Zemo Partnership

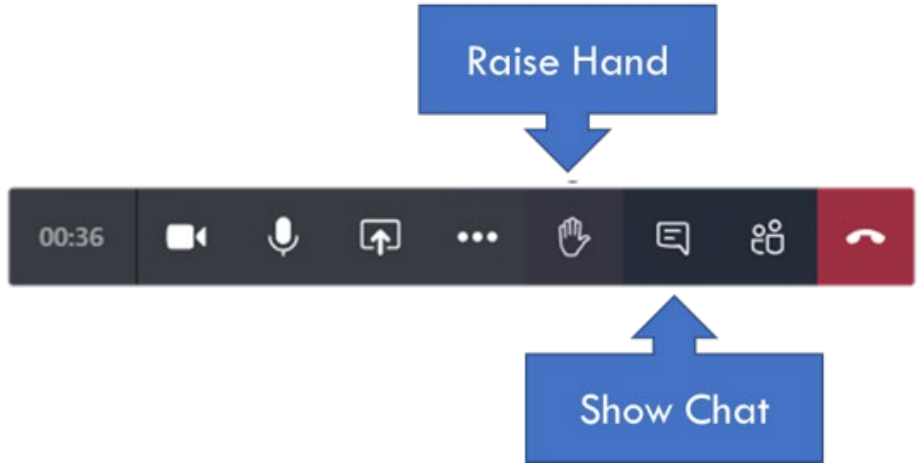
Accelerating Transport to Zero Emissions

Fuels Working Group Meeting

22nd May 2025

Meeting Etiquette

- Other than presenters, we request that webcams be switched off to save bandwidth for those with less stable broadband connections.
- Mics will be muted while the main presenter talks, but there will be regular dedicated breaks to allow for comments and questions.
- If you do have a question, type it using the chat feature and the presenter/moderator will be able to read your comment and respond accordingly.
- Alternatively, please use the raise hand feature to make it known to the moderator, who will then invite you to unmute your mic.
- **Meeting will be recorded** to assist the secretariat with minute taking only. Recording will not be shared.



Competition Law Statement

Commercial decisions must be taken independently by individual companies.

All participants must be aware that exchange of commercially sensitive information or intimation of intended commercial decisions, directly or indirectly, can result in competition law infringement.

Member conduct at meetings and teleconferences:

There must be no communication of the following information:

- Individual company or industry prices, including differentials, discounts, rebates, allowances, price levels or changes, mark-ups, terms of sale and credit terms.
- Company plans as regards development, design, production, distribution or marketing of products/services, divestments, closures or expansion.
- Rates for production or transportation of products.
- Bids for contracts or procedures for responding to bid invitations.
- Matters relating to individual suppliers and customers/potential customers, progress on negotiations or content of negotiations.

If at any point during a meeting discussion appears to be breaching policy guidelines, the Chair or a participant should immediately raise their concern and close the discussion.

Agenda

10:00 - Arrival

Welcome

- Minutes and Matters Arising

Government Policy Update

- DfT

Fuels Programmes 2025/26

- Sustainable Business Update, Zemo
- Freight Needs, Logistics UK
- Decarbonising CV in Wales, Zemo

11:00 - Coffee Break (5 mins)

Map of Missing Policies

- Deep dive into Sustainable Fuels

Future Role of Working Group

- How the Working Group should evolve

Member's Roundtable

12:30 - End

Minutes and Matters Arising

September 2024 Actions	Response	Status
Incorporation of the Big Ideas into the Delivery Roadmap.	Published in December 2024. (Full Report)	Complete
Development of Zemo Work Programme for 2025/26	High level work programme. (2025 Work Programme) Detailed work programme to be developed from Map of Missing Policies.	On-going

Fuels Working Group Roles

The Chair and all representative roles are currently vacant for the Fuels Working Group.

The purpose of these roles is to represent the views of the Working Group on the Members Council. The Members Council meets quarterly; reviews cross cutting issues and oversees the Zemo work programme.

- Chair – Vacant
- Representative 1 – Vacant
- Representative 2 – Vacant
- Representative 3 – Vacant

If you would like to know more about the roles and the commitment contact members@zemo.org.uk.

Zemo Partnership – Acting Managing Director

Zemo (LowCVP) has been working to decarbonise transport since 2003.

We're changing to meet new challenges.

- Mission remains unchanged
- Evidence based, technology neutral
- Supporting Government in policy formation
- Working with members
- Evolving situation – pivot to delivery
- Engaging senior decision makers
- Policy support – Across UK and its regions
- Major project funding – Making a difference
- Accreditation schemes – supporting the market

Department for Transport

RTFO Call for Evidence and Statutory Review update

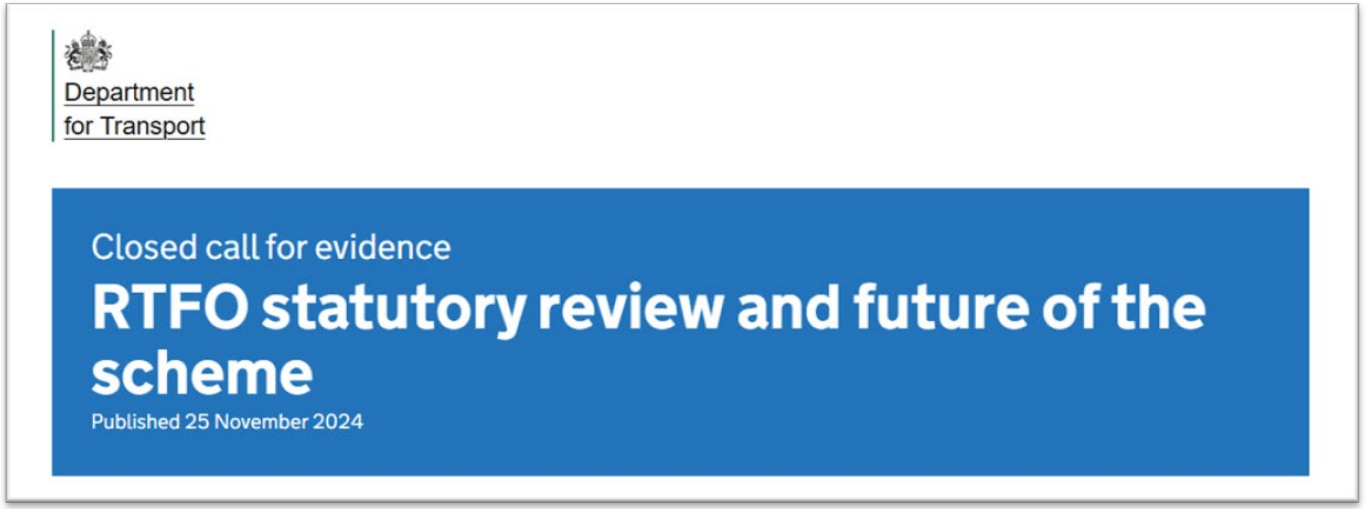
Tim Simon

RTFO Call for Evidence summary

Call for evidence – was open to responses between **25 November and 27 January.**

Provided an **opportunity to review past performance** of the scheme and **consider how it can best adapt** to support future of surface transport decarbonisation.

Interest from stakeholders across the spectrum **- fuel producers and suppliers** but also wider interest from sectors including **maritime, aviation, electric vehicles and members of the public.**



RTFO Call for Evidence summary

Received over 130 responses in total

Broad range of opinions provided on almost every subject

Core areas were:

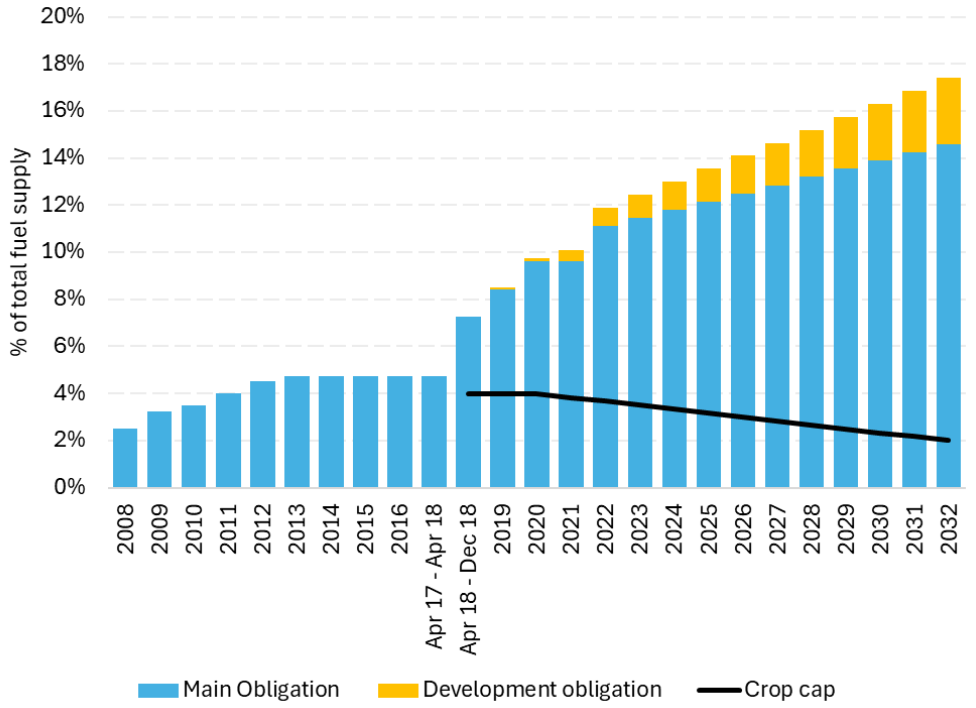
- Main obligation targets
- Scheme mechanism
- Wastes and Crops
- Development Fuel Obligation

We have pulled out some key themes that have emerged, which we'll summarise today

Future Targets

Clear call from those involved in UK LCF sector for higher RTFO targets.

