

Zemo Partnership NEWS

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Stakeholders agree on increasing role of low carbon fuels in Net Zero transport strategy

Today, low carbon fuels contribute a third of all carbon savings from road transport. As electrification ramps up in specific transport sectors, the long-term role and strategy for these fuels will change. During a widespread stakeholder engagement process to help shape that strategy, there was a clear desire to increase the contribution of decarbonised fuel to ensure that carbon savings are achieved as early as possible.

Over a hundred organisations from 13 different stakeholder groups have provided input through a series of 28 workshops, supported by Zemo Partnership, to inform the Department for Transport's emerging strategy for low carbon fuels.

The Government's 2021 Transport Decarbonisation Plan recognised the need to maximise the benefits of renewable, low carbon fuels, setting out commitments to develop a strategy for low carbon fuels to 2050 and to send a clear signal about the Government's vision for the sector.

The Renewable Transport Fuel Obligation (RTFO) is, currently, the key measure to incentivise the supply of low carbon fuels. The RTFO has set a target to supply 14.6% renewable fuel in transport by 2032.

Stakeholders say that both liquid and gaseous low carbon fuels in higher blends than are incentivised through the RTFO can play a key role in decarbonising road, as well as aviation and shipping, but more certainty is needed about the Government's plans to enable industry and investors to fully seize the opportunity.

Agreeing common standards for ensuring low carbon fuels' sustainability performance is vital, as is clarifying other risks and opportunities. Clear comparisons of the life cycle emissions of competing fuel options are needed to ensure the correct policy choices.

Participants noted that early reductions in greenhouse gas emissions are essential to pave the way to zero emission transport in the long term, and that low carbon fuels have the potential to deliver these. However, urgent action is required to scale up low carbon fuel adoption, with key opportunities in areas such as harder-to-electrify long-haul HGVs.

Zemo Partnership's report on the stakeholder engagement process to inform DfT's future low carbon fuels strategy development can be found here.

NOTES TO EDITORS

Fuels supplied at service stations in the UK have average renewable fuel content of 6%, as required under the RTFO. Zemo Partnership's Renewable Fuels Assurance scheme specifically focuses on the higher blend (15%+) renewable fuels market, providing bulk supplies for depot-based fleets and public biomethane refuelling stations.

Zemo Partnership (<u>www.zemo.org.uk</u>) was established in 2003 as a public-private partnership working to accelerate a sustainable shift to lower carbon vehicles and fuels and create opportunities for UK businesses. Around 240 organisations are engaged from diverse backgrounds, including automotive and fuel supply chains, government, vehicle users, academics, environment groups and others.

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For further information, please contact:

Neil Wallis, Head of Communications. neil.wallis@zemo.org.uk M: 07974 255720