

# Fuel policies and IWT

## Implementation of RED-III and ETS2

8 October 2024 – Roadmap and actions towards zero-emission Danube fleet  
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# Contents

- PLATINA4Action introduction
- Fuel supply policies from Fit-for-55 with impact for IWT:
  - Revision of the Renewable Energy Directive: RED-III
  - Revision of the Emission Trading System: ETS2 opt-in for IWT
- Implementation examples from Member States
  - The Netherlands
- Conclusions



# Project summary PLATINA4Action

**Title:** PLATform for the Implementation of the Navigation Action programme for Action

**Duration:** 36 months: January 2024 – December 2026

**Budget:** 1.5 mln euro, 125 person months staff effort

**Instrument:** Horizon Europe Coordination and Support Action, Lump Sum

## Abstract:

Platform for the Implementation for green and connected Inland Waterway Transport (IWT) as envisaged in the Action Plan of NAIADES III. The platform will act as catalyst, bringing together expertise, stakeholders and research in the field of European Inland Waterway Transport, building on the network and expertise developed in the CSA project PLATINA3 funded under Horizon 2020. The PLATINA4Action project aims to accelerate the implementation of green and connected inland waterway transport. Activities will focus on:

- 1) Supporting and coordinating research and innovation activities focussing on green and connected IWT to find synergies between parallel developments
- 2) Impact estimations of NAIADES III actions and supporting the policy discussions to achieve modal shift and zero-emission IWT and
- 3) Updating of the Strategic Research and Innovation Agenda for IWT.

The consortium will work closely together with European Commission DG MOVE in view of the NAIADES Implementation Expert Group and DINA Expert Group. Furthermore, the consortium will involve and interact with IWT and logistic representatives and platforms, river commissions, ports and waterway managers, Member States and research institutes.

=> See also the PLATINA4Action project website: <https://platina4action.iwtprojects.eu/>



# PLATINA4Action: project objectives

- **Initiate and continue interaction** between policy makers, technology providers, experts, researchers, and IWT end-users.
- **Assess the impact of the NAIADES III actions** on emission reduction and modal shift and develop additional policy recommendations to accelerate the transition to zero-emission and digital IWT and to support the modal shift.
- Develop and demonstrate a **digital twin tool** capable of evaluating the impact of the NAIADES III actions and additional policy recommendations.
- Develop and validate a **European labelling system for green IWT vessels on EU waterways** aiming at achieving energy and emission reduction and ultimately zero-emission transport.
- Identification and analysis of **barriers and opportunities for the development of zero-emission and smart technologies and pilot actions for deployment** of selected breakthrough concepts.
- Develop an **RD&I roadmap** for technologies and policies achieving accelerated zero-emission and smart IWT their deployment.