Any increase to targets would need to consider potential costs and availability of additional feedstocks.



Previous work e.g DESNZ Biomass Strategy and SAF Mandate analysis indicated potential constraints over availability of sustainable wastes – the UK is currently receiving a high proportion. **Can this continue?**

We note there is optimism in the sector that there is feedstock available for higher targets – **but how can we ensure sustainability and mitigate fraud risks?**

RTFO reward mechansim

Responses showed there is debate around how to reward fuels and the pros and cons of wastes / crops under the RTFO.

To date, double counting within a volume-based scheme has encouraged supply of wastes, diversified feedstocks and limited supply of crop biodiesel with highest ILUC risks.

E10 introduction helped support crop ethanol supply, associated with lower ILUC risk,

Whilst there is some stakeholder support for moving towards a GHG type scheme also concerns for the impact on **waste-based biodiesel** if it encouraged crop biodiesel supply.

Can a GHG scheme be delivered in a way that mitigates these impacts?

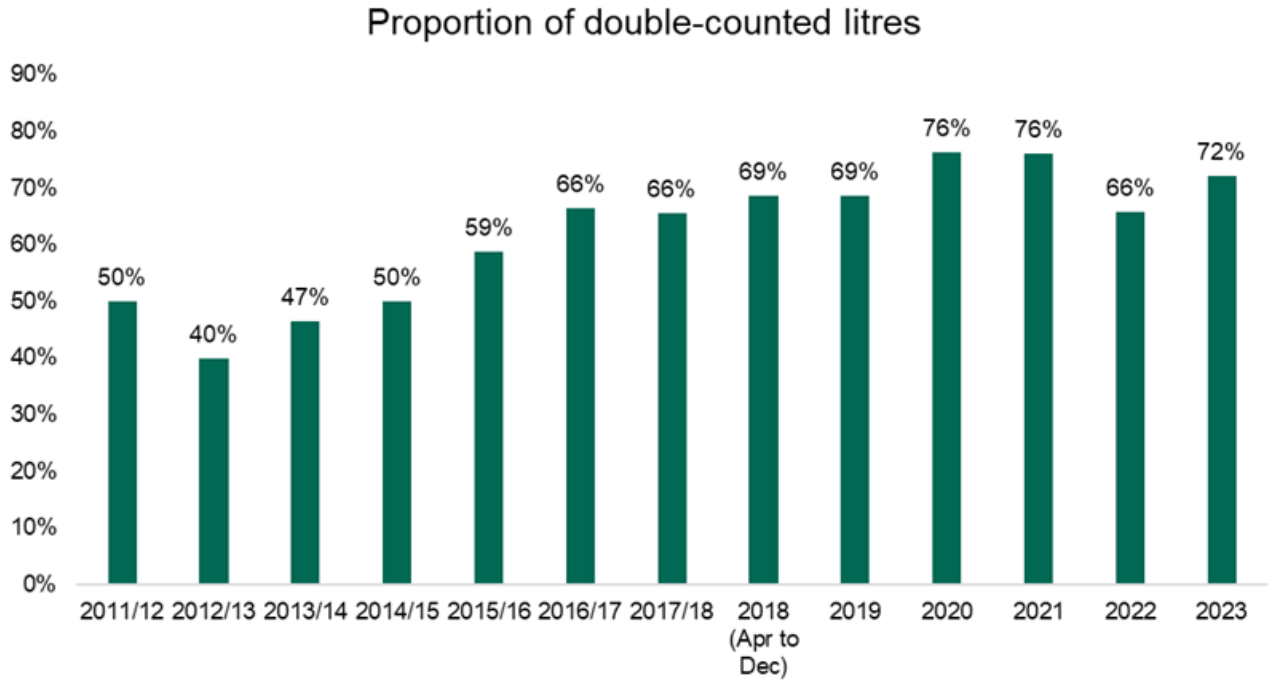
Wastes / crops challenges

Current approach is simple – which has been one of its strengths.

Treating individual feedstocks, or different fuel types differently could be argued to be discriminatory and challenged.

Simplicity of all crop fuels treated one way, with all waste-based fuels treated another is robust in that regard.

Policy has driven increased use of wastes – largely biodiesel – but recently increased double counting ethanol.



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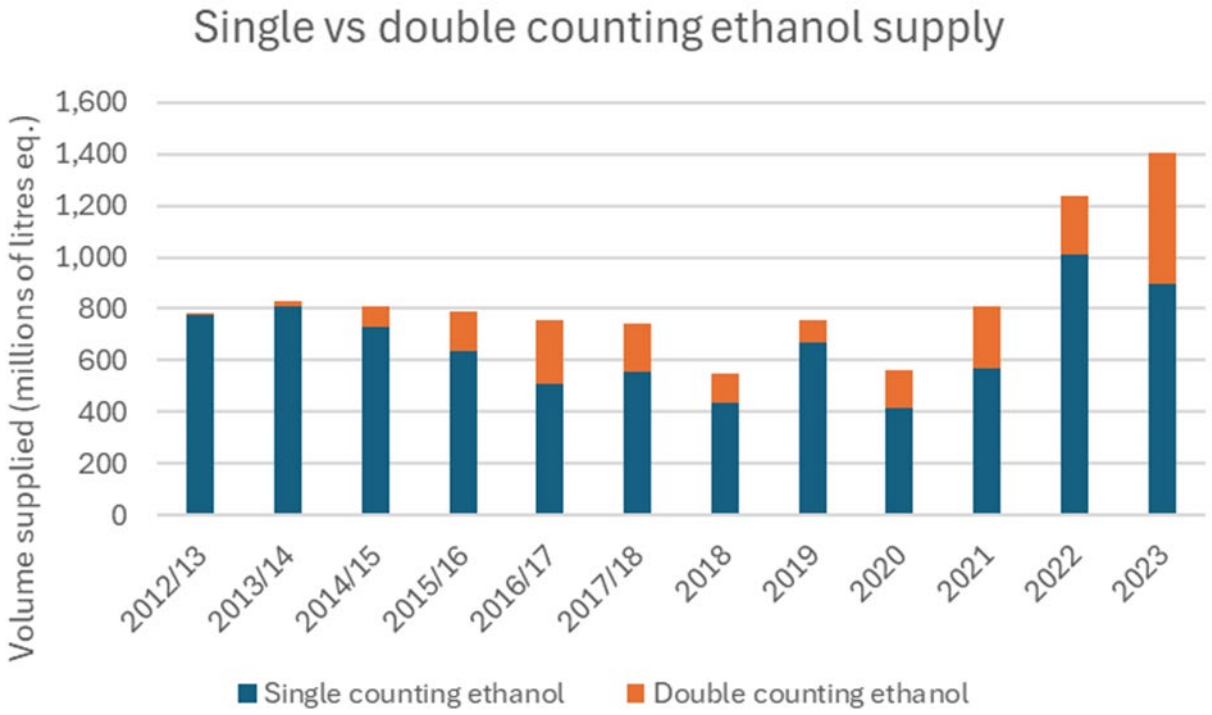
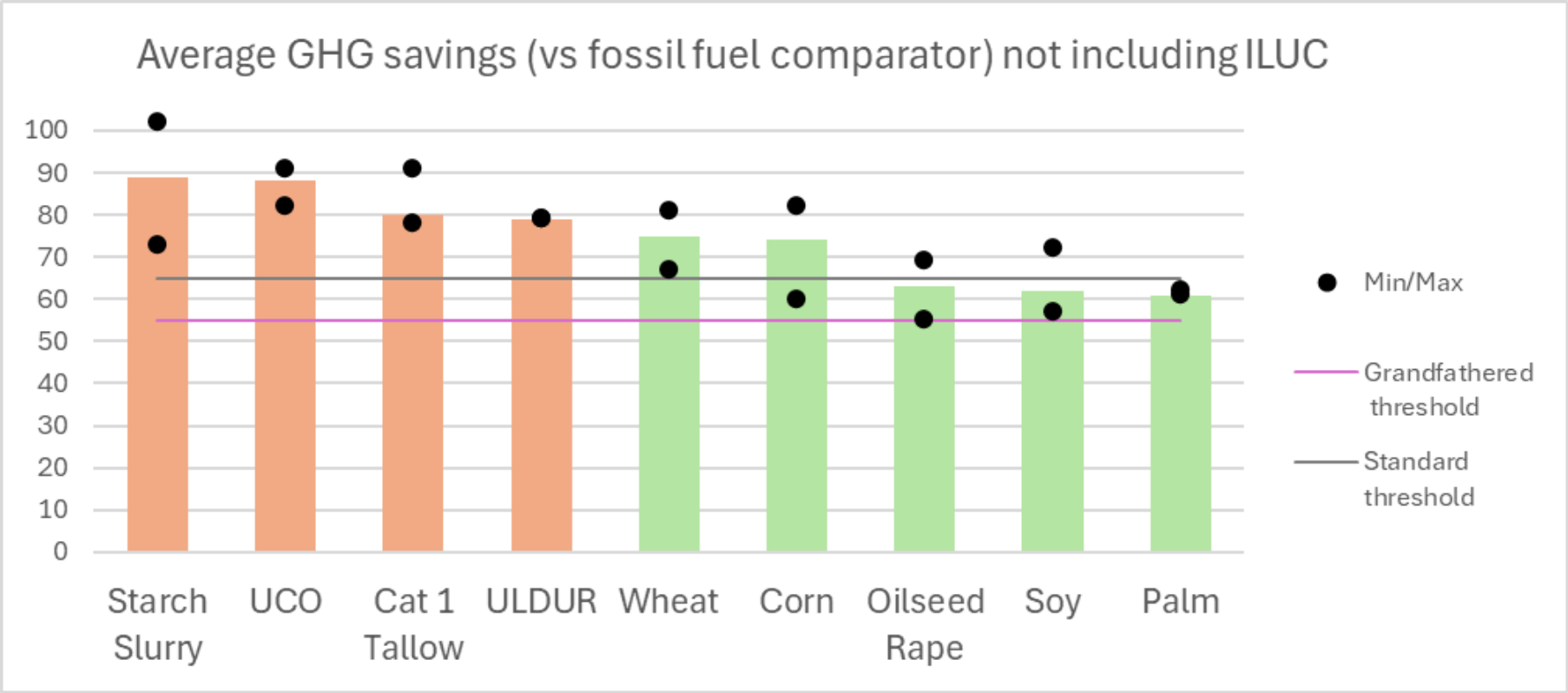


