

Sustainable maritime fuels (FuelEU Maritime Initiative)

2021/0210(COD) - 19/10/2022 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 451 votes to 137, with 54 abstentions, amendments to the proposal for a regulation of the European Parliament and of the Council on the use of renewable and low-carbon fuels in maritime transport and amending Directive 2009/16/EC.

The matter was referred back to the committee responsible for interinstitutional negotiations.

The main amendments adopted in plenary concern the following points:

Objective and purpose

This Regulation lays down uniform rules imposing: (a) the **limit on the greenhouse gas ('GHG') intensity** of energy used on-board by a ship arriving at, staying within or departing from ports under the jurisdiction of a Member State and (b) the **obligation to use on-shore power supply** or zero-emission technology in ports under the jurisdiction of a Member State.

In doing so, the Regulation aims to increase **consistent use of renewable and low carbon fuels** and substitute sources of energy in maritime transport across the Union, in line with the Union's objective of reaching climate neutrality at the latest by 2050 and the goals of the Paris Agreement, while ensuring the smooth operation of maritime traffic, creating development opportunities for the maritime industry and avoiding distortions in the internal market.

Scope

The proposed Regulation should apply to all ships above a gross tonnage of 5000 and encompasses 100% of their intra-EU voyages and 50% of their voyages between EU ports and ports located in third countries.

Members proposed the inclusion of a new article stipulating that Member States may, in respect of the energy used on voyages performed by passenger ships other than cruise passenger ships between a port of call under the jurisdiction of a Member State and a port of call under the jurisdiction of the same Member State located in an island with fewer than 100 000 permanent residents, and in respect of the energy used during their stay within a port call of the corresponding island, exempt specific routes and ports from the application of the Regulation.

In addition, the report requested that the Commission continuously monitor the impact of this Regulation on cargo diversion, in particular via transshipment ports in neighbouring countries. Where the Commission identifies major negative impacts on Union ports, the Commission should submit legislative proposals to the European Parliament and to the Council to amend this Regulation.

Greenhouse gas intensity limit of energy used on-board by a ship

Members proposed to reduce greenhouse gas limits by:

- **20%** from 1 January 2035;
- **38%** from 1 January 2040;

- **64%** from 1 January 2045;
- **80%** from 1 January 2050.

The Commission had proposed reductions of 13%, 26%, 59% and 75%.

Use of renewable fuels of non-biological origin

Parliament proposed that Member States should take the necessary measures to ensure that renewable fuels of non-biological origin (RFNBOs) are made available in ports within their territory.

From 1 January 2030, **at least 2%** of the average annual energy used on board a ship should be covered by RFNBOs.

By 2028 at the latest, the Commission should evaluate this obligation with a view to adjusting it if for example there are serious concerns about the production capacity, availability or price of such renewable fuels.

On-shore power supply

Regarding the requirement for ships to connect to on-shore power supply in certain situations in order to limit harmful air pollution, a new article proposed that **from 1 January 2030**, a ship at berth in a port of call covered by the Alternative Fuels Infrastructure Regulation should connect to on-shore power supply and use it for all its electricity needs while at berth. In the event that a non-TEN-T port has voluntarily installed on-shore power supply, ships calling at that port and having compatible on-shore power supply equipment on-board should connect to on-shore power supply when available at the visited berth.

Consultations should be organised between managing bodies of ports, terminal operators, ship-owners, ship-operators, OPS providers, grid managers and other relevant stakeholders to ensure cooperation on the OPS infrastructure that is planned and deployed in individual ports, as well as on the demand expected from vessels calling on these ports.

Ocean Fund

Members proposed the setting up of a dedicated Ocean Fund channelling revenues generated from the auctioning of maritime allowances within the ETS back to the maritime sector. The **revenue from the financial penalties** provided for in the Regulation should be paid into the Oceans Fund and used to support projects and investments related to improving the energy efficiency of ships and ports, to innovative technologies and infrastructure for decarbonising maritime transport, to the production and deployment of sustainable alternative fuels and to the development of zero-emission propulsion technologies.

Reporting and monitoring

By 1 January 2024, the Commission should draw up a report on the social impact of the Regulation. This report should include a projection of the impact of the Regulation on employment and training needs up to 2030 and 2050.

The Regulation should be reviewed, and when needed, amended, as **new greenhouse gas abatement technologies**, such as on-board carbon capture, new renewable and low-carbon fuels and new propulsion methods, such as wind propulsion, become technically and economically mature.

The Commission should continuously evaluate the maturity of different greenhouse gas abatement technologies and present a first review in this regard by 1 January 2027.