



## Feedback of the ART Fuels Forum to the Inception Impact Assessment of the Delegated Regulation on a climate change mitigation and adaptation taxonomy

### INTRODUCTION

The ART Fuels Forum (AFF) would like to provide feedback to the consultation launched by the European Commission on the Inception Impact Assessment of the Delegated Regulation on a climate change mitigation and adaptation taxonomy (DG FISMA).

### SPECIFIC COMMENTS

The ART Fuels Forum (AFF) welcomes this attempt to establish a clear and transparent taxonomy for the green investments, based on defined criteria.

Since the main focus of AFF is in alternative renewable fuels, AFF also welcomes that RED II (Directive EU 218/2001) is the basis for the criteria for the production of advanced biofuels. However, since the feedstock requirements set by the taxonomy for forestry and agriculture appears to go beyond what is foreseen in RED II, this causes a new additional barrier for investments in advanced biofuels. Furthermore, the exclusion of other forms of sustainable biofuels, e.g. that meets the low-iLUC criteria for green investments is not well-motivated.

In addition, the discussion on waste and waste to energy plants is unnecessarily restrictive. Furthermore, there is no distinction between waste-to-energy in the form of incineration and waste-to-fuel installations using e.g. gasification or pyrolysis technologies in this category. Even

## SPECIFIC COMMENTS

within a well-developed circular economy, with improved packaging designs and recycling practices, there will still be post-recycling residual wastes and where material and energy recovery are appropriate. Such wastes typically contain 30-60 % biogenic carbon, such that this part can be used to produce advanced biofuels, while the fossil part of the product is defined in RED II as “recycle carbon fuels”. The Commission will establish the criteria for recycle carbon fuels in 2021, and since such projects rely on the combination of revenues from both products this is an important aspect of advanced biofuels based on post-recycling wastes.

The AFF looks forward to more concrete advice in the area of advanced biofuels and also the announced addition of guidelines for other biofuels, other forms of renewable fuels and recycle carbon fuels in the near future as well as for aviation and long-distance sea transports. Another area which is insufficiently addressed this far is also investments in installations allowing the finishing of bio-intermediates (e.g. pyrolysis oil, HTL oils or depolymerized lignin oils) to advanced biofuels by co-processing in fossil refineries, an in itself cost-effective pathway to advanced biofuels.

At the same time, the proposed criteria for different types of vehicles and vessels, are unnecessarily restrictive and misaligned with mobility policies currently in force (Renewable Energy Directive, the Alternative Fuels Infrastructure Directive or the Clean Vehicles Directive). This inconsistency threatens currently available low emissions mobility solutions, while businesses, governments and financial market participants should not be faced with different targets and criteria in the same area.

For example, the same advanced biofuel plant often co-produces different fuels (e.g. bio-gasoline and middle distillates such as bio-diesel, bio-jet). Therefore, when setting the CO<sub>2</sub> emissions to zero already in 2026 as a criterion for green investments (e.g. taxi fleets), it affects not only the market of the bio-gasoline product fraction, but also the overall economy of advanced biofuel projects.

In addition, heavy duty vehicles and maritime vessels are eligible to green investments only if operating on 100% advanced biofuels or renewable fuels. This criterion can be met in very limited cases, i.e. a confined perimeter where the provision can be guaranteed at all times. This reduces the number of vehicles that could fulfill the criteria, and consequently the market for biofuels. In this way, the impact of the criteria proposed is to only partially address an available low-carbon mobility solution and thereby reduce its contribution to the decarbonisation of the transport sector.

A better alternative is to define lower starting-point threshold for the share of renewable fuels used, thereby generating a demand pull for the production of such fuels, and with a possibility to increase the threshold over time according to availability of renewable fuels. Since a verification procedure to demonstrate fulfillment by the vehicle owner is already foreseen, such a threshold would require the same form of auditing as already required.

Furthermore, this strict criterion that vehicles should be operating on 100% advanced biofuels or renewable fuels to be eligible is inconsistent in relation to other areas in the taxonomy document, notably in manufacturing. In the case of the production of basic organic chemicals and also of plastics in primary form, where the state-of-the-art is fossil feedstocks, already an undefined partial replacement in favor of renewable feedstocks is eligible, whereas in the case of heavy-duty vehicles and vessels, the proposed requirement is 100 % renewable fuels right from the start.

## ABOUT ART FUELS FORUM

The Alternative and Renewable Transportation (ART) Fuels Forum, financed by the European Commission, brings together more than 100 high-profile experts representing leading demand and supply Industries in the area of ART Fuels. It is a single policy and proven technology forum aiming at producing evidence-based opinions and conveying the collective interest of the ART Fuels industry towards informing European decision-makers and officials. The Forum supports the production and the utilization of sustainable advanced liquid and gaseous fuels towards decarbonization of key transport sectors: automotive, aviation and maritime and promotes the widespread market deployment of these fuels.

[www.artfuelsforum.eu](http://www.artfuelsforum.eu)

DISCLAIMER - The above position paper/recommendation/statement has been drafted by the assigned working group of the Alternative & Renewable Transport Fuels Forum (ART Fuels Forum) after exchange of opinions and internal consultation among the Forum members. The content of the Position paper does not necessarily reflect the views of all members of the ART Fuels Forum, but is a synthesis of the main positions. The positions, recommendations and statements listed above are those of the members of the ART Fuels Forum and do not necessarily reflect either the official position of the Commission or the complete position of the members of the ART Fuels Forum.

### Project Management of ART Fuels Forum

**exergia** ENERGY & ENVIRONMENT CONSULTANTS  
15 Voukourestiou Str., 10671 Athens (GR)  
Tel: +30 210 6996185, e-mail: [office@exergia.gr](mailto:office@exergia.gr)

### Scientific Coordination of ART Fuels Forum

**RE-CORD** RE-CORD, c/o Dept. of Industrial Engineering,  
University of Florence, Viale Morgagni 40, 50134 Florence (IT)  
Tel: +39 055 2758690, e-mail: [info@re-cord.org](mailto:info@re-cord.org)