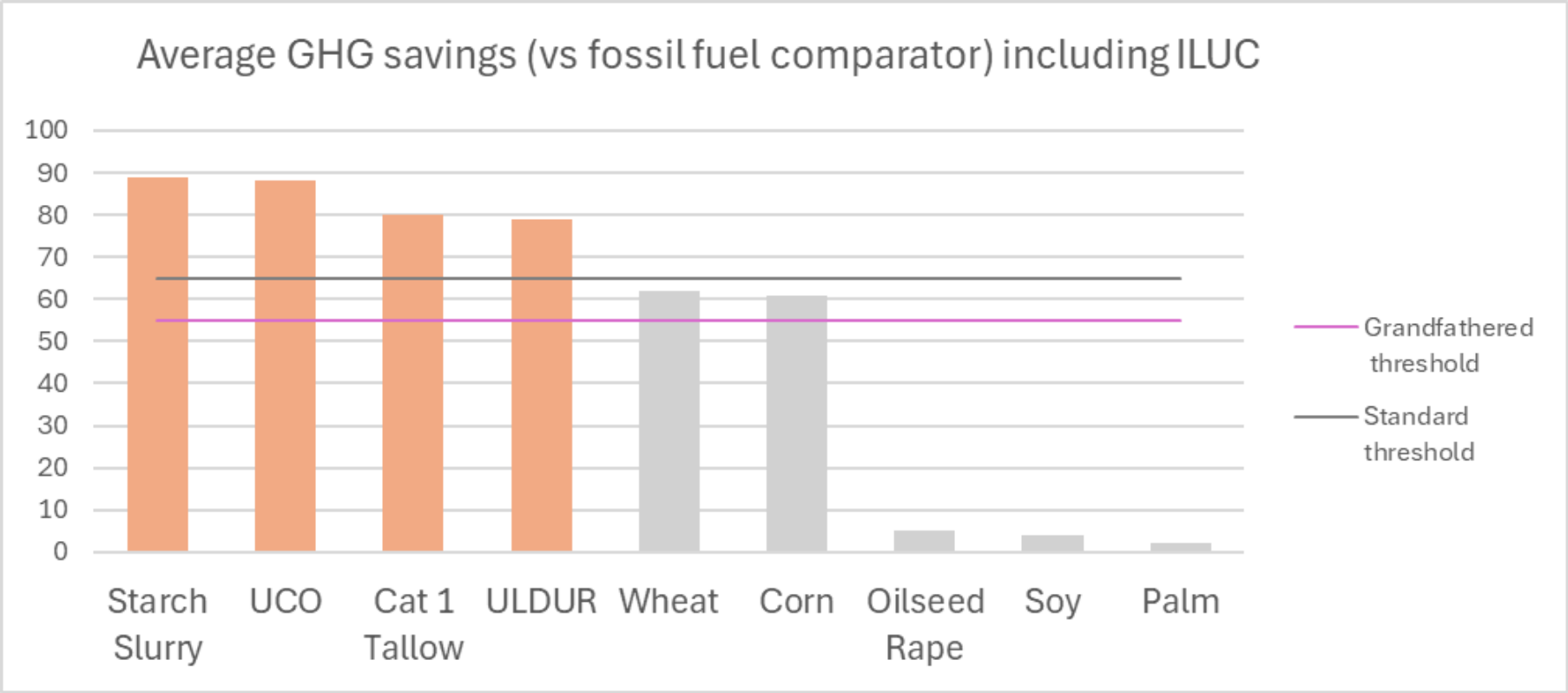
GHG performance of different fuels / feedstocks



Operational date of biofuel production plant	GHG threshold (minimum saving)
Pre 5 Oct 2015 (grandfathered)	55%
Post 5 Oct 2015	65%

Data from 2023 final RTFO statistics - https://www.gov.uk/government/statistics/renewable-fuel-statistics-2023-final-report

GHG performance of different fuels / feedstocks



RTFO ILUC values (gCO2/MJ)	
Cereal crops	12
Sugar crops	13
Oil crops	55

Data from 2023 final RTFO statistics - https://www.gov.uk/government/statistics/renewable-fuel-statistics-2023-final-report

ILUC study results show large range in findings

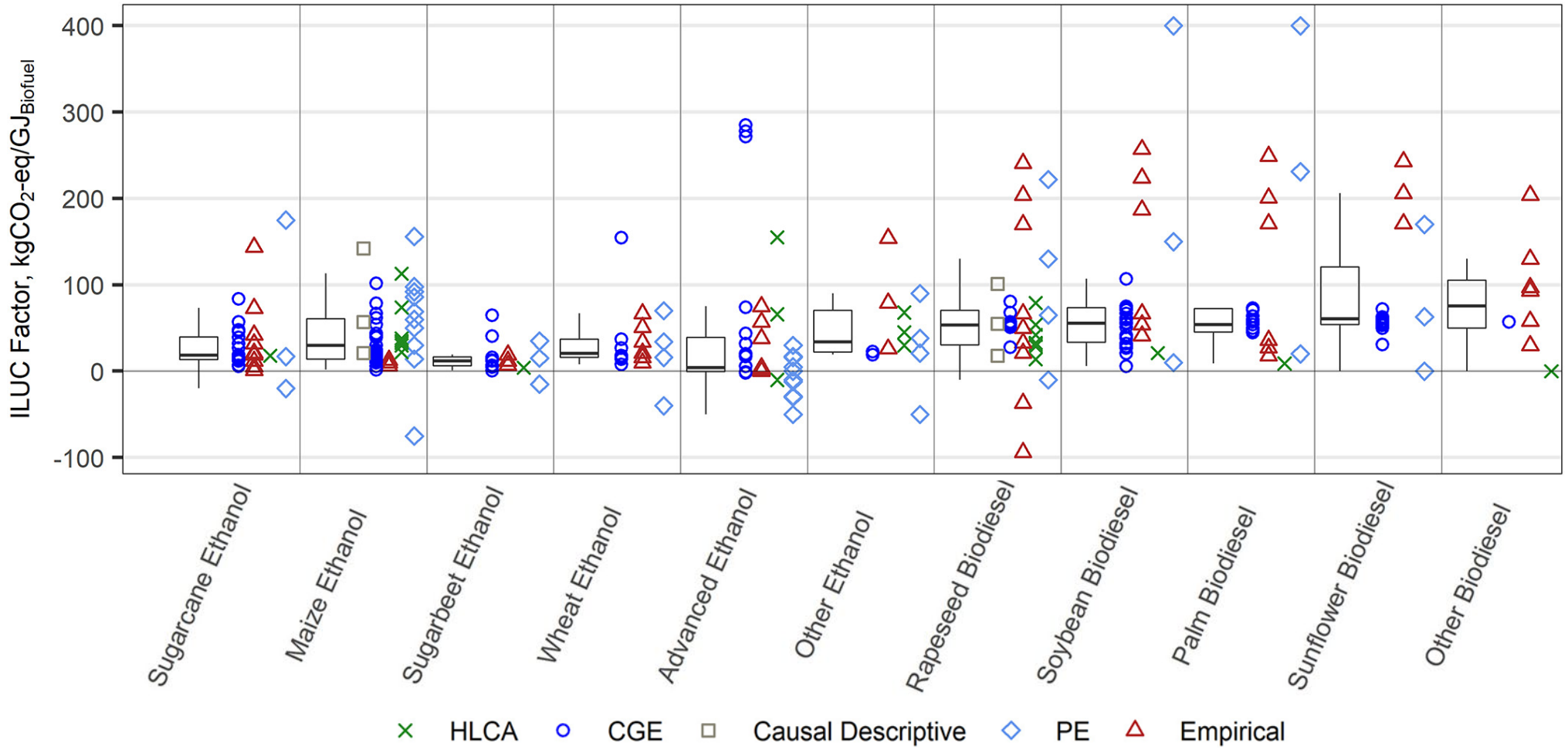
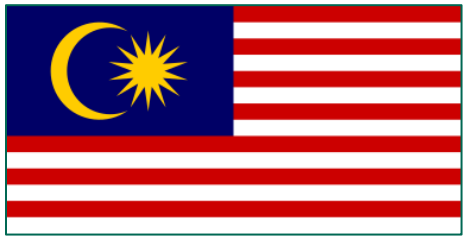


Chart shows results from 31 studies, grouped into study type.
(source [Progress and barriers in understanding and preventing indirect land-use change - Daioglou - 2020 - Biofuels, Bioproducts and Biorefining - Wiley Online Library](#))

Recent WTO ILUC case

Key recent cases are the WTO disputes between EU and Malaysia and Indonesia (DS593/DS600).



Challenged EU classification of palm oil as “high ILUC risk” and therefore ineligible towards meeting RED targets.

WTO found that principle of ILUC concerns dictating policy had merit, **but**

- ILUC figures not updated or arrived at transparently
- Not clear that discrimination had a single regulatory objective

No updates on how EU intends to address the points raised in WTO report.

