POSITION
As of September 14, 2026

Wirtschaftsverband Fuels und Energie e.V.

en2x Position on the EU Automotive Package

Incorporate the VEEF category into the EU Automotive Package: A long-term perspective is essential for substantial investments in renewable fuels

The hydrocarbon industry faces major challenges: It must remain competitive, secure supply, and future-proof its sites and infrastructure. Renewable liquid and gaseous energy carriers must make a decisive contribution to achieving German and European climate targets, complementing electrification—including in road transport. Liquid energy sources and raw materials, in particular, are indispensable for a crisis-proof and resilient energy supply in the long term. They can only make this contribution if we succeed in triggering the necessary substantial investments in renewable or low-carbon fuels.

Significant quantities of renewable hydrocarbons are needed to meet greenhouse gas (GHG) reduction targets in road transportation. The level of ambition for the GHG quota adopted in Germany is already rising significantly in the short term. However, if the current regulation were to remain in place—under which new vehicles with internal combustion engines, even if powered by renewable fuels, would no longer be permitted for registration starting in 2035—the necessary long-term perspective for the required investments in advanced biofuels and electricity-based fuels would be lacking.

The creation of a vehicle category with internal combustion engines that is treated equivalent with electric vehicles within the CO2 fleet regulation can open up an important investment pathway. A prerequisite is that these vehicles run exclusively on renewable fuels compliant with the RED requirements (*VEEF: Vehicles Exclusively Running on Eligible Fuels*). In addition to recognizing the role that renewable and low-carbon fuels can play in reducing emissions from the existing fleet, the introduction of a VEEF category for new vehicles contributes significantly to the reduction of greenhouse gas emissions from road transport.

For this reason, we believe that the introduction of a *"Vehicles Exclusively Running on Eligible Fuels" (VEEF)* category in fleet regulations is essential.

Furthermore, we oppose the introduction of an additional requirement for the electrification of corporate fleets (Corporate Fleets Regulation), as this would entail significant additional bureaucracy.

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Key aspects regarding the design of the new vehicle category: Vehicles Exclusively Running on Eligible Fuels (VEEF)

(1) Introduce *VEEFs* as a new vehicle category as soon as possible in the fleet regulations for passenger cars, light commercial vehicles, and trucks; an introduction as late as 2035 would be too late.

(2) VEEFs should be counted toward fleet compliance at 0 g CO_2/km, just like battery electric vehicles and hydrogen vehicles.

(3) All fuels that meet the requirements of the Renewable Energy Directive (RED) should be recognized as *eligible fuels* for *VEEF*; these requirements are defined exclusively in the RED.

Renewable fuels are already certified today according to European minimum requirements. Their sustainability is verified and their climate impact is documented. Therefore, the fuel requirements in fleet regulations should refer exclusively to the RED. This ensures consistency, avoids double regulation, and makes use of existing verification systems.

(4) Fuels placed on the market for *VEEF* can be counted toward national targets for implementing the RED objectives in road transport—in Germany, this means the greenhouse gas reduction obligation (GHG quota) and the associated sub-quotas

(5) At least during the ramp-up phase, it must be possible to account for the supply (placing on the market) of corresponding quantities of renewable fuels, analogous to the standard regulation in the natural gas network

During the ramp-up phase, the accounting-based provision of renewable fuels should initially be permitted. This avoids high additional costs for separate refueling and storage logistics as long as demand remains low. The required quantities would be placed on the market and verified digitally. A seamless documentation and monitoring of compliance with the requirements will be possible. As market penetration grows, a decision can be made regarding physical supply. Depending on the fuel, accounting-based compliance is the only option due to technical and economic constraints. Fuel suppliers should continue to be able to invest voluntarily in VEEF-compliant infrastructure.

(6) For a successful market ramp-up, *VEEF* and the availability of the fuels used must be aligned with demand.

For a successful market ramp-up, the supply of vehicles must align with the supply of fuel. In a mass-balance model, clear rules are therefore necessary. These rules must ensure that demand for *eligible fuels* does not exceed fuel suppliers' RED obligations and does not overwhelm the market. With physical supply, this risk is lower. In that case, fuel suppliers can manage demand through price signals and directly reflect the costs of the separate infrastructure.

(7) Account for renewable fuels through a *fuel credits mechanism* while avoiding double counting of *eligible fuels*

Since RED-compliant fuels already reached a market share of 7.5% in 2024, the 3% cap proposed by the Commission would be significantly more restrictive than market reality. Vehicle manufacturers' emissions figures should therefore be adjusted by the actual available share of sustainable fuels, while future developments under the RED and its revision should be appropriately taken into account.

At the same time, double counting of renewable fuels must be prevented by ensuring that emission reductions from these fuels are counted only once under the fleet regulation. If a VEEF vehicle is treated as zero-emission under the fleet regulation, the amount of *Eligible Fuels* used must not be counted additionally under another mechanism (*Fuel Credits Mechanism*) within the same regulation.