# Fuel policy: RED-III

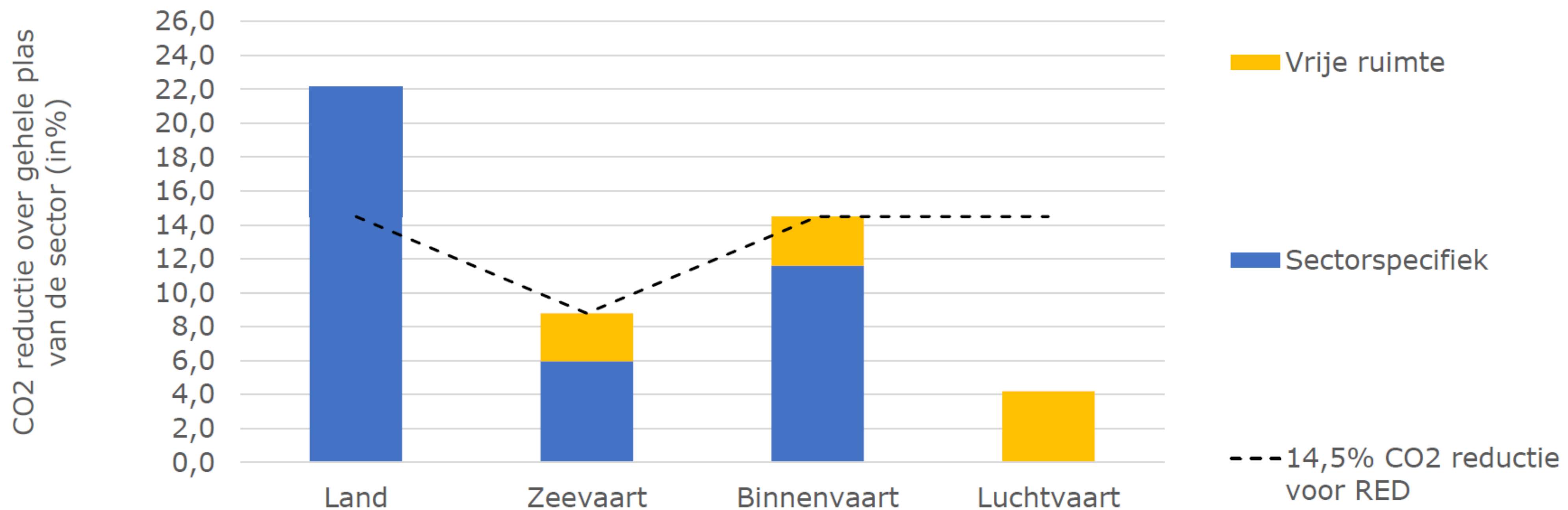
- Renewable Energy Directive EU/2018/2001 was revised. The amending Directive EU/2023/2413 entered into force on 20 November 2023. There is an 18-month period ongoing to transpose most of the directive's provisions into national law (deadline 21 May 2025), with a shorter deadline of July 2024 for some provisions related to permitting for renewables.
- The agreement also reinforces the regulatory framework for renewable energy use in transport:  
**14.5% greenhouse gas intensity reduction or 29% share of renewable energy in final energy consumption.**
- It includes a combined sub-target of renewable fuels of non-biological origin, including a minimum level of 1% for renewable fuels of non-biological or 5.5% for advanced biofuels and hydrogen. These targets support roll-out of renewable H2.
- A revision is also that all fuel supply to transport is now in the primary scope of the requirements. **Energy/fuel supplies to maritime and inland waterway transport are directly counted in the volume of energy for which the Member State needs to achieve the targets.**





# Example from MS: RED-III implementation in NL

- The Netherlands made the decision to apply the 14.5 % CO<sub>2</sub>e intensity reduction for the overall transport sector (gram CO<sub>2</sub>e per MJ). The Netherlands prepared a differentiated implementation for road, air, maritime, inland navigation:



# Example from MS: RED-III implementation in NL

- The conventional feedstocks, competing with food production, are limited and only possible to apply in fuel for road transport. The generated CO2 reduction tickets can not be sold either to other modes.
- For inland waterway transport, this concerns the following stepwise increase for the reduction of CO2e emissions to be achieved:
  - 2026: 3.0% specific target, 0.8% can be acquired from other modes = 3.8% in total
  - 2027: 4.1% specific target, 1.0% can be acquired from other modes = 5.1% in total
  - 2028: 6.1% specific target, 1.5% can be acquired from other modes = 7.6% in total
  - 2029: 8.2% specific target, 2.0% can be acquired from other modes = 10.2% in total
  - 2030: 11.6% specific target, 2.9% can be acquired from other modes = 14.5% in total
- Allowed feedstocks concern Annex IXa, Annex IXb, RFNBO and other (electricity). Conventional feedstocks are thus not allowed to generate the required CO2e reductions in IWT.  
In contrast to maritime transport, used cooking oil can be used as feedstock as fuel supply to IWT.
- Fuel supply in The Netherlands for inland navigation concerns around 900,000 m3 per year (CDNI scope).