Summary

Targets

Need to be confident that any changes to targets are achievable and sustainable.

Mechanism and reward

GHG schemes that allow crop biofuels risk incentivising fuels associated with higher ILUC concerns.

Mitigating those issues is not straight forward.

Next steps

We're reviewing responses and plan to publish the statutory review and summary of responses later this spring.

Further work over the summer to develop the evidence base for future RTFO policy.

Keen to stay engaged with industry through this process to address the issues noted above.

Sustainable Fuels Programmes

Zemo Partnership

Accelerating Transport to Zero Emissions

Fuels Working Group

Sustainable Business Update

22nd May 2025

RFAS & Market Monitoring

RFAS Update

Renewable Fuels Assurance Scheme

Zemo Partnership

53 approved companies. RFAS has extended into Spain, the Republic of Ireland, Germany and Austria.
Renewable fuels supplied: biomethane, biodiesel blends, renewable diesel (incl. HVO).

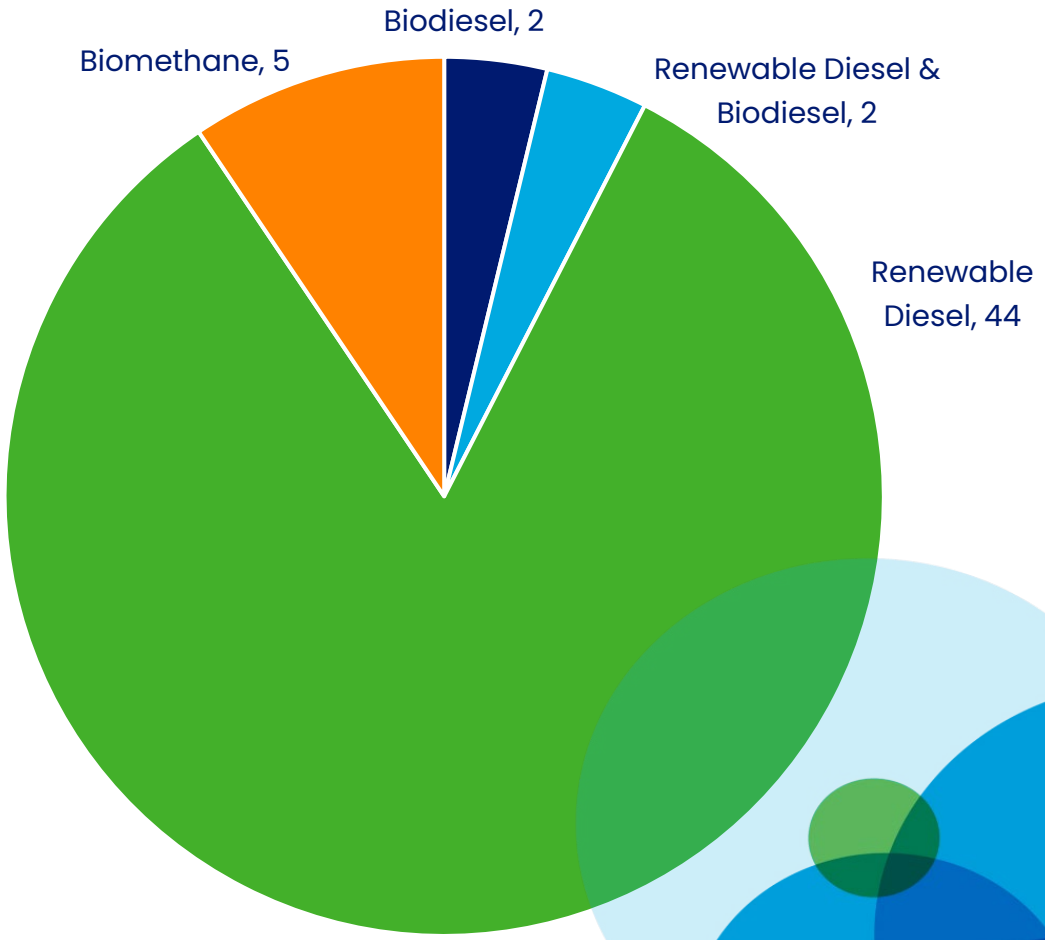
CNG Fuels
Argent Energy
Air Liquide
Greenergy
Phillips 66
JET
gasrec
Crown Oil Fuels and Lubricants
Beesley Fuels
Speedy Fuels & Lubricants
Nationwide Fuels
esl fuels
certas energy
Valero
WATSON
prema energy
OnBio
BWOC Liquid Fuel Solutions
Olew dros Gymru Oil4Wales
Highland Fuels
SYNTECH BIOFUEL
NEW ERA
BARTON PETROLEUM
FLO GAS Energy for Enterprise
645 Services Waste Oil & Industrial Services
ViGo bioenergy
WPGroup
AIRPORT ENERGY SERVICES Fuelling the future
bp
FORD FUELS
SUNBELT RENTALS
PRAX
AD FUEL OILS GROUP
OILFAST Fuel & Fleet Solutions Group
Portland Fuel Stability from Volatility
Vitol
johnston oils
Tria Green
MABANAFT
ESSAR ENERGY TRANSITION EET FUELS
CRAGGS energy
moorland fuels part of your landscape
yournrg Fuelling the Nation
SCOTTSFUELS Fuelling your business needs...
LISBURNFUELS Fuelling your business needs...
LORIMERFUELS Fueling your business needs...
LOCAL FUELS
Speedy Hire
COMPASS ENERGY

RFAS Update

Renewable Fuel Suppliers Update

- 53 renewable suppliers approved, predominantly fuel distributors, covering biodiesel, biomethane, and renewable diesel
- New approvals:
  - YourNRG
  - Scotts Fuels
  - Lisburn Fuels
  - Lorimer Fuels
  - Pricewatch T/A Local Fuels
  - Speedy Hire UK
  - Compass Energy
- 9 suppliers at application stage

https://www.zemo.org.uk/RFAS



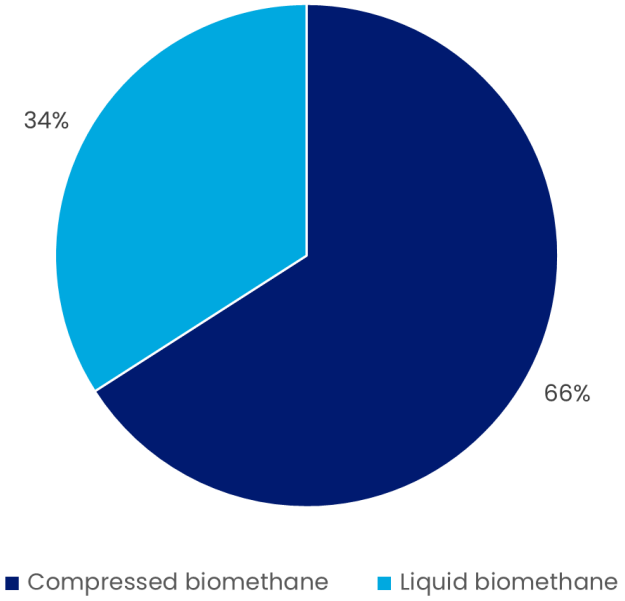
RFAS Market Monitoring Data (Q1-Q2 2024)

- 280m litres of low carbon liquid fuel (44% of which entered the road market) and 42m kg of biomethane (100% to road) were *declared* under the RFAS and supplied to circa 2,005 customers

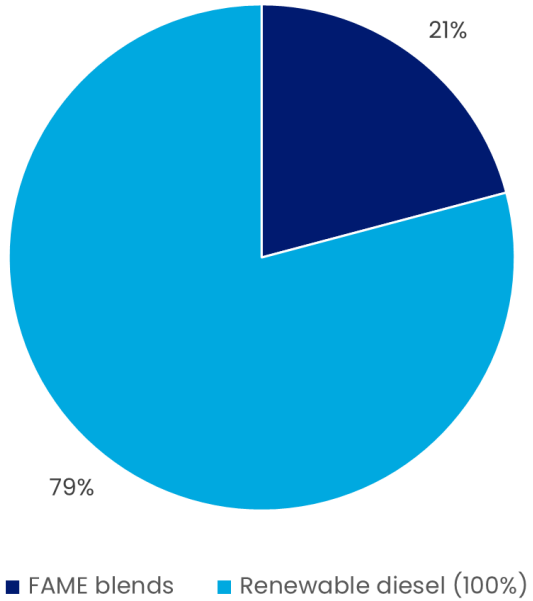
Note: for renewable diesel, some fuel may be declared at more than one point along the supply chain when sold to an RFAS approved distributor

- GHG savings for renewable diesel fuel supplied to the road fleet are estimated to be around 273,575 tCO_2e (compared to using an equivalent volume of B7 diesel, CNG, or LNG)

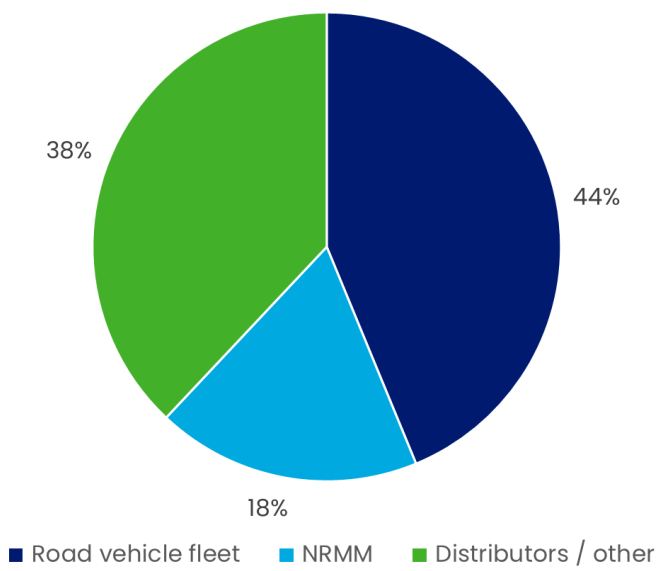
Biomethane declared under RFAS: Q1-Q2 2024



