



Joint Public Statement on shipping and aviation in the Clean Industrial Deal

ECSA, A4E and T&E

We, representatives of the shipping and aviation industries and environmental organisations, reaffirm our commitment to the EU's climate and industrial objectives. To achieve the European Green Deal and Net-Zero Industry Act (NZIA) goals, and ensure these industries remain competitive, we must now prioritise clean marine and aviation fuels to decarbonise these hard-to-abate transport sectors.

A robust European industrial base for clean fuels is essential to meet climate goals and securing Europe's leadership in green innovation. These fuels will have to be produced on a large scale to meet the EU climate targets for aviation and shipping.

Europe's potential leadership in green fuel technologies provides a unique opportunity to build a supply chain that enhances energy security, creates jobs and advances climate goals. However, large-scale green fuel projects face significant uncertainties that deter private investment. These include technological risks and high upfront capital requirements that disadvantage first movers – amongst producers, financiers, or end-users.

Additional obstacles include the high production costs of clean 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 scalable renewable fuels and innovative technologies needed by **shipping and aviation**, two of **the most difficult-to-decarbonise** sectors of the economy - in the scope of the upcoming **Clean Industrial Deal**.
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 scalable **renewable fuels** for shipping and aviation. Building on the NZIA, STIP should require at least 40% of the scalable renewable fuels needed to comply with FuelEU Maritime and ReFuelEU Aviation to be produced in the EU.
3. **Establish a European industrial base** for scalable renewable shipping and aviation 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 scalable renewable fuels, long-term offtake commitments required, and market volatility, which are currently hindering projects in Europe from delivering large volumes of renewable fuels, especially hydrogen-based fuels.

4. Develop an **integrated matchmaking platform** to facilitate **aggregated** access to European and Member State financing schemes under a **one-stop-shop** principle. As an upgrade to the Hydrogen Bank, this mechanism would **simplify** the applications, enhance transparency and improve communication between the companies and the authorities.
5. Facilitate the role of airports and ports as energy hubs through scalable renewable fuels infrastructure mandates and fostering international cooperation among ports.

The energy transition of the maritime and aviation sectors is vital to Europe's climate goals and industrial leadership. We look forward to working with policymakers to **implement a Clean Industrial Deal** that drives competitiveness and ensures a sustainable future.