

Fit for 55 dossier FuelEU Maritime

CLASSIFICATION

Maritime transport is the backbone of globalisation. International shipping accounts for the majority of international transport activity (approx. 90%) and is by far the most energy-efficient mode of transport. Cargo shipping connects markets worldwide, and maritime tourism brings people of different nations and cultures together. Due to their energy efficiency and transport performance, ships achieve more than other modes of transport. This potential should be exploited even more in future through an even greater shift towards shipping.

At the same time, shipping is a suitable enabler for the hydrogen ramp-up: The shipping industry consumes around 300 million tonnes of conventional fuels annually and is responsible for just under 3% of global and 13% of EU-wide greenhouse gas (GHG) emissions. This immense demand and the international scope mean that this sector has enormous potential to achieve the necessary scaling and develop the market for zero-emission fuels, both for itself as well as for other sectors and industries.

FuelEU Maritime is pursuing a promising approach to increase the share of any hydrogen-based fuel (e-ammonia, e-methane, e-methanol, e-diesel, etc.) as well as sustainable biofuels. A positive aspect in this respect is the 'well-to-wake approach' to assessing alternative fuels. The NWR assesses the FuelEU Maritime proposal positively, particularly against the background of the ongoing discussions on the future use of alternative fuels in shipping on the one hand and the fact that conventional, internal combustion engine ship propulsion systems are capable of using such alternative fuels on the other, even if some retrofitting may be necessary.

RECOMMENDATIONS OF THE GERMAN NATIONAL HYDROGEN COUNCIL (NWR)

In the context of shipping with third countries, we support the reduction path set forth in FuelEU Maritime (Art. 4). In order to avoid distortions of competition in international shipping in particular, it must be ensured that the extension of the scope of application (to 50% of traffic) to arrivals and departures from ports in third countries can be implemented internationally.

With a view to the goal of climate neutrality within the EU, the GHG reduction path set out in Art. 4 is, however, not sufficient. At the same time, the technology needed to produce P2X fuels has now reached a level of maturity that enables industrial scaling. We therefore call for the introduction of a second

reduction path of equal status that regulates intra-EU shipping separately and sets a higher ambition level for GHG emission reductions. Along this path, climate neutrality should be achieved as early as 2045. In order to generate market incentives and support the ramp-up phase, the NWR also proposes an energy quota for renewable fuels of non-biological origin (RFNBO) for intra-EU transport of 2% until 2027 and 7% until 2030.

This more demanding ramp-up pathway in shipping creates a large market for CO₂-neutral, hydrogen-based fuels, which will contribute to a successful hydrogen ramp-up. This will allow the EU to act as a role model and to generate an opportunity for European industry to set itself apart as a global technology leader.

EU-wide coordinated framework conditions and the promotion of corresponding technologies must be pursued in a forward-looking manner in order to achieve the ambitious goals, which also include, for example, supply chains optimised through digitalisation tools. In any case, bold steps are needed from research, politics and especially the fuel industry to initiate the transformation to a defossilised shipping sector. Ambitious targets for sustainable fuels are the most important step towards this, and with regard to global shipping, the EU can become a role model and technology supplier in equal measure.

APPENDIX

A total of 44 million t of fuel for shipping in the EU according to MRV, 32% of which account for intra-EU transport, plus approx. 10% not recorded in MRV; this results in approx. 15.6 million t

	2027	2030
Quota	2	7
corresponds (in million t RFNBO) to approx.	0.3	1.1
corresponds (in GW electrolysis) to approx.	1.5	5.4

THE GERMAN NATIONAL HYDROGEN COUNCIL

On 10 June 2020, the German Federal Government adopted the National Hydrogen Strategy and appointed the German National Hydrogen Council. The Council consists of 26 high-ranking experts in the fields of economy, science and civil society. These experts are not part of public administration. The members of the National Hydrogen Council are experts in the fields of production, research and innovation, industrial decarbonisation, transportation and buildings/heating, infrastructure, international partnerships as well as climate and sustainability. The National Hydrogen Council is chaired by former Parliamentary State Secretary Katherina Reiche.

The task of the National Hydrogen Council is to advise and support the State Secretary's Committee for Hydrogen with proposals and recommendations for action in the implementation and further development of Germany's National Hydrogen Strategy.

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