

## JOINT STATEMENT

### Renewable gas mobility, a key contributor to the Sustainable and Smart Mobility Strategy

At the attention of:

Executive Vice-President Frans Timmermans,

Commissioner Adina Vălean,

Commissioner Kadri Simson,

Copies: Director-General Petriccione, Director-General Hololei, Director-General Juul-Jørgensen

Brussels, November 6, 2020

Dear Executive Vice-President Timmermans,

Dear Commissioner Vălean,

Dear Commissioner Simson,

The European Union is expected to enshrine in the law the goal of climate neutrality in 2050 and a 2030 target of at least 55% greenhouse gases (GHG) emissions reduction compared to 1990 levels. According to the European Commission, this requires a reduction of GHG emissions from transportation of at least 16.3% by 2030 and of 90% by 2050<sup>1</sup>.

**Today, transportation accounts for around 25% of the EU's total GHG emissions and its emissions kept increasing between 2013 and 2017<sup>2</sup>.** In Europe, conventional fossil fuels are overwhelmingly predominant on the road, representing more than 96% of light vehicles, 95% of the buses and 99% of trucks. The tendency is still not significantly changing in the heavy-duty segment: in 2019, new vehicle registrations with diesel accounted for 85% of buses and 98% of lorries<sup>3</sup>.

**The upcoming Sustainable and Smart Mobility Strategy is a major opportunity to reverse the trend. To achieve this, we, representatives of the *European Biogas Association (EBA)*, *Gas Distributors for Sustainability (GD4S)* and *NGVA Europe* call on the European Commission to build the new Mobility Strategy on the complementarity of all renewable fuels (biomethane, green electricity, green hydrogen and advanced liquid biofuels) and all relevant engine technologies, to enable a fast, secure and affordable transition supporting the European industries. This with a special attention for freight mobility, which represents only 3% of the vehicles but accounts for 25% of the total fossil fuel CO<sub>2</sub> emissions of the transport sector.**

**Natural gas vehicles – NGV, using compressed or liquified natural gas (CNG or LNG), are an already available cost-effective alternative to conventional fossil fuels. This is particularly true in heavy duty sector, as shows its growing market shares (6% for buses and 2% for trucks). NGVs are cost competitive and offer operational advantages compared to other alternative solutions, such as comfortable driving ranges, fast refuelling times. NGVs rely on a mature technology: buses and garbage trucks, for instance, are on the road since the 80's and many types of gas truck models are available from different manufacturers.**

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<sup>1</sup> European Commission, *COM(2018) 773 final* and *COM(2020) 562 final*.

<sup>2</sup> European Environment Agency, *Trends and drivers of EU greenhouse gas emissions*, 2020.

<sup>3</sup> [Statistics](#) of the European Automobile Manufacturers' Association (ACEA).

**NGVs, combined with biomethane, are a key solution to reduce the climate and environment impacts of transport.** Being a pioneer alternative mobility solution to improve air quality, NGVs are now becoming a long-term sustainable option thanks to the development of biomethane<sup>4</sup>. NGVs driving on natural gas achieve already GHG reduction of up to 20% compared to conventional fossil fuels<sup>5</sup>. When blending natural gas with biomethane or using biomethane exclusively, GHG savings can reach 100% and more<sup>6</sup>.

The increasing use of biomethane as a fuel (bioNGV) is already a reality. On European average, the share of bioNGV is at 17% today and it is rising. In countries like Denmark, Sweden and the Netherlands, NGVs use almost exclusively biomethane (shares > 90%). Germany, Finland and the United Kingdom are well above a 50% biomethane share<sup>7</sup>.

**Biomethane is produced from local organic waste and residues and is according to many sources<sup>8</sup> available for future need. BioNGV offers thus a solution for many players to decarbonise their fleets in a circular economy approach.** Numerous municipalities like Paris, Lille, Rome, Turin, Madrid, Stockholm, or Malmö have made that choice for their garbage trucks and public transports. It is also the case of retail companies like Carrefour, Casino, Ikea, Lidl, Tesco<sup>9</sup>. In addition to their economic, operational and climate benefits, bioNGVs allow to build on circular economy projects.

**Supporting gas mobility will reinforce a green recovery as the industry is mostly European.** Gas mobility technologies are largely developed and supplied by companies such as Iveco, Scania, Volvo for the heavy-duty segment and FCA and VW Group for passenger cars and light commercial vehicles<sup>10</sup>, not to mention special vehicles, like garbage lorries, or gas engines for trains. The industry's offer covers all segments and types of vehicles.