# Fuel policy: ETS revision

- On 14 July, as part of the 'Fit for 55' package, the Commission published a legislative proposal for a revision of the EU Emissions Trading System (ETS), to align it with the target of a 55 % reduction of EU net greenhouse gas (GHG) emissions by 2030, compared to 1990 levels.
- The EU ETS was launched in 2005 and covers about 45 % of EU greenhouse gas emissions. The latest revision of the EU ETS Directive, adopted in 2018, sets the total quantity of emission allowances for phase 4 (2021-2030), in line with the previous EU emission reduction target (40 % reduction below 1990 levels by 2030). The Commission proposal to amend Directive 2003/87/EC concerns the ongoing phase 4 of the ETS (2021-2030). It consists of five main elements:
  - a reduced cap and more ambitious linear reduction factor for GHG emissions,
  - revised rules for free allocation of allowances and the market stability reserve
  - extension of the ETS to maritime transport
  - a separate new ETS for buildings and road transport (ETS2), incl opt-in other sectors under ESR
  - increase of the Innovation and Modernisation Funds and new rules on use of ETS revenues





# Fuel policy: ETS2 opt-in

- A separate self-standing emissions trading system for fuel distribution for road transport and buildings (ETS2) from 2027.
- The regulated entities (fuel distributors) need to report the amount of the fuels placed on the market starting from 2024.
- From 2027, they surrender a corresponding auctioned, of allowances. The cap on emissions would be set in 2026 and would gradually decrease to amount to a 43 % reduction of emissions in 2030 compared to 2005 levels for these sectors.
- All allowances would be auctioned. No free allowances.
- Indirect social impacts from rising prices of road transport and heating fuels are addressed through the Social Climate Fund.
- By around 2044 the no new emission rights will be auctioned anymore, fossil fuel sales stop.
- IWT is one of the sectors which can be added to the scope of ETS2. It is a decision of a Member State to utilise this 'opt-in'.
- All revenues from the opt-in flow back to the Member State. Related revenues are calculated based on the related CO2 emissions reported in the past for the specific added sector in the opt-in.



# Example from MS: ETS2 opt-in The Netherlands

- The Netherlands decided to include inland navigation in the scope of ETS2. Fuel suppliers need to purchase CO2e emission tickets in they sell fossil fuel.
- TTW scope applies according to IPCC definition for national accounting.
- Prices depend on supply and demand.
- Estimations in IA study are 48 euro per ton CO2e. This would correspond to cost of 127 euro per m3 fossil diesel. At a price of today (625 euro), this would be 20% increase of price of fossil diesel.
- Revenues inland navigation (CDNI scope): 15 million ton CO2, resulting in 730 million euro at a price assumed of 48 euro per ton
- 164 million euro already made available in advance for roll-out of zero-emission solutions (2025-2030) and additionally also 61 million for H2FC solutions.





# Conclusions

- Fuel supply policies can effectively work as it provides a mandatory reduction.
- ETS2 already reached zero GHG emissions in 2044 according to IPCC national accounting definition.
- A lot of freedom to Member States to decide on their own if / how to include IWT.  
Risk of lack of coordination and market disruption in bunkering fuels.  
What are other MS planning?
  - Physical blend of 29% or GHG intensity reduction of 14.5 %?
  - Specific targets and requirements per mode, or one general scheme for transport?
  - Do other countries also apply the opt-in for IWT in ETS2?
- A coordinated approach could be beneficial to provide solid framework conditions for inland waterway transport in greening
- [PLATINA4Action](#) to take into account these elements in scenarios and policy options to be evaluated.  
Also very relevant information for projects [SYNERGETICS](#) and [RH2IWER](#).



# PLATINA4Action Stage Event Brussels

6 November, SQUARE conference center Brussels, organized by IWT Platform and project partners.

Morning focus: new EU policy priorities and the meaning for IWT, keynote speakers and panel discussion

Afternoon: interactive thematic sessions:

- NAIADES III policy evaluation and development IWT policy for next period (2028-2035)
- Label initiative
- RD&I roadmap for inland waterway transport
- Zero-emission deployment, presentations and panel discussion

Agenda and registration:

<https://platina4action.iwtprojects.eu/1st-stage-event-brussels-6-november-2024/>

Note: back-to-back with Synergetics conference (5 Nov.) and NAIADES EG (7 Nov.) in Brussels  
Hybrid set-up: both in person participation and availability to join on-line





# Thank you for your attention!



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