

EBA response to the Call for Evidence for a Sustainable Transport Investment Plan

The European Biogas Association (EBA) welcomes the Commission's Initiative for a <u>Sustainable Transport</u> <u>Investment Plan</u> (STIP), particularly its ambition to bolster renewable and low-carbon fuels for the decarbonisation of the heavy transport sectors, mainly the aviation and maritime sectors.

As outlined in the Commission's Call for Evidence, EBA would like to highlight the importance of technological leadership, operational improvements and energy efficiency to advance the production of alternative and sustainable fuels for the aviation and maritime sectors. These industries play a pivotal role in strengthening EU competitiveness and economic security. As these sectors are considered hard to decarbonise transport segments, the uptake of sustainable renewable fuels, particularly biomethane and bio-LNG, is critical in advancing the decarbonisation of the maritime and aviation industries.

EBA welcomes the Commission's ambitions within the STIP to recognise renewable fuels as being technology-mature solutions that offer an alternative, scalable and readily available solution to decarbonise the transport industry. With this in mind, EBA would like to highlight the following remarks regarding the STIP:

1. Adopt a technology neutral vision towards all alternative fuel solutions:

The maritime sector to this day emits over 3% of global emissions. That said, bio-LNG offers a readily available and cost-effective solution to reduce greenhouse gas emissions in the shipping sector. Unlike many alternative fuels, bio-LNG can be used immediately in existing LNG-fueled vessels without modifications to marine engines, storage, transport, or bunkering infrastructure, allowing shipowners to reduce emissions without major investments in repurposing procedures. On a tank-to-wake basis, a full 100% bio-LNG blend can reduce greenhouse gas emissions by up to 93% in the combustion cycle¹. With 638 LNG-fueled vessels in operation globally in 2024, and a projected increase of LNG-fueled vessels and LNG carriers in operation and on order by over 2,000 vessels by 2028², bio-LNG is a ready-to-use, scalable option to defossilise the current and future LNG fleet. We urge the Commission to recognise this potential in the STIP and allocate sufficient funding for the full uptake of biogases in the transport industry.

2. Address obstacles of the renewable fuels value chain:

Despite the potential of biomethane and bio-LNG in the heavy transport industry, projects in renewable and low-carbon fuels still face substantial investment barriers. High upfront capital requirements, technological and operational specifications, and higher production costs compared to conventional fuels make it difficult for project promoters to secure financing. These obstacles, alongside market volatility and trading disruptions, discourage final investment decisions. Without stronger financial support, these obstacles will prevent the scale-up of renewable fuels production. Strengthening the supply chain for sustainable fuels will not only reduce greenhouse gas emissions but also enhance Europe's energy security by decreasing reliance on fossil fuel imports



¹ EBA (2024) Statistical report

² SEA-LNG (2025) The LNG Pathway: Mid-year market review.



and reinforcing Europe's industrial competitiveness, all fundamental principles that have been highlighted in the RePower EU Roadmap.

3. <u>Increase finance opportunities and bolster production capacity:</u>

ETS revenues from shipping and aviation greenhouse gas emissions should be reinvested into the production of clean fuels for the same sectors, ensuring that revenues paid by the transport industries accelerate their own decarbonisation potential. In addition, EBA urges the Commission to ensure that both maritime and aviation industries receive targeted support for the production, distribution, and uptake of biogases, including biomethane and bio-LNG. These mechanisms should narrow the price gap with fossil fuels, de-risk investment opportunities, and create market certainty between producers and consumers. In May 2025, EU Member States had already highlighted concrete measures to de-risk investments in clean fuels and had called for dedicated maritime funding streams to be adopted in the STIP, thus ensuring a clear regulatory and financial framework for renewable fuels³.

4. Adopt simplification procedures and increase investor confidence:

The STIP must ensure a full uptake of renewable fuels by including dedicated investment plans across the entire value chain. Moreover, faster permitting procedures for biogases projects can accelerate investment decisions and reduce obstacles along the entire supply chain, from production to consumption. These solutions also align with the Net-Zero Industry Act's ambitions to recognise biomethane as being part of the strategic net-zero technologies pool, which the EU aims to bolster through increased manufacturing capacity, speedy and simplified permitting procedures and consumer-oriented support schemes. Simplified access to funding instruments would further increase the cost competitiveness of biogases, while support the EU's indigenous renewable energy capacity and reduce its dependency on imported fossil fuels.

5. Align the EU's ambitions with global aspirations:

The STIP should align its ambitions with the ones set on a global scale. More specifically, the International Maritime Organisation has recently agreed on its Net-Zero Framework for 2050, which sets a regulatory path to gradually decarbonise global shipping emissions by phasing in clean marine fuels and reducing fuel intensity using a well-to-wake approach. On the other hand, the International Civil Aviation Organisation has also agreed in its Resolution A41-21 to a long-term global aspirational goal for international aviation to achieve net-zero carbon emissions by 2050⁴, while simultaneously striving to upscale the production of sustainable aviation fuels (SAF) and reduce emissions by 5% by 2030 under the Global Framework for SAF⁵.

Overall, EBA urges the Commission to deliver a STIP that will further promote the production of sustainable fuels by ensuring dedicated funding programmes and revenue streams towards the biogases sector. In this transition, biogases will play a pivotal role in enabling the uptake of renewable fuels, ensuring cost competitiveness, fostering global industrial leadership, and providing practical pathways for the hard-to-decarbonise transport industries.



³ Council (2025) Informal meeting of maritime ministers, <u>URL</u>

⁴ ICAO (2022) Resolution A41-21

⁵ ICAO (2023) Global Framework for SAF, LCAF and other Aviation Cleaner Energies



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About the European Biogas Association (EBA)

EBA fully believes in the future potential of renewable gas in Europe. Founded in 2009, the association is committed to the deployment of sustainable biogas and biomethane production and use throughout the continent. EBA counts today on a well-established network of over 300 national associations and other organisations covering the whole biogas and biomethane value chain across Europe and beyond.