

June 2024

Eurogas position on the Greening Corporate Fleets consultation

Eurogas is the association representing gaseous energies in the European Union, including renewable and low carbon gases such as biomethane and hydrogen. Our members include fuel suppliers, original equipment manufacturers and technology providers active in the road transport sector. We support the European Union's greenhouse gas (GHG) emissions reduction objectives in the transport sector and welcome the opportunity to provide feedback on the Greening Corporate Fleets consultation launched by the European Commission (EC).

In this regard, Eurogas strongly encourages the EC to consider the role of all sustainable alternative fuels to decarbonise the road transport sector. In addition, the EC should focus on fostering the necessary enabling conditions for the deployment of such alternatives both in the private and corporate sectors.

The Greening Corporate Fleets consultation should consider the benefits of all sustainable alternative fuels to decarbonise road transport, including biomethane.

The Greening Corporate Fleets consultation aims at exploring possible alternatives to accelerate the shift to zero-emission vehicles in corporate fleets. In the EU car market, corporate fleets represent about 42% of sales, and corporate fleets are even more prominent in the markets for vans, coaches and lorries¹. Eurogas firmly believes that the consultation and potential legislative initiative should consider the role of all alternative fuels which can contribute to the decarbonisation of these vehicles, including liquefied natural gas (LNG), compressed natural gas (CNG) and their bio- and electricity-based counterparts.

The Greening Corporate Fleets consultation and the CO₂ standards Regulations should recognise the benefits of CO₂ neutral fuels.

The CO₂ standards for cars and vans [Regulation (EU) 2023/851, Recital 11] task the EC with making a proposal "for registering after 2035 vehicles running exclusively on CO₂ neutral fuels [...] in conformity with the Union's climate-neutrality objective". The CO₂ standards for heavy-duty vehicles [Regulation (EU) 2024/1610, Recital 17] task the EC with developing such a methodology by 26 June 2025. In addition, the CO₂ standards for heavy-duty vehicles [Regulation (EU) 2024/1610, Art.15] require the EC to assess the role of sustainable renewable fuels in the transition to climate neutrality by 31 December 2025. Finally, the EC is to assess the role of a carbon correction factor mechanism to recognise the benefits of renewable and low-carbon fuels during the 2027 review. In line with the provisions of the CO₂ standards Regulations, we believe that additional initiatives to support the decarbonization of the road transport sector such as the Greening Corporate Fleets consultation should also consider the benefits of renewable and low carbon fuels that comply with the Renewable Energy Directive [Directive (EU) 2023/2413] or the Hydrogen and Decarbonised Gas Market Package sustainability criteria.

Gaseous fuels such as biomethane can contribute to achieving climate neutrality in the road transport sector. European Regulation should ensure a level playing field between available technologies.

¹ European Commission, [Greening Corporate Fleets](#), 2024.

June 2024

European transport regulation should consider the GHG footprint of fuels on a well-to-wheel basis, accounting for the emissions during the production, transportation and combustion phases. If battery electric and hydrogen vehicles have near zero-emission at the tailpipe, biomethane can achieve below zero-emission from a well-to-wheel perspective. In addition, the Renewable Energy Directive and Hydrogen and Decarbonised Gas Market Package regulate the feedstocks to produce such fuels as well as their sustainability criteria. For these reasons, Eurogas advocates for a well-to-wheel accounting of GHG emissions of transport fuels. A well-to-wheel approach is in line with the FuelEU Maritime Regulation [Regulation (EU) 2023/1805] as well as the Commission's CountEmissions EU initiative². Such an approach would enable to recognise the GHG effects of the energy used in different powertrains in a holistic way and to achieve the full decarbonisation potential of the transport sector.

Gaseous fuels solutions and technologies are readily available and competitive with conventional alternatives.

Renewable and low-carbon fuel technologies are readily available and already contribute to the decarbonisation of the road transport sector. In the heavy-duty transport segment, which is largely dominated by corporate fleets of small and medium enterprises, vehicles running on CNG, LNG and their bio or electricity-based counterparts can achieve similar operational conditions to conventional vehicles. This is especially relevant for fleets which require to carry heavy payloads over longer distances with short breaks or refuelling times. Finally, the Total Cost of Ownership of vehicles running on biomethane is comparable with diesel and battery electric alternatives³. European regulation should empower corporate fleet owners to choose from the best available alternatives for decarbonisation of the road transport sector.

Supporting measures play a key role in the development of alternative fuels and should be prioritised above mandates.

Enabling measures, such as funding, fiscal incentives, fuel supply and availability of recharging or refuelling infrastructure play a key role in the uptake of alternative transport fuels. In the case of LNG, European funding under the LNG Blue Corridors project has boosted the deployment of LNG refuelling stations across Europe⁴. In addition, the Alternative Fuels Infrastructure Regulation [Regulation (EU) 2023/1804] foresees targets for the development of the LNG refuelling infrastructure. LNG infrastructure can easily be used with bio- or electricity-based alternatives. Forty stations across the EU already offer 100% bio-LNG refuelling services, while more than 1160 CNG stations offer such service today⁵.

However, other European initiatives hinder the uptake of renewable and low carbon fuels in transport. For instance, the Weights and Dimensions⁶ proposal creates competitive advantages for zero-emission heavy-duty vehicles by enabling them to carry heavier payloads than other alternatively fuelled counterparts. It is essential to ensure that the Greening Corporate Fleets consultation and potential initiative guarantees a level playing field between available technologies and supports the decarbonisation of road transport while maintaining the competitiveness of the European economy.

² European Commission, [Count your transport emissions – 'CountEmissions EU'](#), 2021.

³ ERIG, [Renewable long-haul road transport considering technology improvements and European infrastructure](#), 2023.

⁴ European Commission, [LNG Blue Corridors](#), 2017.

⁵ NGVA, [Stations map](#), 2024.

⁶ European Commission, [Weights and Dimensions](#), 2023.