



The Federation of European Private Port Companies and Terminals



FEPORT position ReFuelEU Maritime

Through this paper, FEPORT, the European organization representing 1200 private port companies and terminals, would like to submit its position regarding ReFuelEU Maritime.

FEPORT members are committed to green port operations and to contribute to the reduction of shipping emissions in ports

FEPORT supports the aim of ReFuel EU Maritime to stimulate the demand of sustainable alternative fuels in order to facilitate zero-emission shipping in line with the objectives of the European Green Deal.

FEPORT has welcomed the Green Deal and is interested in the initiatives it contains on digital and smart logistics, as well as in its ambitions to boost multimodality. At the same time, we emphasized it would be crucial that the Green Deal allows European industry to stay competitive and that carbon leakage should be avoided.

FEPORT members involved in cargo handling operations have since many years been committed to decarbonizing the environmental footprint of their operations and have invested accordingly.

As a consequence, they have met the emission reduction targets for 2020 many years ago. Populations near port cities, however, are not only affected by emissions from terminal operations, but mostly by shipping emissions in and around ports. In this context, we would like to point out that, according to a 2014 ITF OECD evaluation, the operation of port facilities accounts for a maximum of 15% of pollutant emissions in seaports, while shipping accounts for at least 70% of emissions.¹

For this reason, it is essential to find sustainable solutions to lower emissions from ships during their calls among others by enhancing cooperation between ships and other actors in the logistics chain such as terminals

¹ Merk, Olaf (2014): Shipping Emissions in Ports, in: OECD/International Transport Forum Discussion Papers (20/2014), p. 10

Measures to accelerate the uptake of alternative fuels should focus on the demand side

FEPOR endorses the aims of the ReFuelEU Maritime initiative to accelerate the uptake of alternative shipping fuels by focusing on the demand side.

As mentioned in the *Inception Impact Assessment*, it is important to not only focus on GHG emissions at sea, but to also take into account the harmful effects of emissions of NO_x, SO_x and particulate matter on the health of coastal populations.

Coordination is needed to ensure the alignment of different policy measures

It is a positive signal that the Commission aims to strive for coherence between ReFuel Maritime and other policy measures, such as the revision of the Energy Taxation Directive (ETD) and the Alternative Fuel Infrastructure (AFID) Directive. All these measures have in common that they influence the uptake of alternative fuels by shipping by affecting the provision of infrastructure, fuel prices as well as the demand side.

Attention should therefore be paid to ensure that these measures work towards the same goal and to prevent counterproductive results.

Recognize the role of LNG as a transitional fuel

With respect to the revision of the ETD Directive, it is important to recognize the role of LNG as a transitional fuel, because, in this debate, some voices call for the full-scale abolishment of all fossil fuel subsidies.

LNG, however, is in some cases considered as the best short- or medium-term solution and investments in infrastructure have been made based on this assumption. In particular, because LNG was assigned an important role in the AFI Directive. This role should be recognized when taking measures to increase the uptake of sustainable alternative fuels by shipping and policymakers should strive for coherence between ReFuel EU Maritime, and the ETD and AFID Directives.

Allow for a tax exemption for clean fuels and energy sources

FEPOR believes that allowing a tax exemption under the new Energy Taxation Directive (ETD) could be a way to stimulate the demand for clean and alternative fuels.

Currently such a tax exemption is only possible for Onshore Power Supply (OPS), and Member States have to go through a complicated administrative process to obtain such an exemption.

FEPOR hopes that the revision of the Energy Taxation Directive will allow for a permanent tax exemption for clean and sustainable fuels and energy supplies such as OPS, but also for any new green solutions that could become deployable in the future.

Accept the principle of technological neutrality to allow for flexibility and support innovation

Finally, the principle of technological neutrality should be taken into account in any effort to stimulate the uptake of clean, alternative fuels by shipping. It is still uncertain which fuel or energy source will be the silver bullet to reduce the environmental footprint of shipping. Attention should therefore be paid not to prescribe a single solution, as technological or market developments might quickly render such a solution obsolete.

Technological neutrality will also be indispensable for stimulating innovation and research in new – still unknown – clean fuels. Legislation should therefore focus on describing the criteria for clean fuel solutions, rather than their content. In this way, innovative first movers have the legal certainty that their solutions will be allowed, as long as they meet the relevant emissions reduction requirements.

FEPORT looks forward to continuing a constructive dialogue with EU institutions to adopt a framework that will allow a smooth greening of the maritime sector while preserving its competitiveness.