

# eFuels – Bridging climate ambition and market realities

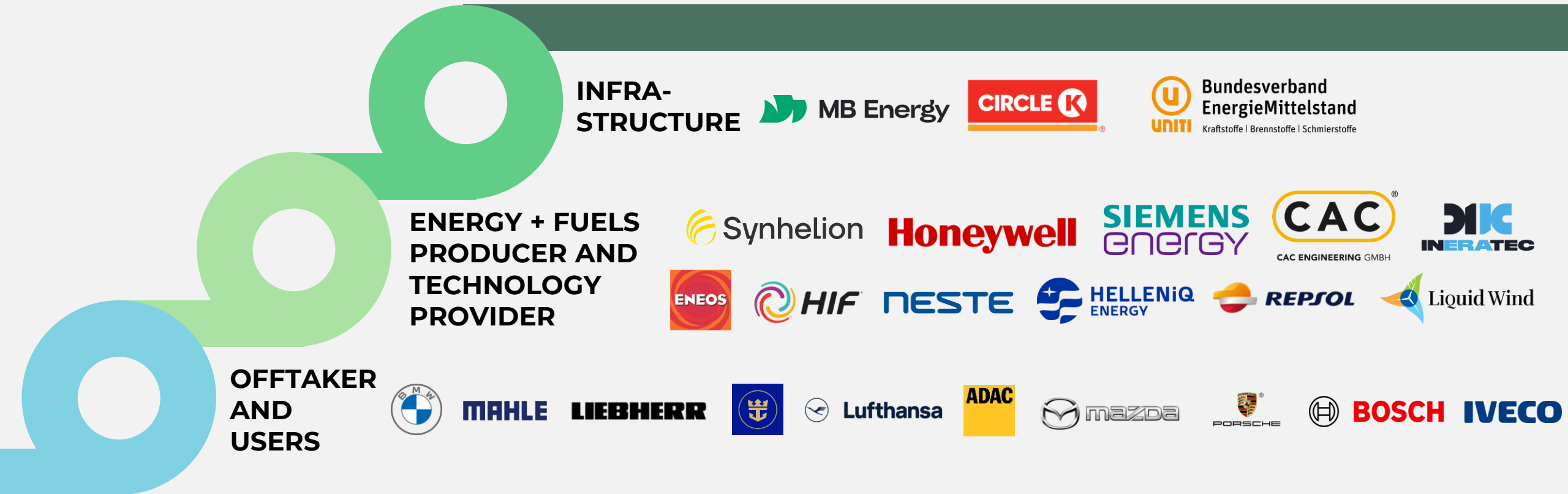
Wien – Pressegespräch eFuel Alliance

*Ralf Diemer, CEO of the eFuel Alliance*

# eFuel Alliance e.V. – Who we are

# Our Members

More than 170 companies, associations and consumer organizations along the eFuel value chain, including:



# European Political Framework



# Regulative framework for eFuels in the EU

ALL REGULATIONS ARE OPEN OR WILL BE REVISED IN THE NEXT 3 YEARS



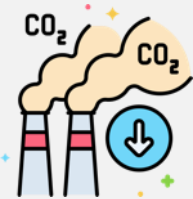
## CO2 standards for new cars and trucks

The Commission's proposal of December 2025 provides for a quota of just 3% for renewable fuels in 2035. This is not enough to incentivize investment.  
→ See here our [Position](#)



## Renewable Energy Directive (REDIII)

The current targets for 2030 are too low and do not go beyond 2030. The production criteria for e-fuels need to be revised in a pragmatic manner. RED IV is due to start in 2026  
→ See here our [Position](#)



## EU Emissions Trading System

Neither the EU ETSI nor the EU ETSII should be called into question. Revenue from aviation and shipping should be used to offset incremental costs  
→ See here our [Position](#)



## FuelEU Maritime

FuelEU Maritime is essential, particularly in the wake of the failed international negotiations at IMO level. However, non-binding and unambitious quotas do little to stimulate the market  
→ See here our [Position](#)



