

Council of the European Union



BACKGROUND¹ Brussels, 8 December 2021

Transport, Telecommunications and Energy Council (Transport) Brussels, 9 December 2021

Chair: Jernej Vrtovec, Slovenian Minister for Infrastructure

The meeting will start at 9.30.

The Council will take note of a progress report on overall progress on the **Fit for 55 package** of legislative proposals in different Council configurations.

Ministers will then take note of progress and hold a policy debate on the three **Fit for 55** proposals in the area of **transport**, aimed at

- ensuring a level playing field for **sustainable air transport** (ReFuelEU Aviation)
- promoting the use of **renewable and low-carbon fuels in maritime transport** (FuelEU Maritime)
- supporting the deployment of alternative fuels infrastructure (AFIR).

Each proposal will be discussed separately.

Under **any other business**, the presidency will brief ministers on the state of play of revised rules for the use of **hired vehicles** for the carriage of goods by road, the European air traffic management reform known as the **Single European Sky**, and the draft decision on the implementation of the **offsetting notification** under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) for EU-based aircraft operators.

All the above items will be taken in public session.

Also under any other business, the Belgian delegation will provide information on 'New trends in road freight transport: the inflation of the number of driver attestations for third-country drivers - a challenge for social conditions and modal shift'. The Cyprus delegation will provide an update on the issue of air connectivity. The Commission will brief ministers on the topics of Passenger Locator Forms and transport workers.

As the last item, the incoming French presidency will present its work programme for the first half of 2022.

Over lunch, ministers will discuss the transport sector's contribution to the green transition.

Online press briefing ahead of the Council meeting: 8 December at 13.30

Press conference: at the end of the Council meeting, +/-17.45.

¹ This note has been drawn up under the responsibility of the Press Office.

<u>Transport, Telecommunications and Energy Council (Transport) meeting page</u> <u>Press conferences and public events by video streaming</u> Video coverage in broadcast quality (MPEG4) and photo gallery

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Overview of the Fit for 55 package

The Council will take note of overall progress on the **Fit for 55 package** of legislative proposals in different Council configurations (progress report: <u>13977/21</u>).

The Commission presented the Fit for 55 package in July 2021. The package of legislative proposals and initiatives aims to align the EU's climate and energy policy framework with its target of reducing net greenhouse gas emissions by at least 55% by 2030 compared to 1990, and to put it on track to meet its objective of becoming climate neutral by 2050.

In order to reach its 2050 climate neutrality goal, the EU must cut its transport emissions by about 90%, and the three Fit for 55 proposals in the area of transport – ReFuelEU Aviation, alternative fuels infrastructure and FuelEU Maritime – are expected to play a significant role in this.

Ministers will have their first formal discussion on each of the Fit for 55 transport proposals at the Transport Council meeting.

Fit for 55 (background information)

Sustainable air transport

The Council will take note of progress and hold a policy debate on a proposal aimed at ensuring a **level playing field for sustainable air transport** (**ReFuelEU Aviation**) (progress report / policy debate document: <u>13853/21</u>).

The main objective of the proposal (<u>10884/21</u>) is to increase both demand for and supply of sustainable aviation fuels (SAFs), including synthetic aviation fuels, while ensuring a level playing field across the EU air transport market.

In particular, it aims to

- lay down requirements for the uplift of sustainable aviation fuel and synthetic aviation fuel starting from 2025, with a gradual increase until 2050
- establish a transitional period allowing fuel suppliers to reach the targets as a weighted average across the EU
- implement anti-tankering measures
- lay down reporting obligations for fuel suppliers and aircraft operators

The proposal has been discussed extensively in the Aviation working party. Based on these discussions, the presidency has reached the conclusion that member states largely support the objectives of the proposal but hold different positions on two main issues, which are the level and timing of the mandates laid down in the regulation, and the definition of sustainable aviation fuels, which determines the fuels covered by these rules. In addition, a number of other issues require further work.

During the Council's policy debate, ministers are invited to share their views on the following aspects of the proposal:

- the adequacy of the level of the blending mandates proposed by the Commission in achieving EU climate targets
- whether the Commission's approach regarding which fuels should be eligible to be classified as sustainable aviation fuels is sufficient to match the level of ambition for SAFs across the EU, while ensuring environmental integrity and the competitiveness of EU operators

The ministers' debate will guide further work on the proposal.

