



Shipping in the Clean Industrial Deal Making clean fuels available for shipping

Access to clean maritime fuels is a top priority for the decarbonisation of the shipping sector. The Draghi [report](#) on the "Future of European Competitiveness" identifies shipping as one of the most difficult sectors to decarbonise, requiring around 40 billion in annual investments between 2031 and 2050. A robust European industrial base for clean maritime fuels is essential to meet climate goals and secure Europe's leadership in green innovation.

The Clean Maritime Fuels Platform stresses that building a supply chain for renewable and low-carbon fuels in Europe is a priority to ensure shipping meets its decarbonisation targets and Europe achieves its climate objectives.

However, renewable and low-carbon fuels projects face significant uncertainties that deter public and private investment. These include technological risks and high upfront capital requirements that disadvantage first movers. Additional obstacles include the high production costs of renewable and low-carbon fuels and a mismatch of business models between producers, who seek long-term contracts at high prices, and users, for whom shorter-term commitments for smaller fuel volumes bear less risk. These factors create high financial risks and uncertainty that may be insurmountable without more tailored public support than what the current EU Hydrogen Bank and ETS Innovation Fund schemes provide.

To address these challenges, we urge the European Commission to:

- 1. Include renewable and low-carbon fuels and innovative technologies needed by shipping,** one of the most difficult-to-decarbonise sectors of the economy, in the scope of the upcoming **Clean Industrial Deal**.

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2. **Harness the Sustainable Transport Investment Plan (STIP)** in line with the **Competitiveness Compass**, to de-risk investments needed to swiftly ramp up the production and distribution of renewable and low-carbon fuels for shipping. The objective should be to create a European manufacturing capacity capable to match the EU demand for clean shipping fuels in Europe as much as possible, in line with the benchmark of the Net-Zero Industry Act and the targets of the FuelEU Maritime.
3. **Establish a European industrial base for renewable and low-carbon shipping fuels** by de-risking projects through public financial support from the EU and national ETS revenues, as well as revenue certainty mechanisms, such as contracts for difference. This should especially address the uncertainty arising from the high production costs of renewable and low-carbon fuels, long-term offtake commitments required, and market volatility, which are currently hindering projects in Europe from delivering large volumes of renewable and low-carbon fuels.
4. **Facilitate the role of ports as energy hubs** through scalable renewable and low-carbon fuels infrastructure mandates and fostering international cooperation among ports.

The energy transition of the maritime sector is vital to Europe's climate goals and industrial leadership. European shipping is a strategic sector for Europe, carrying the lion's share of the EU's external trade moving around 76% of the EU's external trade and ensuring security of supply of energy, food and goods. **We look forward to working with policymakers to implement a Clean Industrial Deal that drives competitiveness and ensures the energy transition of the economy.**

Who we are

The new Clean Maritime Fuels Platform is a bottom-up industry initiative aiming to enhance communication between the shipping sector and fuel producers and to identify common challenges and possible solutions, considering the implementation of the Fit for 55 package and the transition to a net-zero economy by 2050.