Renewable diesel declared under RFAS: Q1-Q2 2024



Renewable diesel declared under RFAS: Q1-Q2 2024
Volumes used for road vehicles and NRMM



RFAS Market Monitoring Data (Q1-Q2 2024)

- Zemo estimates GHG savings of ~ tCO2e (compared to using equivalent volumes of B7 diesel, CNG or LNG) in Q3 and Q4 2024

Renewable Fuel	Declared under RFAS[1]	Average GHG savings[2]	Estimated nº of buses	Estimated nº of HGVs[3]
Biomethane	42 million kg ↑12m	79% ↓ 9%	80 ↑31	1,887 ↑504
Renewable diesel (100%)	222 million litres ↑124m	83% ↓ 4%	0 –	5,369 ↑3,387
Renewable diesel blends (30 and 45%)	0 litres –	N/A	0 –	0 –
Biodiesel blends (B10 to B30 range)	58 million litres ↑26m	13% ↓ 6%	1,810 ↑962	2,986 ↑1,159

[1] Renewable diesel may be declared at more than one point along the supply chain when sold to an RFAS approved distributor

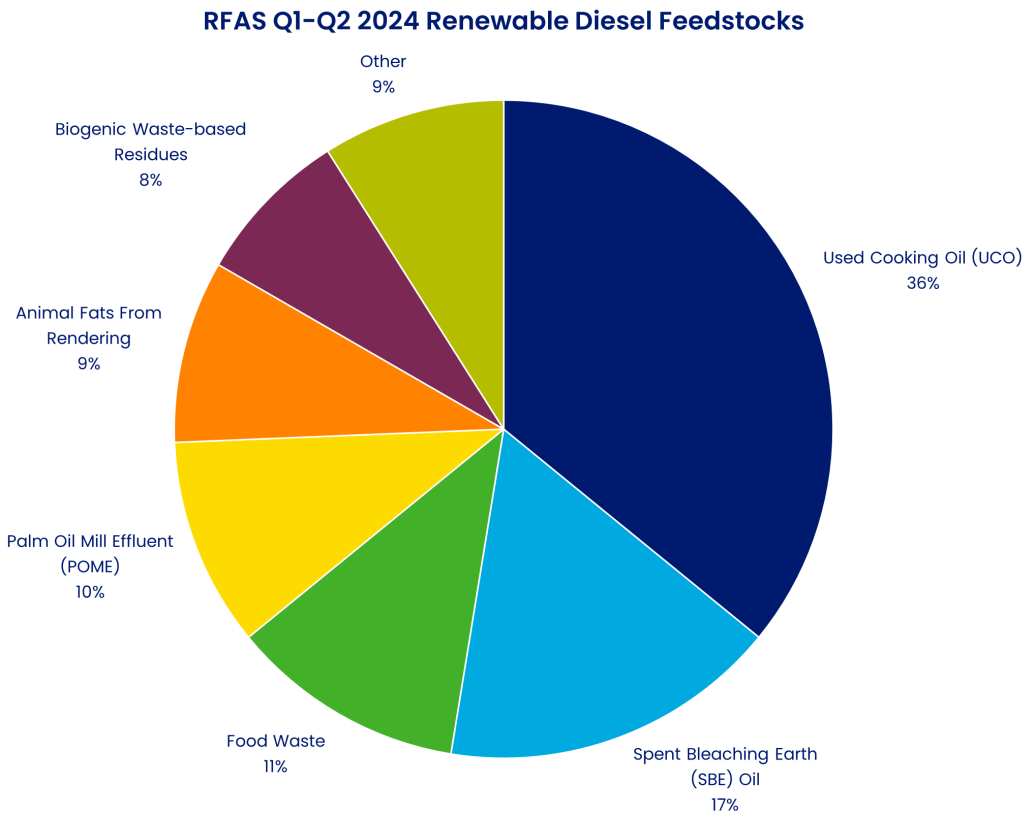
[2] GHG savings compared to RTFO fossil fuel comparator

[3] Assumptions: biomethane is used in long haul artic HGVs, renewable diesel and biodiesel are used in a mix of artic, medium, and small rigid HGVs

↑↓– Indicates change (upwards, downwards, or no change) from Q3-Q4 2023

RFAS Market Monitoring Data (Q1-Q2 2024)

Feedstocks – Renewable Diesel

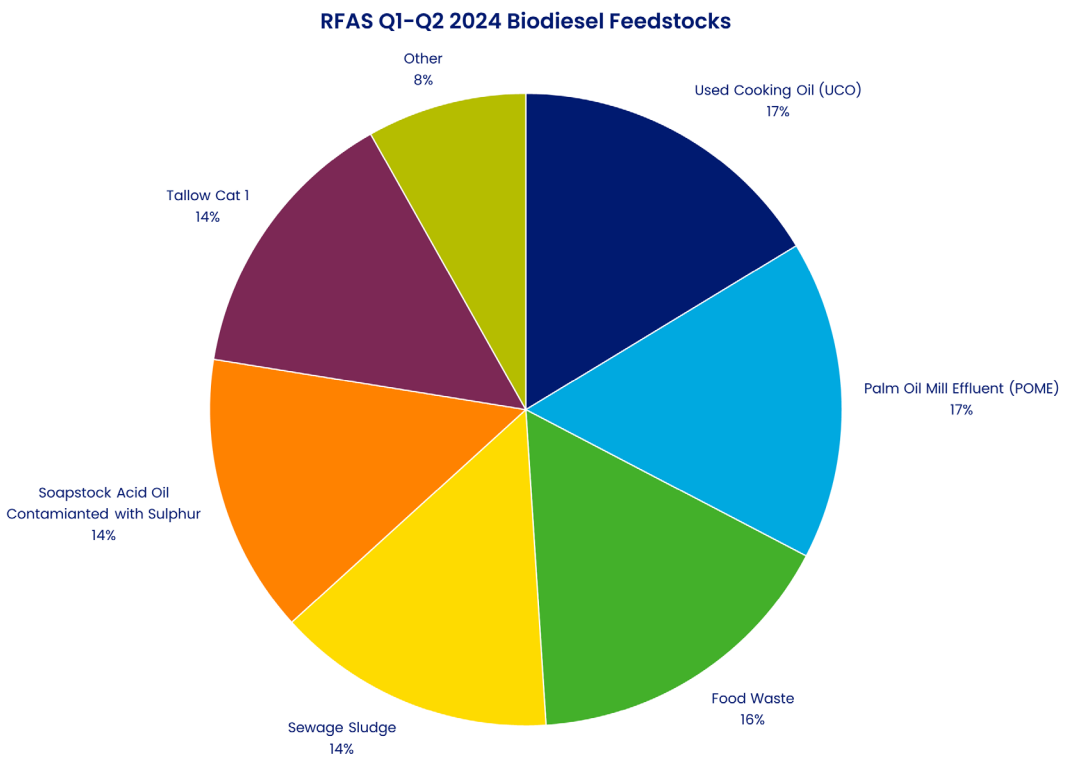


- UCO the most declared RFAS Renewable Diesel feedstocks in Q1-Q2 (36%), followed by spent bleaching earth oil (17%) and food waste (11%)
- Only 10% of RFAS declared renewable diesel feedstocks from palm oil mill effluent (POME)
- RTFO data indicates Used Cooking Oil (UCO) the predominant HVO feedstock reported (92%)
  - China is reported to be the primary UCO country of origin (90%), followed by small quantities (~1-3%) from Indonesia, Italy, and Vietnam
- RTFO data indicates only 1.8% HVO feedstocks are POME
  - POME country of origins are Indonesia (68%) and Malaysia (31%), with the rest from Japan.

Note: RTFO Statistics 2024 (Fourth Provisional) data tables based on data available as of 6th May 2025: https://www.gov.uk/government/statistical-data-sets/renewable-fuel-statistics-data-tables

RFAS Market Monitoring Data (Q1-Q2 2024)

