

EU Commission's European Strategy for a Low-Emission Mobility: FuelsEurope welcomes the comprehensive approach and the recognition of the continued role of internal combustion engines and liquid fuels but care should be taken to ensure that development and implementation is cost-effective and technology neutral.

Brussels, 20 July 2016: FuelsEurope welcomes the Commission's European Strategy for a Low-Emission Mobility, published today, for its integrated approach and for the recognition that efficient internal combustion engines and liquid fuels will still be needed during the transition to alternative technologies. Considering Europe's objectives of jobs and economic growth, cost-effectiveness needs to be a key principle. To achieve this, transparency of carbon abatement costs, and technology neutrality are needed to guide policy decisions. However the principle of technology neutrality risks being contradicted by the Commission proposal to consider mandates on the supply of alternative energy sources, and "zero-emission" vehicles.

The inherent proposal to maintain a sectoral approach to the GHG emissions reduction in transport is highly likely to cause some marginal abatement costs to be much higher than for other sectors, and this should be made fully transparent for citizens and businesses. The Commission's strategy should create the conditions for a cost-effective transition to new technologies in the medium term, while aiming at moving away from the sectoral approach and achieving convergence of carbon costs across the economy in the longer term. If the sectoral approach to decarbonisation of transport is retained for too long, the overall cost to society could be much higher than necessary.

Finally, we welcome the proposal to make funds available for the development of innovative technologies, as we believe that the best strategy to foster the transition to a lower emission mobility should be based on a strong support to R&D rather than mandates which may deliver neither cost-effective new technologies, nor industrial opportunities to create jobs and growth for Europe.

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FuelsEurope, the voice of the European petroleum refining industry

FuelsEurope represents with the EU institutions the interest of 41 companies operating refineries in the EU. Members account for almost 100% of EU petroleum refining capacity and more than 75% of EU motor fuel retail sales.

FuelsEurope aims to inform and provide expert advice to the EU institutions and other stakeholders about European Petroleum Refining and Distribution and its products in order to:

- Contribute in a constructive way to the development of technically feasible and cost effective EU policies and legislation.
- Promote an understanding amongst the EU institutions and citizens of the contribution of European Petroleum Refining and Distribution and its value chain to European economic, technological and social progress

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