The European Parliament has not yet adopted its position on the proposal.

Clean and sustainable mobility for a climate neutral EU (background information)

Renewable and low-carbon fuels in maritime transport

The Council will take note of progress and hold a policy debate on a proposal to promote the **use of renewable and low-carbon fuels in maritime transport (FuelEU Maritime)** (progress report / policy debate document: <u>13897/21</u>).

The main objective of the proposal (<u>10327/21</u>) is to increase the demand for and consistent use of renewable and low-carbon fuels in the maritime sector, while ensuring the smooth operation of maritime traffic and avoiding distortions in the internal market.

In particular, the proposal

- sets reduction targets for the greenhouse gas intensity of energy used on board by ships
- lays down requirements for the use of on-shore power supply or zero-emission energy at berth for ships, applicable as of 2030
- establishes the principles on counting biofuels, biogas, renewable fuels of non-biological origin and recycled carbon fuels within the greenhouse gas intensity reduction targets
- establishes the FuelEU certificate of compliance and the obligation for ships to carry it
- introduces monitoring, reporting, verification, inspection and enforcement procedures, as well as penalties for non-compliance

The work carried out in the Council's Shipping working party has shown that while the member states largely agree with most of the objectives of the draft regulation, they need more time to examine it properly. Further work is therefore necessary in order to make substantial progress on this proposal.

To guide further discussions, the presidency would like to hear the ministers' views on the following aspects of the proposal:

- the way the two main measures regarding the limit on the yearly greenhouse gas intensity of the energy used on board by a ship and the use of on-shore power supply or zeroemission energy at berth – are constructed, including the international dimension and implications
- the overall governance for applying and enforcing the proposed regulation (e.g. monitoring and reporting activities, verification procedures, penalties, etc.)

The European Parliament has not yet adopted its position on the proposal.

Clean and sustainable mobility for a climate neutral EU (background information)

Alternative fuels infrastructure

The Council will take note of progress and hold a policy debate on a draft regulation on the **deployment of alternative fuels infrastructure** (AFIR) (progress report / policy debate document: <u>13896/21</u>).

The objective of the proposal (<u>10877/21</u>) is to support EU-wide deployment of publicly accessible recharging and refuelling infrastructure for alternative fuels in road transport, aviation and the waterborne sector.

In particular, the proposal aims to:

- ensure that there is a sufficient infrastructure network for the (re)charging or (re)fuelling of road vehicles or vessels using alternative fuels
- provide alternatives to the use of on-board engines (powered by fossil fuels) for vessels at berth or stationary aircraft
- ensure the full interoperability and user-friendliness of the infrastructure

The Council's working party on intermodal questions and networks has thoroughly analysed the proposal, and the discussions have shown broad support for the objectives and approach of the proposal. However, further work is still needed, in particular on the specific circumstances in member states – specifically those relating to traffic density and geographical coverage, the level of ambition for each mode of transport, requirements for payment services, and the national policy frameworks and how to ensure the added value of reporting on these plans.

In order to guide further work on the proposal, the presidency is asking the ministers to share their views on the following questions in particular:

- How do they see the phase-in and market uptake of heavy-duty vehicles powered by alternative fuels?
- How do they envisage following the progress made in the implementation of public and private infrastructure for recharging and refuelling of heavy-duty road vehicles?
- Are there any specific incentives or measures that they think could help facilitate a faster integration of alternatively powered heavy-duty road vehicles in day-to-day business, and that could therefore contribute to the extra effort required to reach the intermediary target for reducing greenhouse gas emissions by 2030?

The European Parliament has not yet adopted its position on the proposal.

Clean and sustainable mobility for a climate neutral EU (background information)

Any other business

- Current legislative proposals
 - i) Directive amending directive 2006/1/EC on the use of hired vehicles
 - ii) Regulations on Single European Sky 2 +
 - iii) Decision as regards the notification of offsetting in respect of a global market-based measure for aircraft operators based in the Union

Information from the presidency on the state of play

• New trends in road freight transport: the inflation of the number of driver attestations for third-country drivers - a challenge for social conditions and modal shift

Information from the Belgian delegation (14208/21)

- Air connectivity the way forward
 Information from the Cyprus delegation (<u>14644/1/21 REV 1</u>)
- Passenger Locator Forms and transport workers Information from the Commission (<u>14645/21</u>)
- Work programme of the incoming presidency Information from the French delegation