Feedstocks – Biodiesel

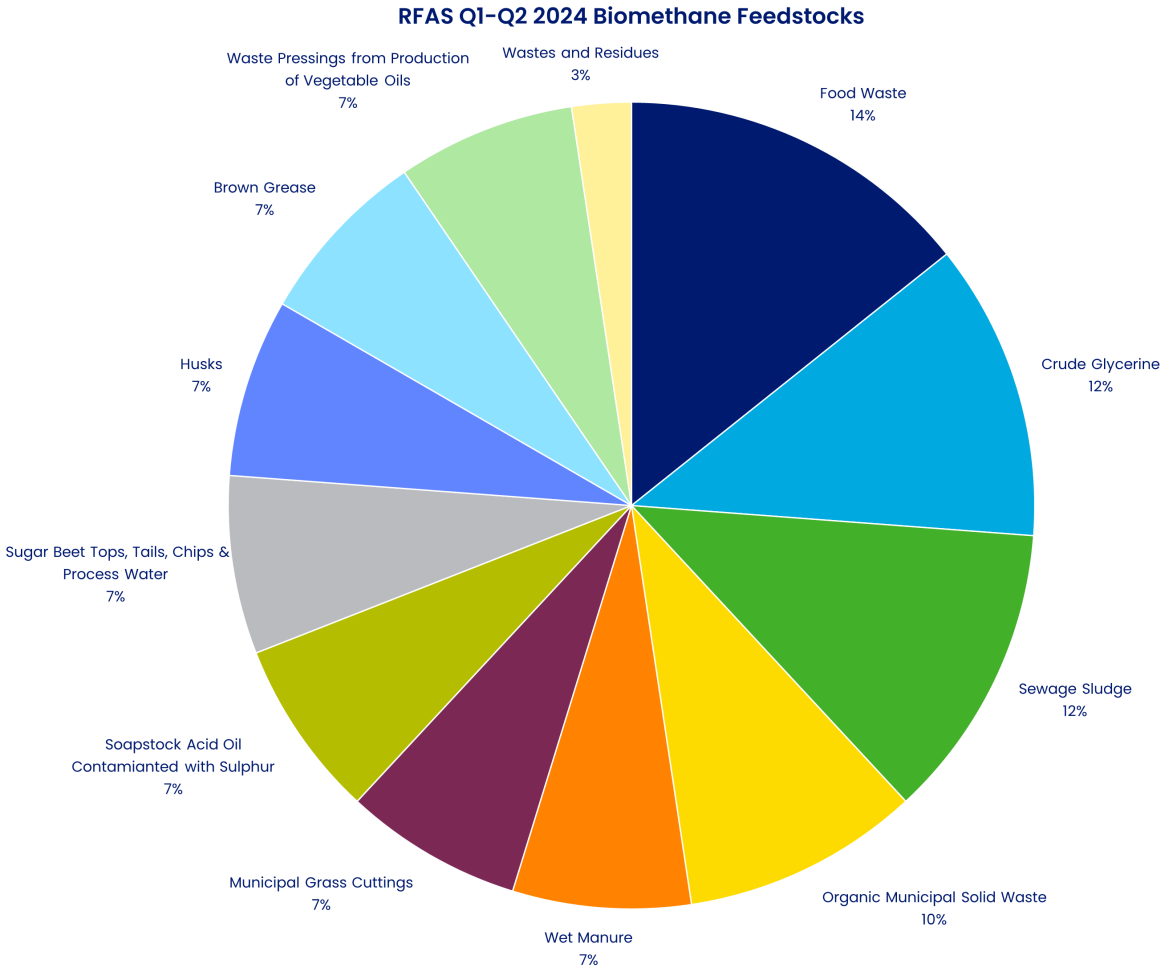


- UCO the most declared RFAS Renewable Diesel feedstocks in Q1-Q2 (17%), followed by POME (17%) and food waste (16%)
- RTFO data indicates Used Cooking Oil (UCO) the predominant biodiesel feedstock reported (82%)
  - China is reported to be the primary UCO country of origin (33%), followed by a variety of sources (e.g. between ~4-7% each from Taiwan, Ukraine, Poland, UK, and Malaysia)
- RTFO data indicates POME as the third most reported feedstock (4%)
  - POME country of origins are Indonesia (65%) and Malaysia (35%), with the rest from Ecuador, Guatemala, and Mexico.

Note: RTFO Statistics 2024 (Fourth Provisional) data tables based on data available as of 6th May 2025: https://www.gov.uk/government/statistical-data-sets/renewable-fuel-statistics-data-tables

RFAS Market Monitoring Data (Q1-Q2 2024)

Feedstocks – Biomethane



- Biomethane has varied (and sometimes novel) feedstocks, as shown in RFAS statistics
  - Food waste most reported (14%), followed closely by crude glycerin and sewage sludge (12% each), and organic municipal solid waste (10%)
- RTFO data lists 27 distinct feedstocks (no POME), with food waste most reported (35%), followed by organic municipal solid waste (17%) and sewage sludge (17%) – similar to the RFAS
- RTFO data shows all feedstocks' country of origin are in Europe
  - The Netherlands listed as a country of origin for 47% of biomethane feedstocks, followed by Spain (14%), Germany (12%) and the UK (10%)

RFAS Extensions and Other Activities

RFAS Extensions

RFAS Fleet

- RFAS Fleet dovetails with RFAS to provide independent verification of renewable fuel traceability across a fleet operators' customer base, and the associated GHG emissions of the customer journey.
- Support the reduction of Scope 3 transport and distribution emissions for companies transporting goods and services
- Underpinned by mass balance methodology that enables fleet operators to 'virtually' use renewable fuel in situations where access to low carbon fuels is challenging
- Pilot completed with 2 large logistics companies
- Due to launch Jun 2025

RFAS Extensions

RFAS Other Markets

- Uses principles of RFAS to independently verify the chain of custody and sustainability performance of renewable fuels supplied to markets out of scope of the RTFO (e.g. stationary combustion, heating, marine)
- Declaration approved by the Environment Agency for providing evidence of the use of bioliquid fuels in stationary combustion units for UK Emissions Trading Scheme (ETS)
- Pilot audit completed with RFAS approved HVO supplier and trader
- Due to launch in July 2025

Sustainable Racing Fuel Assurance Scheme

Verifying F1 Racing Fuel

- Designed and launched the world's first Sustainable Racing Fuel Assurance Scheme (SRFAS) – covers international motorsports on behalf of the FiA
- First application in F1 Championships, verifying sustainable racing fuel based on sustainability and low carbon standards set in FiA's Technical Regulations
- Designed and launched accompanying scheme (ASC Supply Chain Assurance Scheme, ASCAS), to verify the chain of custody of fuel and chemical components
- Zemo has been appointed as Scheme Manager for both schemes
- SRFAS launched November 2024, for fuel used in 2026 F1 Championships
- ASCAS launched October 2024

Other Activities

Wider activities Q1 & Q2 2025

- **Jan** – Zemo/Aldersgate Group HGV Decarbonisation Stakeholder Workshop held on the 13th, event briefing document details the barriers and interventions in the acceleration of HGV decarbonisation. Briefing document available on the Zemo website.
- **Jan** – responded to DfT's RTFO consultation, following engagement with RFAS members.
- **Jan** – further TfL/FORS work to develop a WTW GHG emission tool for fleet operators. Assessed other GHG emission tools available in the public domain.
- **Feb** – Released version 2.0 of the WTW GHG Calculator and Guide for Fleet Operators; a tool to estimate WTW GHG savings compared to conventional fuel. Available on the RFAS webpage.
- **Apr-May** – Working with Logistics UK to develop an industry position statement on the role of low carbon fuels for road logistics. Aims to set out the critical role that renewable fuels can play in helping the sector reach net zero.
- **May onwards** – Exploring the development of an RFAS extension for Sustainable Aviation Fuel. Contact Gloria.Esposito@Zemo.org.uk if interested in the scheme's pilot.

Thank you

Any questions? Please get in touch

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Freight Needs – Sustainable Energy

Lamech Solomon, Logistics UK

Zemo Partnership
Accelerating Transport to Zero Emissions

Welsh Commercial Vehicle Decarbonisation Programme

Update for Fuels Working Group

Document prepared by Zemo Partnership

Alec Thomson – May 2025

Overview

1. Project Recap
2. Findings and Recommendations
3. Report Launch
4. Next Steps

Recap

The objective of the programme was to develop with stakeholders a consensus view on the means to decarbonise commercial vehicles in Wales.

Zemo were commissioned by the Welsh Government to produce a report that delved into the full range of cutting-edge technological pathways and policy enablers for decarbonising the Welsh commercial vehicle fleet.

Building on Zemo Partnership's expertise and existing stakeholder communities, the programme was to deliver a bespoke set of recommendations and establish the stakeholder community required to support the implementation of those recommendations.

Recap

The objective of the programme was to develop with stakeholders a consensus view on the means to decarbonise commercial vehicles in Wales.

Objectives

- To provide an assessment of the current commercial vehicle sector in Wales.
- To articulate what successful decarbonisation of the commercial vehicle sector would look like in the context of Wales by 2040.
- To establish the trajectory for delivery of the decarbonisation of the sector, based on three primary pathways of; greater use of sustainable fuels, electrification and hydrogen.
- To understand the energy supply, distribution and infrastructure implications of the trajectory, the constraints and how to alleviate them.
- To develop a prioritised action plan for implementation in Wales, aligned with UK ambitions but which would look to allow Wales to go further and quicker if desired.
- To establish a stakeholder forum in Wales able to provide input to policy formation and support implementation.

Range of Actions Captured and Developed

Actions developed into SMART format to give clarity of ownership and achievable realistic objectives for Welsh Gov, UK Gov and industry to take forward.

- A total of 32 actions identified.
- Key cross-cutting themes identified to support industry accelerate transition e.g. regulations fit for net-zero, better access to data etc.
- Reforming RTFO key for maximising decarbonisation of existing legacy fleet.
- Continuation of support for plug-in grants to support ZEV uptake by improving business case.
- Operators can prepare by developing transition plans and improving understanding of operations and decarbonisation options.

Deliverable	Introduce a fuel duty discount for LCF use
Specific objective	Welsh Government to engage with the UK Government to introduce a discount based on GHG emissions, e.g. •15 ppl for 100% biodiesel or renewable diesel and scaled for blends (3 ppl for B20, etc). •5 ppl for blends of 20% or more (B20, 20% HVO) with the blend increasing over time (2024: 20%, 2028: 25%, 2030: 30%). •All changes must be linked to RTFO reform.
Timeframe	2025 onwards
Who	UK Government, Welsh Government
Examples / Resources	
Sector(s)	

Example SMART action from report

- Local authorities need to prepare for impact of ZEV mandate which could see over 200,000 EV cars and 40,000 EV vans introduced by 2030 across Wales.

Key Actions

Zemo identified many immediate, low-cost actions the Welsh Government and industry can take to accelerate the decarbonisation of commercial vehicles. These actions can create economic opportunities, upskill workers, reduce emissions, and improve vehicle operating costs.