In 2019, new registrations of gas passenger cars amounted close to 70 000 units, followed by approximately 13 000 heavy duty vehicles (medium-heavy trucks and buses) and more than 4 500 LNG trucks, all these entirely designed and manufactured in Europe<sup>11</sup>.

That is why we want to emphasize that **gas mobility is a unique and immediately available environment and climate-friendly solution on the market, especially for trucks and buses requiring adequate range.** Companies and cities willing to act now to have a positive impact already in the short term can rely on competitive products that are manufactured in the EU. And gas mobility is here to stay, thanks to increasing development of biomethane, **to the benefit of the European automobile industry, agriculture and customers.**

Representing the bioNGV value chain, we are convinced that gas mobility has a significant role to play in the Strategy for Sustainable and Smart Mobility to be adopted by the European Commission in order to address successfully the challenge of growing GHG emissions in the transport sector.

**Key take-aways:**

- ***A clear political signal at EU level is needed to reassure European industries and consumers that gas mobility is a part of the solution to exit conventional fossil fuels and build a sustainable mobility sector.***
- ***Phasing-out conventional fossil fuels and effective decarbonisation as of today must be the drivers of mobility regulation.***
- ***There is no alternative solution to (bio)NGV for immediate decarbonation of long-haul transport at the required speed: gas mobility is an available, affordable and reliable technology as well as sustainable (raw material and recyclability).***

<sup>4</sup> Biomethane production rose from 0.7 TWh in 2011 to 22.7 TWh in 2018. Source: European Biogas Association, *Statistical Reports; Bioenergy Europe, Report Biogas Statistical Report 2019.*

<sup>5</sup> Thinkstep, *Greenhouse Gas Intensity of Natural Gas. Final Report.*

<sup>6</sup> Joint Research Center, *JEC Well-To-Wheels report v5, 2020.*

<sup>7</sup> Source: NGVA (May 2020): *In the fast lane with biomethane for transport - leaflet*

<sup>8</sup> Among others: Navigant "*Gas for Climate*" (2019); CERRE, (2019) ; Trinomics for the EC (2019); *International Energy Agency* (2020)

<sup>9</sup> Some of these examples are illustrated on *G-mobility website.*

<sup>10</sup> NGVA Europe, *Vehicle Catalogue 2019.*

<sup>11</sup> NGVA Europe, *2019 in numbers: gas in transport – the choice of European consumers*, press release, 26 February 2020.

- **BioNGV has to be able to compete on a level playing field with other solutions. When evaluating the decarbonization potential of different alternative fuels vehicles, a life cycle or well-to-wheel thinking is required for a correct comparison reflecting the real impact. Vehicles manufacturers must be able to take into account GHG reduction through the use of biomethane in gas vehicles in the context of the CO2 standards for vehicles, in order to have an incentive to put more gas vehicles on the market.**
- **Innovation in the gas mobility is promising but requires clear market perspectives.**

Mr. Paolo Gallo, President of GD4S



Mrs. Susanna Pflüger, Secretary General of EBA



Mr. Andrea Gerini, Secretary General of NGVA Europe



*About GD4S: Gas Distributors for Sustainability brings together seven leading gas DSOs in Europe: EDA THESS (Greece), Distrigaz Sud Retele (Romania), Galp Gás Natural Distribuição (Portugal), Gas Networks Ireland (Ireland), GRDF (France), Italgas (Italy) and Nedgia (Spain). Together, they serve 28 million customers that represent the equivalent of 30% of the EU gas market.*

*For further information please contact us at [contact@gd4s.eu](mailto:contact@gd4s.eu)*

*About EBA: The European Biogas Association is the voice of renewable gas in Europe since 2009. EBA advocates the recognition of biomethane and other renewable gases as sustainable, on demand and flexible energy sources that provide multiple knock-on socio-economic and environmental benefits. Supported by its members, EBA is committed to work with European institutions, industry, agricultural partners, NGOs and academia to develop policies which can enable the large-scale deployment of renewable gases and organic fertilisers throughout Europe, supported by transparent, well-established sustainability certification bodies to ensure that sustainability remains at the core of the industry. The association counts today on a well-established network of over 100 national organisations, scientific institutes and companies from Europe and beyond.*

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*About NGVA Europe: The Natural & bio Gas Vehicle Association is the European association that promotes the use of natural and renewable gas as a transport fuel. Founded in 2008, its 124 members from 27+4 countries include companies and national associations from across the entire gas and vehicle manufacturing chain.*

*NGVA Europe is a platform for the industry involved in producing and distributing vehicles and natural gas, including component manufacturers, gas suppliers and gas distributors. It defends their interests to European decision-makers to create accurate standards, fair regulations and equal market conditions.*

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