

## EU refiners unveil pathway to climate neutrality by 2050

**Brussels, 15 June 2020:** FuelsEurope presents today a pathway describing how low-carbon liquid fuels could enable the transport sector to contribute to EU's climate neutrality objective by 2050. The pathway also shows that intermediate CO<sub>2</sub> reductions of 100 million tonnes (Mt) are achievable by 2035.

A pathway presented by the European refining industry shows how, through more partnerships and the necessary enabling framework, thanks to low-carbon liquid fuels, the transport sector could contribute to delivering EU's climate neutrality objective by 2050.

John Cooper, Director General of FuelsEurope, commented, *"Today we are setting out an ambitious pathway for enabling transport to contribute to EU's climate neutrality ambition by 2050, based on scale up of low-carbon-liquid fuels supply and use, across several transport sectors. With a clear societal and scientific case for far-reaching climate action, and taking into account the economic and social impacts of the coronavirus crisis, we respect that there will be no return to business as usual for the fuels industries. With the focus increasingly turning to recovery and new investments, we believe now is the time to start policy discussions with EU and national policy makers, and customer stakeholders to design the enabling policy framework for the deployment of these essential low-carbon fuels."*

Low-carbon liquid fuels have a strategic role to play in the transition to a climate-neutral economy by 2050, in particular in sectors such as aviation, maritime and heavy-duty transport where no equivalent technological alternatives currently exist. These low-carbon liquid fuels are sustainable fuels from non-petroleum origin with no or very limited CO<sub>2</sub> emissions during their production and use. First blended with conventional fuels, these low-carbon fuels will progressively replace fossil-based fuels.

John Cooper stressed, *"Complementary to electrification and hydrogen technologies, low-carbon liquid fuels will be essential throughout the energy transition and beyond 2050, ensuring security of supply, providing consumer choice and also building Europe's industrial leadership."*

He added, *"We have worked very closely with our member companies over the last 3 years on the low carbon pathways for liquid fuels. This thinking has been the starting point for development of an extensive technology set by our industry which now has potential to be deployed across Europe to deliver low-carbon liquid fuels at substantial scale."*

This pathway could enable reducing emissions from transport in 2035 by up to 100Mt CO<sub>2</sub>/y, and contributing to EU's climate neutrality ambition by 2050. For supporting the development of these solutions for the aviation and maritime sectors, there can be benefit from the creation of lead markets in road transport, where existing policy frameworks may be readily adapted, and where increasingly efficient road vehicles will help them to be affordable for customers. In addition, LCLF will not require any additional infrastructure and will enable emission reduction for all vehicles already on the road.

John Cooper furthermore outlined, *"Evaluation of scenarios by Concawe describes first new plants to produce up to 30 MToe of low-carbon fuels by 2030, with an investment cost estimated at €30-€40 Billion. This would include several first-of-a-kind plants at industrial size for the newest technologies."*

*By 2050, depending on the scenario and technology cost evolution, up to 150 MToe of fuels could be produced with the cumulated investments in the range €400-€650 Billion. In the most ambitious scenario, climate neutrality could be achieved for all remaining liquid fuel in road transport, with a 50% reduction in carbon intensity for EU's aviation and maritime sectors. All of these achievements would be fully consistent with the Clean Planet for All scenario."*

FuelsEurope is outlining a set of policy principles, which it believes is central to delivering the industry's climate-neutral ambition, with these points serving as a start for discussion with policymakers, supply chain partners and customer groups.

John Cooper concluded: *"This pathway is ambitious, but achievable with multi-stakeholder collaboration. These new technologies are exciting but capital-intensive and their development at scale will require investor confidence and political vision. Everyone must be on board. We call on EU policymakers to establish a high-level dialogue with all relevant stakeholders as soon as possible. For the fuels industry's part, we are ready to take the lead."*

- Ends -

#### FuelsEurope, the voice of the European petroleum refining industry

FuelsEurope represents with the EU institutions the interest of 40 companies operating refineries in the EU. Members account for almost 100% of EU petroleum refining capacity and more than 75% of EU motor fuel retail sales.

Contact : **Alain Mathuren**  
T +32 2 566 91 19  
[alain.mathuren@fuelseurope.eu](mailto:alain.mathuren@fuelseurope.eu)  
[www.fuelseurope.eu](http://www.fuelseurope.eu)

# Embargo 15.06.2020