- While reaching price parity for zero-emission vehicles is key for 2050 targets, low carbon fuels (like HVO, FAME biodiesel, and biomethane) can significantly reduce emissions from existing diesel fleets, which will continue to operate into the 2040s.
- Operators are already looking to switch to renewable fuels and electric or gas-powered HGVs due to customer demand. The Welsh Government can support this shift by facilitating access to capital, especially for SMEs, fostering partnerships, enabling innovative finance models, and simplifying infrastructure deployment.

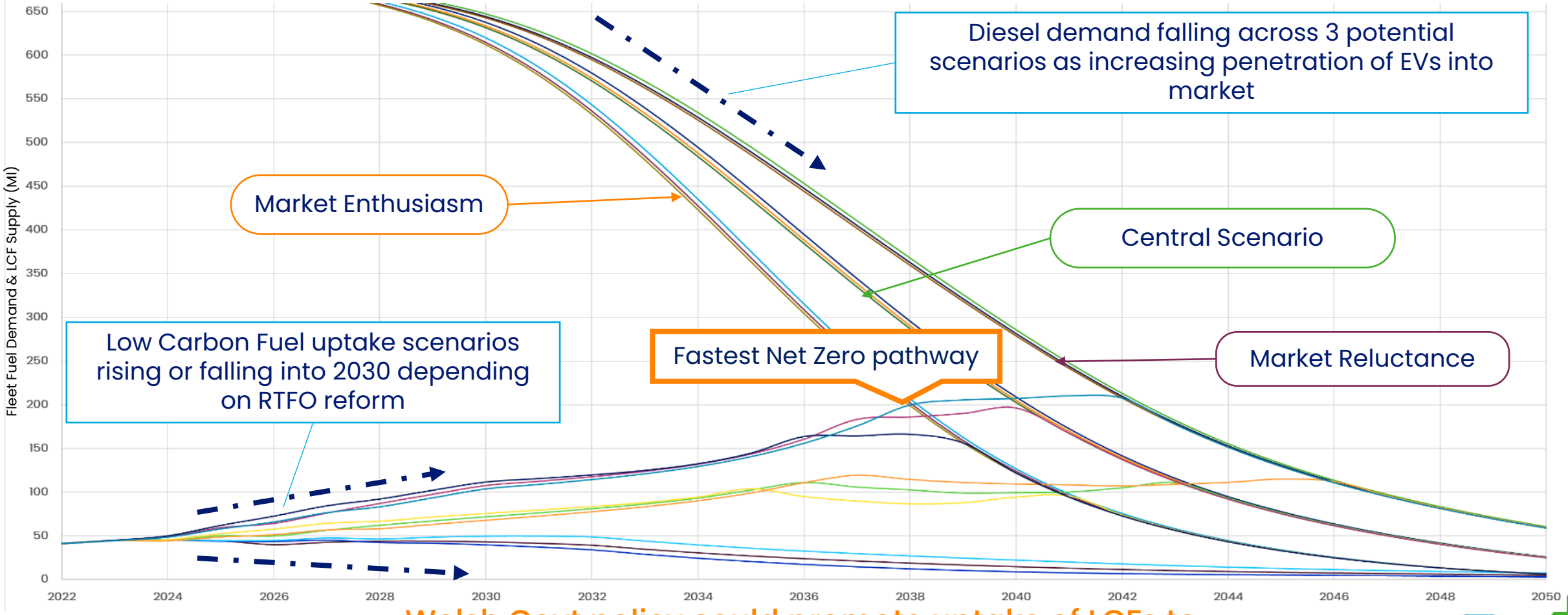
Key Actions

Zemo identified many immediate, low-cost actions the Welsh Government and industry can take to accelerate the decarbonisation of commercial vehicles. These actions can create economic opportunities, upskill workers, reduce emissions, and improve vehicle operating costs.

- Collaboration with the UK Government is crucial to resolve regulatory issues. Local authorities can support community charging, while operators can use telematics and data to plan for the zero-emission transition.
- Education campaigns are needed to raise awareness of evolving technologies and debunk myths.
- Planning reforms, international trade links, and Wales' renewable energy potential, including offshore wind and low carbon hydrogen, offer long-term support for decarbonisation in transport and beyond.

Opportunity for Increased LCFs in CV Sector

Reducing demand for diesel cars and the ZEV mandate will drive down diesel demand, offering opportunity for higher high-blend LCFs for CV sector

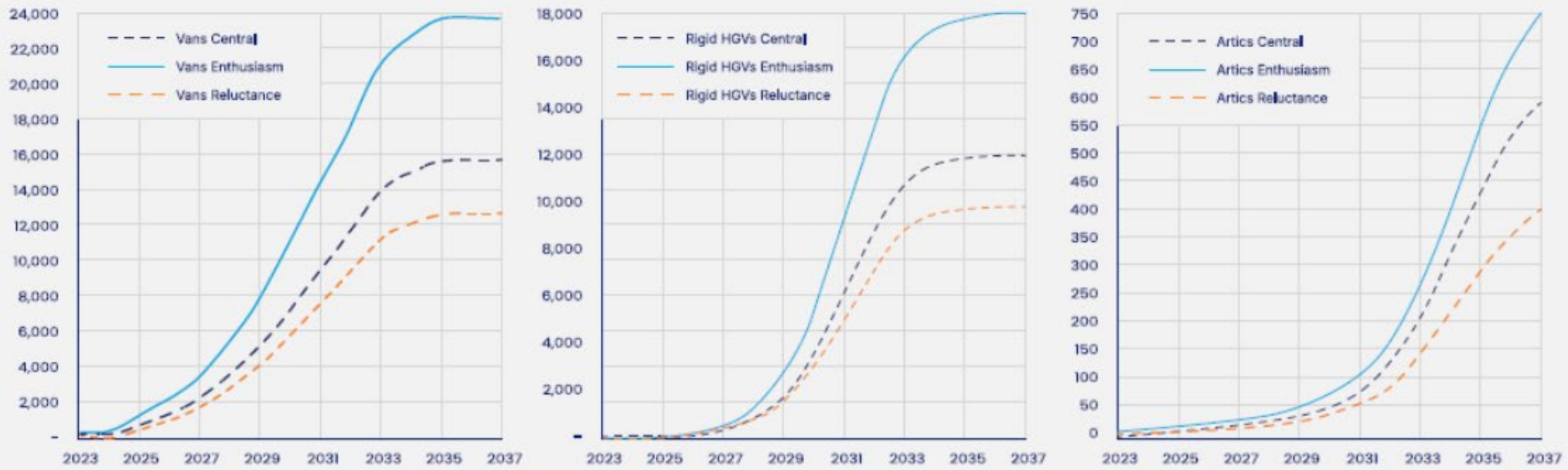


Welsh Govt policy could promote uptake of LCFs to ensure the fastest net zero pathway

Electrification of the Welsh CV Sector

Rate of electrification will lag rest of UK due to age profile of the fleet, the need for reinforcement of the grid and availability of appropriate project sizes.

Implied annual new BEV sales in three scenarios



Welsh Govt policy could promote take up of electric CVs & associated infrastructure

A Role for Hydrogen?

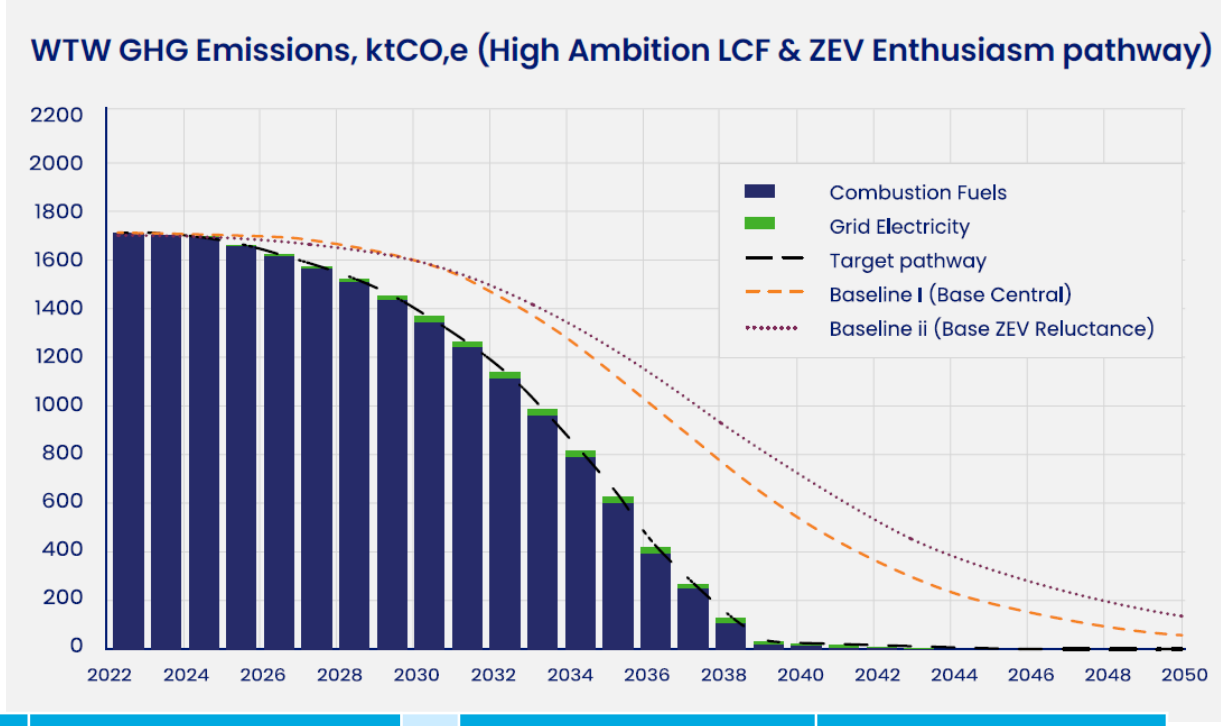
As an energy vector, hydrogen has a role to play in Net Zero future – however it is not clear where it will be most effective

- Hydrogen ICE is not (currently) zero emission in UK and subject to non-ZEV mandate.
- Fuel Cell Electric Vehicle is a ZEV.
- Lots of positive attributes; placement on vehicle, storage, emissions.
- “Green Hydrogen” production is energy intensive and sourcing enough of it remains a key barrier for use in transport.
- Situation specific; excess renewable energy, storage needed.
- Need for further demonstration and piloting.
- Opportunity in Wales for collaboration with heavy industry that will also be utilising green hydrogen.

