to introduce obligations on fuel suppliers. We are convinced that fuel supplier obligations are much more likely to deliver clean and sustainable fuels to the transport sector. Such obligations should be coupled with the establishment of an EU database for tracing transactions of liquid and gaseous transport fuels eligible under this article. Equally important, and not foreseen in the latest draft text of the Energy Working

Party, is the ability for all fuel suppliers, including electricity suppliers to the transport sector, to transfer the obligation or credits derived from this obligation amongst each other at national level. This will encourage fair competition between different fuels and will ensure that the overall obligation is met in a cost-efficient way. When the fuel supplier obligation is re-introduced, it is important to also re-introduce the exemption for electricity suppliers from the advanced biofuels sub-obligation.

3) These fuel supplier obligation schemes should be based on obligatory shares of advanced renewable energy (including electricity) in transport fuels. In the interest of comparability, and also in the interest of European-wide operating fuel suppliers, it is not recommendable to introduce 28 different systems. The possibility for Member States to choose what to base fuel supplier obligations on, would lead to Member States being responsible to prove that the overall target is achieved. This would create market fragmentation, dilute the responsibility of fuel suppliers and make it less likely that the overall European goal of decarbonizing transport, through advanced renewables, will be reached in an effective manner.

We hope that you will be able to consider our concerns and we are at your disposal to reply to any questions you may have.

Faithfully yours,







