



Brussels, 3 July 2013

Jose Manuel Barroso
President of the European Commission
European Commission
200, rue de la Loi
B-1049 Brussels

CC: Commissioner Connie Hedegaard, Secretary General Catherine Day, Deputy Secretary General Marianne Klingbeil

Re: The implementation of the Fuel Quality Directive and unconventional fuels

Dear President Barroso,

We are writing to you to underline the urgent need to re-submit to the Environment Council a robust and science-based implementation of the article 7a of the Fuel Quality Directive (FQD) after the process of the impact assessment is concluded. We see the risk that this critical piece of the climate and energy package, which was proposed under your first term, may remain un-implemented even after your second term as the President of the European Commission.

The Commission's proposal for the implementation of Article 7a from October 2011 was a first step in the right direction. It provided science-based default values for all unconventional fuels and an obligation for oil companies to report the carbon footprint of all their fuels. Recent research has shown that these default values which differentiate fuels based on their average lifecycle emissions would reduce greenhouse gas emissions (GHG) by up to 19 million tonnes CO₂ a year - equivalent to removing over 7 million cars from Europe's roads every year. This is in addition to the 60 million tonnes CO₂ savings to be achieved with the 6% reduction in the FQD.¹

¹ http://www.cedelft.eu/publicatie/economic_and_environmental_effects_of_the_fqd_on_crude_oil_production_from_tar_sands/1373

It would open one more cost-effective option to meet the 6% target, without representing an additional administrative burden for the industry and without negative impacts on European refineries, as demonstrated by another study.²

Article 7a of the Fuel Quality Directive with its 6% decarbonisation target is of critical importance, because it finally puts in place a responsibility for the oil industry to play its role in climate efforts and also encourages transparency of the fossil fuels market in Europe. We cannot afford to turn a blind eye to an industry that is playing such a big role in accelerating climate change, while other sectors are being regulated to reduce their climate impacts.

We insist that the implementation measure needs to meet the minimum requirements of the legislative mandate in article 7a, which states clearly that fuel suppliers should individually report on the carbon intensity of their fuels. This means that any kind of averaging of emissions at the national or European level, as suggested by the oil industry, would not be in line with the mandate in the FQD. Furthermore, the values for all unconventional fuels, including tar sands and oil shale, should be included in reporting. The European Commission's own science³ and other independent studies have clearly shown that unconventional fuels have consistently higher GHG emissions than the conventional oil that is mostly used in Europe at the moment. Only company-specific reporting together with the default values will provide an adequate incentive for investments in truly lower carbon fuels. The approach that regulates all fuels based on their performance is robust and compliant with the EU's international obligations, such as those under WTO.⁴

Finally, we also want to express our support for the process of the impact assessment to back up the implementing measures, which was inclusive and transparent. This process should be concluded very soon. We trust that you understand that further delay in presenting the proposal for the implementation of article 7a is no longer justified. Any failure to implement agreed climate change legislation would seriously tarnish Europe's image across the world.

We would welcome an opportunity to meet with you and discuss this issue further.

Yours sincerely,

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http://www.cedelft.eu/publicatie/oil_reporting_for_the_fqd%3Cbr%3Ean_assessment_of_effort_needed_and_cost_to_oil_companies/1245

³ https://circabc.europa.eu/d/d/workspace/SpacesStore/db806977-6418-44db-a464-20267139b34d/Brandt_Oil_Sands_GHGs_Final.pdf

⁴ <http://www.transportenvironment.org/publications/wto-implications-reporting-measures-tar-sands-under-fuel-quality-directive>



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