Policy Cost & Cost Effectiveness

Decarbonising the commercial vehicle sector in Wales is highly cost effective

- GHG savings based on ambitious adoption of LCFs and Enthusiasm uptake of ZEVs
- Potential to save >8MtCO_2e cumulative to 2050
- Policy cost £275m cumulative to 2050, based on achieving ROI in 3 years
- Public Benefit Cost Ratio = 5.9 - Very cost-effective policy
- Significant benefits accrue to industry >£2b cumulative to 2050



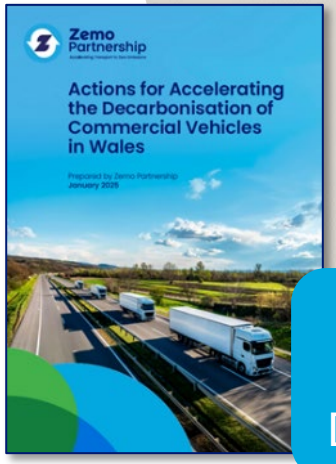
Policy Cost NPV (£m)	GHG WTW ($ktCO_2e$)	GHG WTW NPV (£m)	Public Benefit / Cost Ratio		Benefit to Industry NPV (£m)	Industry Benefit / Cost Ratio
275	8,381	1,615	5.9		2,164	7.9

Actions for Accelerating Commercial Vehicle Decarbonisation in Wales

Report launch event, kindly hosted by Welsh Water

Zemo held a showcase of the report's findings and discussion around the future of sustainable freight and logistics in Wales.

This groundbreaking report was the result of a close collaboration between Zemo Partnership, Welsh industry leaders, and a diverse range of stakeholders in the freight and logistics sectors, cumulating in a list of recommendations that were presented to the Welsh Government for consideration.



Download

Actions for Accelerating Commercial Vehicle Decarbonisation in Wales – Highlight Video

Next Steps

Modelling Annex Report

Supporting Annex to be published that details modelling and cost-effective outputs

Title	Description
Introduction	Background, objectives, model summary and report structure
The models and how they work	• The Welsh CV fleet model • The UK and Welsh fuel demand models • The Electrification Business Case model
Outputs from the models	• The 27 CV fleet archetypes • Projected decline in diesel demand and uptake scenarios for LCFs • Business case matrices under varying assumptions
Assessing cost effectiveness	Green Book methodology, scope of analysis and NPV of benefits (size of prize)
Cost effectiveness of example policies	Costs and Benefit to Cost Ratios for high-level policy interventions around upfront purchase grants and fuel duty differentials
What about hydrogen?	What-if scenario assessing changes to cost effectiveness if 50:50 BEV:H2 uptake (high mileage artic archetypes)
Conclusions and policy implications	High level summary of main findings and implications for policy development

Growing the Stakeholder Community

Capitalising on the momentum, Zemo will continue to support the stakeholder community that has built up over the course of this project as we move to a phase of implementation of the recommendations.

If any Zemo members of the CV Working Group want to get directly involved, please contact Alexander.Thomson@zemo.org.uk and let's discuss how you can get involved.

Current Welsh Stakeholder Working Group Members	
British Vehicle Rental & Leasing Association (BVLRA)	Oil4Wales
Bennaman	Road Haulage Association (RHA)
Campbells Consultants	Royal Mail
Cardiff University	Sapsford Consulting
Coventry University	Scania GB
Dynamon	Scottish Power Energy Networks (SPEN)
Equipmake	Society of Motor Manufacturers and Traders (SMMT)
Essar	Toyota Europe
Evenergi	Transport and Environment (T&E)
FSEW	DHL
Fuels Industry UK	Valero
Green Finance Institute (GFI)	VEV
Logistics UK	Volvo
National Grid	Welsh Government
National Grid Energy Distribution (NGED)	Zemo Partnership
NHS Logistics	Zenobe

Thank you

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Any questions? Please get in touch

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Interested in joining the Partnership?

Hello@zemo.org.uk

020 3832 6070

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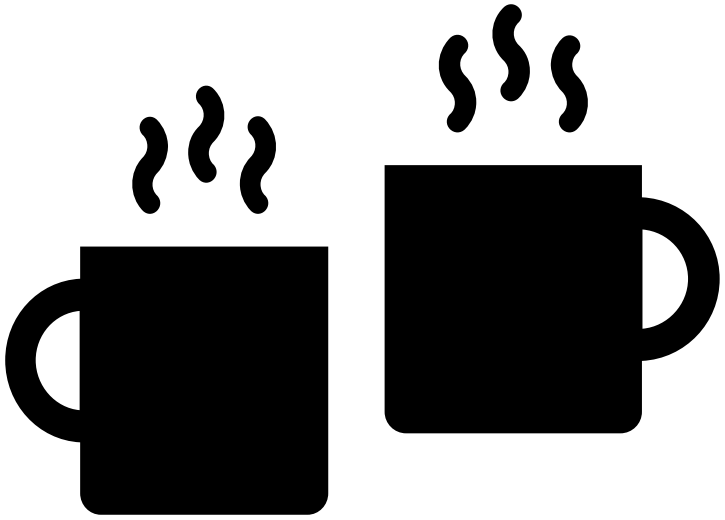
Coffee Break



Zemo Work Programme – Priority Issues

The Delivery Roadmap highlighted a number of priority areas for Zemo's work programme.

- **A Map of Missing Policies** – closing the gaps in UK net zero transport policy
- **Strengthening the economic case for net zero transport** – highlighting the sector as a driver of jobs and prosperity
- **Taking people with us** – building consumer and public support for net zero transport
- **Toolkit for Transition** – providing guidance for local authorities

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Map of Missing Policies

Fuels Working Group

22 May 2025

Introduction

The ‘Map of Missing Policies’ consultation paper was launched at the Council for Net Zero Transport Quarterly Briefing on 6 March 2025. This consultation provides the basis of a member and stakeholder outreach programme in the spring.

A policy paper will be published at the Council for Net Zero Transport Quarterly Briefing on 5 June 2025.

Today’s meeting gives members a further opportunity to input on the consultation paper as it relates to fuels. We will ask:

- What are our preferred policy solutions?
- What are our priorities?

Overview

- Even as zero tailpipe emission vehicles gain greater market share, it will take decades for the residual ICE fleet - cars, vans, trucks, buses and coaches to become fully electrified.
- Expanding the use of low carbon fuels, including liquid and gaseous biofuels, will encourage reductions in GHG emissions as the market for zero emission vehicles matures.
- In the near-term low carbon fuels are best suited to HGV's that are hard to electrify eg regional and long- haul duty cycles,those with high pay loads.
- Policy is needed to bridge the cost differential between some low carbon fuels and diesel and provide long-term certainty for fleet operators.
- Zemo has called for the 2032 RTFO target to be more ambitious and also extended.
- In 2021, the previous Government committed to developing a longer-term strategy for low carbon fuels. The strategy has never been published.
- Also committed to exploring how high blend biofuels such as B20 and HVO, could be used to decarbonise HGVs. No progress has been made.

Decarbonising legacy fleets

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Legacy fleet	Policy Aims	Zemo Proposals
Passenger cars	Increase the share of renewable fuels in retail diesel. Encourage greater use of drop-in fuels that are fully compatible with existing vehicles.	Raise the biodiesel blend mandate to B10.
Buses and coaches Vans	Reduce the costs of higher blend biofuels.	Adopt Zemo's proposed UK renewable liquid fuels incentive.
HGVs	Bridge the cost gap between low carbon fuels (renewal biodiesel, HVO) and diesel. Provide certainty for fleet operators re Government position on the role of renewable fuels in decarbonising HGVs (in particular the hardest to electrify artic HGVs).	Adopt Zemo's proposed UK renewable liquid fuels incentive for heavy-duty vehicle operators. Provide more clarity about the extent to which Government expects biomethane high blend biodiesel, HVO to play a significant role in the in the near and medium term. (How?) Make RTFO target more ambitious to ensure the supply of sustainable fuels.

Further comments

If you have any further specific suggestions, please contact:

Neil.Stockley@Zemo.org.uk

Future Role of Working Group

How the Commercial Vehicles Working Group should evolve?

Future Role of Working Group

Zemo sees the working group as the primary point of member engagement.

We're looking for feedback from members on how the Zemo working groups evolve.

- Retail / Depot
- Light Duty / Heavy Duty Vehicles
- New / Used Vehicle Markets
- Supply / Demand side
- Economic case
- Technical issues
- Policy - Regulatory / Fiscal
- UK / UK Nations / City Regions
- Market monitoring
- Topical presentations
- Professional development
- Best practice
- Networking
- Online / face to face

We will be surveying members views

Member's Roundtable

Events, Public Announcements, News Items

Upcoming Working Groups & Events

Join us!

- Passenger Car working Group – 29th May
- CNZT Quarterly Briefing (Chair: Lord Deben) – 5th June
- Parliamentary Roundtable – 11th June
- Site Visit: Go-Ahead & Zenobe at Oxford 27th June
- Offers to present / host site visits welcome

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Thank you

Any questions? Please get in touch

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Interested in joining the Partnership?

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