## ReFuelEU Aviation

It is very important that eSAF quotas remain in place. At the same time, airlines should be supported through the further development of SAF allowances  
→ See here our [Position](#)



## Energy Taxation Directive

Energy taxation is the only 'Green Deal' regulation that has not been successfully finalised. A low tax rate on e-fuels, as proposed by the European Commission, would be a major economic lever  
→ See here our [Position](#)



# Proposal for CO2 Emission Standards for LDVs

See the proposal [here](#), to be confirmed by the European Parliament and the Council to become Law in 2026



## Flexibility Mechanisms

- **Additional flexibility period** for OEMs and OEM-pools **from 2030 - 2032** (existing flexibility period 2025-2027 remains)
- Exceeding an annual emission target can be compensated by meeting the target on an average level based on this period



## Tailpipe Emission Targets

Year	Cars	Vans
2030	55% ( = )	40% (-10%) ↓
2035	90% (-10%) ↓	90% (-10%) ↓



## “Vehicle Neutrality”

- **Proclaimed Technology Neutrality**, is **only formal** but technically allows registration of the following vehicles beyond 2035:
  - ICE vehicles
  - PHEVs
  - REEVs
  - Mild Hybrids



## Role of Sustainable Fuels

- **Capped at 3% for the compensation**
- Creates **Fuel Credits** for the use of compensation
- Form of a Carbon Correction Factor
- **e-Fuels** and **advanced Biofuels** can contribute (RED Annex IX)
- Mature Biofuels are capped at 1% (RED Annex IX B)

## Compensating the lower target (10%)

Fuel and Steel Credits cannot be used for compensation:

- If combined
- If the OEM is part of an emission pool with other OEMs that do not belong to their company structure.



## Role of low carbon steel

- **Capped at 7% for the compensation**
- Creates **Steel Credits** for the use of compensation
- “Made in the EU” Label needed
- Definition of “low carbon steel” pending in delegated acts



# CO2 Standards – Salini and Gieseke Drafts



## VEEF

- **ZEV-Definition:** Vehicles running exclusively on Eligible Fuels (VEEF) over lifetime integrated into the '**Zero-Emission Vehicle**' definition (emissions considered 0 g CO<sub>2</sub>/km).
- Via Empowerment:  
Six months after the entry into force [...] shall adopt a delegated act, with:
  - (a) a proper set of monitoring methodologies which are suitable for both liquid and gaseous fuels;
  - (b) a pragmatic and flexible inducement system, that does not introduce any safety risk for the final user;
  - (c) rules for vehicles travelling outside the EU and in cross-border transport.
 [...] six months after the entry into force integrate this into the Certificate of Conformity via Implementing Act



## Fuel Credits

- **Increased Cap:** to 10%
- **Restrictions removed:** pooling and combination of credits
- **Reduced Mileage:** Annex reduces calculation mileage from 240k (cars) / 300k (vans) to 200,000 km
- **Double Counting Prevention:** VEEF fuel quantities (Q<sub>fuel</sub>Veef) to be deducted from general fuel credits.
- '**eligible fuels**' definition based on RED.



## Other

- **Van Target reduction:** 2030 from 40% to 30%, and 2035 from 90% to 80%
- **Supercredits:** 1.5 for small BEVs beyond 2034;
- **Flexibility** for targets included (averaging)
- **Utility factor** freeze (Recital, not binding)
- **Target reduction** for Cars – 90% with 10% unregulated in 2035
- **Steel Credits** remain at 7%, Gieseke changes Steel to Materials

