



## Revision Energy Taxation Directive (2003/96/EC)

The European Green Deal states that the price of transport must reflect the impact it has on the environment and health. That should also be the starting point of the revision of the Energy Taxation directive. For TLN, the main GHG-reduction goal of 90% reduction in 2050 is key. All effort needs to be put in long term strategies that contribute substantially to meet these goals. In the revision of the Energy Tax Directive long term certainty is key. It will be crucial to make clear choices but also incorporate enough flexibility for future fuels to be taken on board in the directive so that hauliers can avoid the need to make big investments in technologies that will serve as a so-called 'transition fuels' in the coming decades.

**Focus on a dual taxation of both energy content to CO<sub>2</sub>-emissions.** A revision of the ETD should focus on a dual taxation consisting of a mix both of energy content and CO<sub>2</sub>-emissions. This requires a well-to-tank approach to make sure there is an incentive to use renewable fuels instead of fossil fuels. This approach will make the system flexible enough to objectively stimulate use of cleaner fuels whilst allowing for new fuels to be included in the directive purely based on their energy content and CO<sub>2</sub>-emissions. An important question that will need to be answered in the further elaboration is the exact ratio of both components. A price increase through fossil fuel taxation might be a consequence of this choice. TLN would propose to use this increase in taxation on fossil fuels could be used to stimulate the development of zero emission technologies.

**Make sure there is availability of transition fuels but avoid disproportionate investments.** The transition to the use of cleaner fuels will require to choose or stimulate options that in the further future need to be phased out such as range extender technologies that uses bio blend fuels during the transition period. The phase out should also be applicable to LNG. There is only a limited GHG-reduction that can be achieved by using LNG. It will not be a robust solution for the future if the required volume cannot substantially be greened into bio LNG and thus giga scale investments at EU-corridors cannot be justified. For diesel, the same argument could be applied. In a transition period diesel could be used when blended with Hydro treated Vegetable Oil (HVO) to realize short term GHG-reductions.

**Phase out of fossil fuels.** The perspective towards 2050 needs to be about phasing out the use of fossil fuels in road transport. Using fossil fuels will not be an option in the future and the availability of sustainable biofuels should only be allowed to be a few percentages of the needed volume. The transition period needs to be used to develop zero emission technologies.

**Create fair competition and ensure a level playing field.** One key prerequisite that should be part of a new ETD is that it should work towards a level playing field when it comes to taxation on fuels in the different member states and in the different transport modes. At the moment the differences between member states is too big and can be considered a burden for level playing field. Tax differences should be avoided as much as possible.

**Create incentives to invest in zero emission technologies.** Those zero emission technologies can consist of battery electric vehicles (urban), hydrogen-electric trucks (longer distance) and catenary trucks on e-highways for specific parts of the road infrastructure.

**Don't forget efficiency.** An important goal is not only to switch to zero emission technologies but also to reduce the use of energy by increasing the efficiency in logistic chains. The best practices like the use of high capacity vehicles, reducing empty runs, co-operation between carrier and shipper focussed on GHG-reduction and a valid GHG-administration may all be addressed in other policy fields.