

## eFuel Alliance comment on the amendments to the Energy Transport Decree to implement the revised Renewable Energy Directive (RED III)

The eFuel Alliance appreciates the opportunity to contribute to the Netherlands' consultation regarding the implementation of the Renewable Energy Directive III, advocating for the recognition of eFuels as a vital solution for achieving climate goals. Representing over 170 organizations along the eFuel value chain, we are committed to ensuring that CO<sub>2</sub>-neutral fuels from renewable energy sources are given fair consideration in the transition to a sustainable energy future. eFuels are hydrogen and hydrogen-based liquid and gaseous fuels produced with renewable fuel, compliant with the definition of renewable fuels of non-biological origin (RFNBO) according to the revised Renewable Energy Directive III (EU) 2018/2001. While the presented draft and the proposed design of the mandates provide a strong foundation, we believe that further refinements can better align implementation in the Netherlands with the EU's broader climate goals and ensure the necessary investment in eFuels.

### General Comments

The draft legislation includes the introduction of greenhouse gas reduction (GHG) mandates, connected with fuel-specific yearly quotas, starting in 2026. This is a highly positive development, as the early implementation of sector-specific quotas for RFNBOs, along with yearly increasing mandates, provides producers with the necessary security and long-term visibility to make substantial investments in the sector. Especially pioneers rely on demand signals earlier than the 2030 quotas given in European legislation.

We also commend the design of the GHG mandates, which segments the obligations by transport modes and includes free space per transport mode to indicate the level of flexibility: The possible transfer between sectors to a pre-defined extent ensures that CO<sub>2</sub> reduction efforts are undertaken in the most cost-efficient manner, regardless of the specific sector, while still ensuring that the energy transition of each sector is supported. This approach also reduces the impact on fuel costs, increasing social acceptance. In addition, the design also guarantees legal compliance with the ReFuelEU Aviation, which does not allow for national targets in any form.

### Specific recommendations

#### 1. Ambition level and RFNBO obligations

In the absence of an ambitious Renewable Energy Directive III, national implementations by EU Member States play a crucial role in establishing a viable market for sustainable renewable fuels.

While the proposed approach rightly assigns a higher CO<sub>2</sub> reduction target and RFNBO quota for road transport compared to shipping and aviation, the **overall ambition level is insufficient**. Taking into account that the RFNBO quotas for the road sector have been reduced compared to the prior draft, this development should be corrected. Given the price disparity between RFNBOs and other compliance options and the fixed order in which the ERUs are to be used, RFNBOs are unlikely to be sufficiently incentivized by the GHG reduction mandates and thus require a **higher dedicated RFNBO quota**.

We recommend setting a dedicated energetic sub-quota of at least 5% RFNBOs by 2030 (cross-sectoral), aligning with the European Commission's proposal in the RePowerEU plan, and an interim energetic target of 1% by 2028 for the entire transport sector. These translate to a **0.8 % and 4 % GHG mandate for RFNBO in 2028 and 2030**, respectively. Increasing these quotas will drive meaningful CO<sub>2</sub> reductions and incentivize early investments in sustainable technologies. As the ambition level of the aviation sector is regulated by ReFuelEU Aviation and the maritime sector, including inland navigation, is subject to the Memorandum of Understanding

with Belgium, this additional RFNBO demand should be concentrated in the road transport sector.

We also welcome the **inclusion of the refinery route** for RFNBOs in the proposal and in particular the plan to introduce a correction factor for this pathway. This will ensure that both RFNBO inclusion in refineries as well as standalone RFNBO production are incentivized appropriately. This differentiation is crucial, as standalone RFNBO plants typically require greater investment. Taking into account that the proposed mandates will begin from 2026, the necessary **secondary legislation should be published as soon as possible** to provide planning security for all market participants.

## 2. Long-Term Planning and Investment Security

The draft legislation lacks specific long-term investment measures beyond 2030. However, investments in new production facilities are inherently long-term and require a minimum off-take period of 10 years to ensure economic feasibility. By expanding its planning horizon beyond 2030, the Netherlands would provide a stable, forward-looking policy environment that encourages sustained investment in renewable energy infrastructure and technology development.

To address this, we recommend **extending the proposed framework to include milestones beyond 2030**, consistent with EU legislation such as the ReFuelEU Aviation. Establishing long-term targets and extending annual GHG quotas and sub-quotas would bolster investor confidence, provide clarity, and ensure the continued development of advanced biofuels and RFNBOs across all key transport sectors.

For industrial-scale projects, which often have lengthy development cycles and require significant upfront capital, this extended horizon would provide the necessary assurance that the market and regulatory environment will remain favorable over time. Investors would be more likely to commit the required resources early on, knowing that there is a structured, long-term demand for renewable energy solutions in place. Furthermore, an extended planning horizon would allow the Netherlands to align its domestic policies with broader European and global climate objectives, enhancing the country's position as a leader in the energy transition. As scaling RFNBO production will be one of the main drivers for cost reduction, giving project developers and eFuel producers this long-term perspective would also allow for the timely planning of subsequent second and third projects and a swift market-ramp up and cost depression.

### eFUEL ALLIANCE

The [eFuel Alliance](#) is an interest group committed to promoting political and social acceptance of eFuels and to securing their regulatory approval. We represent more than 170 companies, associations and consumer organizations along the eFuel production value chain. We stand for fair competition and equal competitive conditions for all relevant emission reduction solutions. We are firmly committed to further climate change mitigation and seek recognition for the significant part eFuels can play in sustainability and climate protection. Our aim is to create the conditions for industrial production and widespread use of CO<sub>2</sub>-neutral fuels produced with renewable sources of energy.