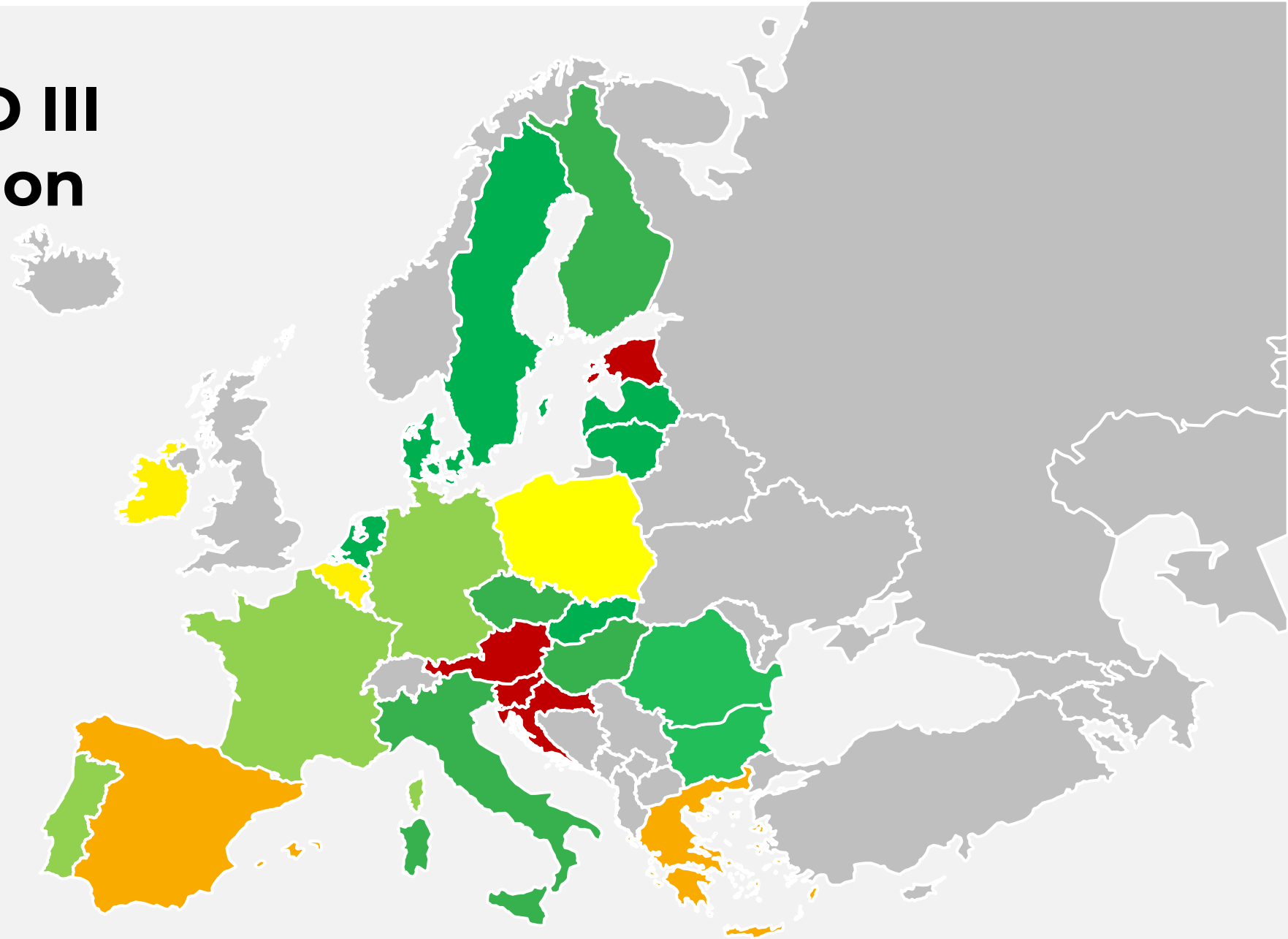


# Overview RED III Implementation

in EU member states

## Status REDIII implementation

-  Implemented
-  Legislative process
-  Draft
-  Consultation
-  No activity
-  No EU member state



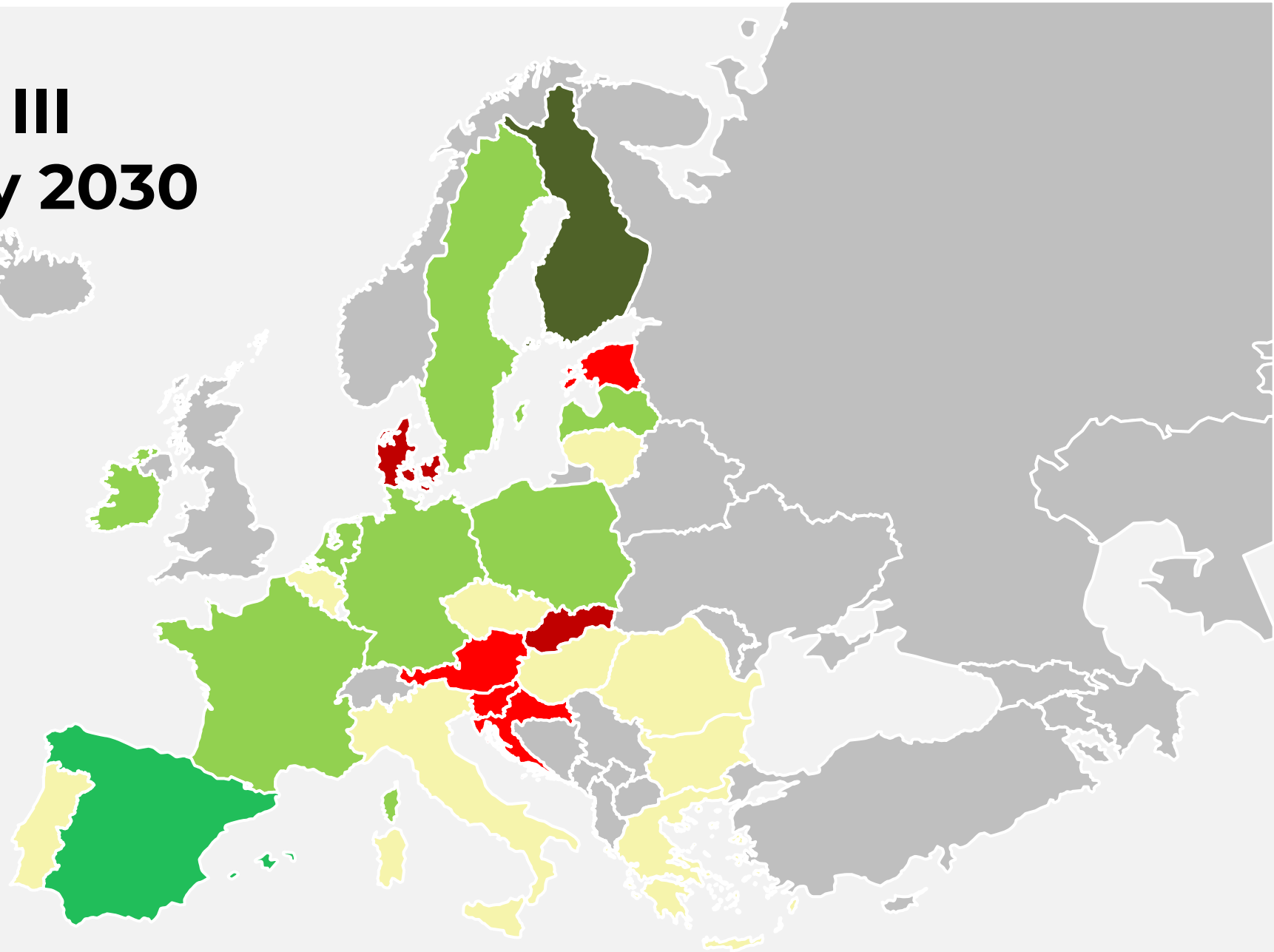


# Overview RED III Sub-Targets by 2030

in EU member states

## RFNBO sub-targets in MS

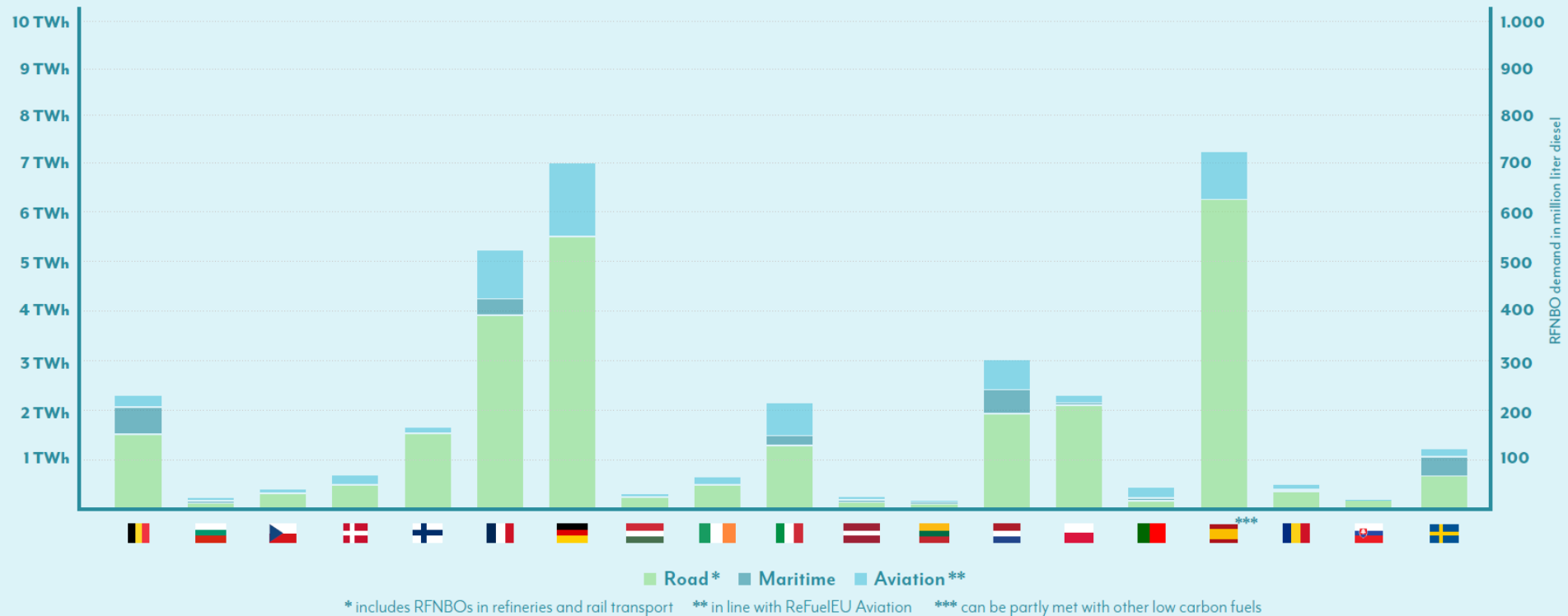
- No information available yet
- Minimum fulfilment to be RED compliant (0,5%)
- >0.5% <1%
- >1% <2%
- >2% <3%
- >3%





# Regulation Creating Demand: By 2030 already 3.4bn liter eFuels are secured

RFNBO demand in 2030 by REDIII implementation and ReFuelEU Aviation



# Conclusion

# Bridging ambitious EU climate goals with market realities



## Conclusion

### Delayed Electrification

Electrification process will be slower than expected and could face heavy industrial bottlenecks in the battery production and grid expansion

### Bridging Potential

Climate Ambitions of the EU clash with market realities → eFuels offer a climate friendly bridging potential

### Unambitious Regulation

Regulations are only slowly considering the role of renewable fuels

- CO2 Emission Standards include 3% possibility for renewable fuels to be used for compensation
- REDIII quotas start to stimulate demand



More **Adaptation of regulation** is required to unlock the **full potential of eFuels** (e.g. higher quotas, less restrictive production criteria)

# eFuel Alliance

A strong alliance for carbon-neutral renewable fuels to fight climate change


**Berlin Office:**

Unter den Linden 10  
10117 Berlin

**Brussels Office:**

De Crayer Straat 7, Rue de Crayer 7  
1000 Brussels

T +49 (0)30 700 140 313  
F +49 (0)30 700 140 150  
E [info@efuel-alliance.eu](mailto:info@efuel-alliance.eu)  
[www.efuel-alliance.eu](http://www.efuel-alliance.eu)

 [linkedin.com/company/efuel-alliance](https://www.linkedin.com/company/efuel-alliance)