



Wednesday, July 3rd, 2024

Amendment to the Energy Transport Decree 2025

The reason for this Amendment to the Energy Transport Decree 2025 (hereinafter: *Decree*) is that the implementation date of the new revision of the Renewable Energy Directive (hereinafter: *RED III*) has been delayed until January 1st, 2026. The current legislation, which would end on January 1st, 2025, must therefore remain in effect until then. To that end and to bridge the period until the entry into force of RED III, this Decree introduces various measures:

- lifting the exclusion from the right to book supplied biofuels and renewable fuels to aviation and maritime shipping;
- lowering the percentages for saving renewable fuel units (HBE's);
- updating the requirements for booking supplied renewable fuel; and
- introducing a new type of booker for booking supplied gaseous renewable fuel.

As the Dutch Waste-based Biodiesel Alliance (hereinafter: *NBAA*), we will focus our input for this consultation on (i) the continuation of the opt-in for both aviation and maritime shipping and (ii) the exclusion of Annex IXb in Shipping. We welcome lowering the percentage for saving renewable fuel units, as the NBAA supports measures intended to help the Netherlands meet the physical renewable energy targets in calendar year 2030.

i. Continuation opt-in for aviation and maritime shipping

With this Amendment, the aviation and maritime shipping sectors will enjoy a so-called double sustainability incentive: both from the opt-in (resp. x1,2 and x0,4) as well as from the new ReFuelEU and FuelEU. The Ministry writes in its *'Policy Compass'* that, due to an earlier adjustment of the maritime shipping opt-in (from x0,8 to x0,4), there now appears to be a good balance between stimulating maritime shipping and aviation transport and making road transport more sustainable.

The NBAA notes that the situation per January 2025 cannot be considered similar as the current period, due to the new additional compliance obligations under ReFuelEU and FuelEU. We also note a distortion with the road sector when ReFuelEU and FuelEU are implemented without specific sector targets for the road sector. This is because this double sustainability incentive will lead to lower blending of biofuels in road transport. The hard-to-abate heavy-duty vehicle sector will be disadvantaged and lag behind in decarbonization efforts.

The NBAA therefore suggests to limit the opt-in for 2025, so that fuel suppliers booking fuels for HBE's under the opt-in cannot also have that count towards the obligation under ReFuelEU and FuelEU.

Biodiesel producers:



European and German associations:



ii. 20 PJ in Road Transport

With the Spring Memorandum 2023, the previous cabinet increased the Annual Obligation for the road sector with 20 PJ to bridge the gap with RED III. The NBAA thinks it is essential for this 20 PJ to remain in place in order to increase blending in road transport. As the Ministry has states, electrification is taking place at a slower pace than desired. This requires all other solutions available, such as waste-based biodiesel, to bridge that decarbonisation gap for ICE-vehicles and-trucks still in the fleet.

iii. Exclusion Annex IXb in Shipping

The Ministry writes in its Explanatory Memorandum that, because the possibility of booking biofuels and renewable fuels supplied to aviation and maritime shipping will continue to exist in 2025, fuel suppliers with an annual obligation will be able to continue to benefit from the relatively low costs for renewable fuel units originating from maritime shipping in particular.

The NBAA notes that this only applies to renewable fuels from Annex IXa and not Annex IXb. For a completely levelled playing field it is necessary for the government to allow renewable fuels from Annex IXb to gain HBE's (and ERE's pert 2026) in maritime shipping sector. A few reasons:

1. There are simply not enough renewable fuels from Annex IXa, so the maritime sector needs renewable fuels from Annex IXb to meet its targets;
2. By restricting renewable fuels from Annex IXb being booked in maritime shipping, this will only end up costing the consumer more in their wallet – the market should determine to chose the cheapest solution to decarbonize, not legislation;
3. An exclusion Annex IXb under the opt-in for RED, would also effectively prevent those obligated under FuelEU Maritime from utilising any Annex IXb, due to fuel suppliers being unwilling to supply Part B material which would not earn them HBEs. The result would be that obligated shippers under Fuel EU Maritime would be unwilling to pay the premium and consequently decide to bunker outside The Netherlands. Driving bunkering away from The Netherlands would reduce the market even further for the Dutch biodiesel industry who have invested so much to help government achieve GHG reductions in transport. “

We thank the Ministry of Infrastructure & Water Management for the opportunity to deliver input ahead of implementation and look forward to hearing back on the issues we have addressed.

About the Dutch Waste-based Biodiesel Alliance, NBAA

The alliance that aims to lower carbon emissions in the Dutch transport sectors using waste-based biodiesel.

The NBAA is an alliance of five waste-based biodiesel producers with a production site or facility in the Netherlands: Argent Energy, Bio Oil Group, Chevron Renewable Energy Group, Greenergy and Muenzer. The alliance cooperates closely with European industry associations for waste-based biodiesel. The NBAA has a joint mission to highlight the advantages and opportunities of this sustainable biofuel.

Biodiesel uses otherwise polluting waste streams such as used cooking oil to replace fossil fuels. Biodiesel's high level of emission reduction contributes greatly to the sustainability of transport –complementing other means such as electrification and hydrogen. The NBAA therefore sees an essential role for this cost-effective sustainable biofuel in the coming years.

Besides sharing knowledge and expertise, the NBAA represents the interests of the industry to ensure that waste-based biodiesel receives fair treatment in legislation and regulation. A level playing field within – and between – sectors is key. The NBAA is a reliable discussion partner enabling consciously sustainable policy choices in the Netherlands.

Biodiesel producers:

European and German associations:

ARGENTENERGY
Greenergy

bioOIL
MÜNZER

Chevron
Renewable Energy Group

ewaba

MVgK
Mittelstandverband abfallbasierter Kraftstoffe

Chairman: Dickon Posnett, Director Corporate Affairs, Argent Energy

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Biodiesel producers:

European and German associations:

