

(English version)

**Question for written answer E-003040/24
to the Commission
Sophia Kircher (PPE)
(18 December 2024)**

Subject: Measures to promote carbon-neutral fuels

Carbon-neutral fuels play a key role in achieving the EU's climate targets, especially in sectors that are difficult to decarbonise such as aviation. They could also make a crucial contribution in decarbonising the road transport sector. This was also recently confirmed by Mario Draghi in his Report on the Future of European Competitiveness. However, although the EU is playing an important role in the production of alternative fuels, particularly biofuels, the overall volumes of them produced remain limited.

1. What steps does the Commission intend to take to encourage investment in the production of alternative fuels to ensure scalability and competitiveness in the market?
2. What measures is the Commission planning to develop a resilient supply chain for alternative fuels?
3. What financial support measures are planned each year to boost the production of carbon-neutral fuels in the EU?

Submitted: 18.12.2024

**Answer given by Mr Hoekstra on behalf of the European Commission
(13 March 2025)**

The EU legal framework already includes several instruments promoting the use of renewable and low-carbon fuels with a significantly lower carbon footprint than fossil fuels, notably the Renewable Energy Directive ⁽¹⁾ and the RefuelEU Aviation and FuelEU Maritime Regulations ⁽²⁾.

The proposed revision of the Energy Taxation Directive ⁽³⁾ would also create more favourable conditions for renewable and low-carbon fuel. In parallel, the Alternative Fuels Infrastructure Regulation ⁽⁴⁾ sets targets for alternative fuels infrastructure.

In addition, 'zero rating' of sustainable aviation fuels (SAF) in the Emissions Trading System (ETS) provides them with a significant financial incentive; 20 million ETS allowances have been set aside to cover part or all of the price gap between SAF and aviation fossil fuels.

Financial support is provided through the Innovation Fund, including around EUR 1 billion for 16 projects producing sustainable fuels (incl. e-fuels and biofuels) and EUR 2 billion to 30 projects producing hydrogen as main product.

However, these measures have not yet resulted in a sufficient scaling up of the production of renewable and low-carbon fuel, in particular e-fuels.

Those have a crucial role to play to decarbonise aviation and waterborne transport, where zero-emission solutions will not be available in the medium term, and it is necessary to further promote investments in their production.

The Commission plans an initiative to boost the roll out of renewable energy, including by proposing a 2040 renewables target.

Moreover, the announced Sustainable Transport Investment Plan will include new measures to further boost investment into renewable and low-carbon fuels for aviation and maritime, increasing their scalability and competitiveness.

⁽¹⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023L2413>

⁽²⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R2405>, <https://eur-lex.europa.eu/legal-content/EN/AUTO/?uri=CELEX:32023R1805>

⁽³⁾ https://taxation-customs.ec.europa.eu/taxation/excise-taxes/revision-energy-taxation-directive_en

⁽⁴⁾ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32023R1804>