

Welcome to the 103 number of the UPEI newsletter!

Brussels News

President von der Leyen's «SOTEU»

September was marked by the start of the new policy cycle with the Speech on the State of the European Union (SOTEU) by European Commission President Ursula von der Leyen. This speech traditionally presents in a political context the main priorities for the following year's policy and legislative agenda, to be completed in October by the Commission work programme.



Image Source: European Commission

This year's speech on 14 September was very much focused on the war in Ukraine and the EU's response in terms of support to this country and sanctions against Russia. Amongst the most urgent responses was the upcoming Commission proposals on the decoupling of the dominant influence of gas on electricity prices. On the longer run, building on the REPowerEU plan presented in May 2022, a European Hydrogen Bank will be set up, with €3 billion guarantee to help build the future hydrogen market.

In terms of macroeconomic framework, the Commission will propose new ideas for the overall economic governance of the EU, leaving more freedom to the Member States to reduce their debt, against more

accountability on the agreed deliverables. At microeconomic level, the Commission will propose a SME Relief Package, including a revision of the Late Payment Directive.

To decrease the EU's dependencies on a limited number of external suppliers, the Commission proposes to intensify the negotiations or the conclusions of trade agreements with Chile, Mexico, New Zealand, Australia and India. It will also propose a European Critical Raw Materials Act.

At political level, President von der Leyen expressed her support to a Convention that would propose amendments to the EU Treaties, based on the outcome of the [Conference on the Future of Europe](#) held from Spring 2021 to Autumn 2022, and to a European Political Community that will involve most European candidate and non-candidate countries (its first meeting is scheduled on 6 October in Prague).

Source: EU website, Euractiv

Extraordinary EU Energy Council meetings: emergency intervention to address high energy prices

On 9 and 30 September, the Czech Presidency called together extraordinary meetings of the Energy Council to define a strategy related to the energy crisis.



Image Source: European Commission

The meeting on 30 September resulted - amongst others - in the adoption of a Commission proposal for a "Regulation on an emergency intervention to address high



energy prices”. This Regulation consists of a mandatory temporary solidarity contribution on the profits of businesses active in the crude petroleum, natural gas, coal, and refinery sectors. The solidarity contribution will be calculated on taxable profits, as determined under national tax rules in the fiscal year starting in 2022 and/or in 2023, which are above a 20% increase of the average yearly taxable profits since 2018. The solidarity contribution will apply in addition to regular taxes and levies applicable in Member States.

Under the Regulation, Member States can keep national measures that are equivalent to the solidarity levy, provided that they are compatible with the objectives of the Regulation and generate at least comparable proceeds.

Member States will use proceeds from the solidarity contribution to provide financial support to households and companies and to mitigate the effects of high retail electricity prices.

To accelerate its implementation, the political agreement reached on 30 September will be ratified by written procedure.

This prompted the European Commission to announce in the last days of August a two-steps plan consisting of an “emergency intervention” to tackle the surge in prices in the short term, and “fundamental reform of the power market”, justified by the limitations of the EU’s current electricity market design and the need for structural reform.

The Czech Presidency of the EU Council announced an extraordinary meeting of the EU Energy Ministers on 9 September to discuss on the same topic of energy market reform and price cap.

Source: Weber Shandwick

Policy updates

EUROPEAN GREEN DEAL

REACHING OUR 2030 CLIMATE TARGETS



#EUGreenDeal



Image Source: European Commission

“Fit for 55” package

Immediately following the summer break, the EU institutions resumed their analysis and preparation of amendments on the elements of the Fit for 55 legislative package.

The European Parliament’s Committee on Transport (TRAN) finalised the selection of compromise amendments to its Reports on both the Alternative Fuel Infrastructure Directive (AFIR) and the FuelsEU Maritime Regulation, both expected to be voted in the TRAN Committee on 3 October and by the Plenary at its 17-20 October meetings. The compromise amendments concern:

AFIR:

- Hydrogen targets: i) timeline for deployment of publicly accessible hydrogen refuelling stations is brought forward (i.e. by 31 December 2027); ii) maximum distance for publicly accessible hydrogen refuelling stations is lowered to 100km (rather than 150) along TEN-T core and comprehensive network; iii) Requirements on minimum capacity, on availability of liquid hydrogen, and on hydrogen infrastructure in urban nodes are kept in the text; iv) targets for supply of hydrogen and ammonia at TEN-T core maritime ports (besides LNG).
- E-mobility charging infrastructure: power output targets tied to the uptake of e-vehicles in Member States; possibility for Member States to request derogations for TEN-T roads with low traffic (both LDVs and HDVs).
- LNG infrastructure for road vehicles: Article8 text maintained unchanged.
- 2026 review to look into the need for appropriate targets for the infrastructure required to power electric and hydrogen propulsion aircrafts.

FuelsEU Maritime:

- Scope: keeps the Commission’s proposed scope covering all ships above a gross tonnage of 5000 tonnes, in respect of the entirety of the energy they use on voyages between EU ports, and half of the energy used between an EU and a non-EU port.
- Limiting the risk of evasive port calls: provision to exclude some neighbouring container transshipment ports from the definition of ‘ports of call’.
- GHG intensity limits & RFNBOs: increases the proposed GHG intensity limits, introduces a new



Article on measures to support the uptake of RFNBOs (i.e., a multiplier until the end of 2034 and, from 2030, a fixed minimum share in the fuel energy mix).

- Fuel suppliers: possibility for commercial operators to conclude contracts with fuel suppliers, making the latter responsible for the supply of specific fuels;
- Compensatory regulatory reduction: asks the Commission to present proposals offsetting the regulatory burden introduced by this Regulation, by 1 January 2024,

On both files, the Council had already reached its General Approach on 2 June.

The European Parliament and the Council launched their trilogue negotiations on the following legislative files:

- Revision of the CO2 standard emissions for Light Duty Vehicles
- Revision of the Renewable Energies Directive (RED III)
- Revision of the EU Emission Trading System (ETS)
- Establishment of a Carbon Border Adjustment mechanism (CBAM)
- Regulation on ReFuel EU Aviation
- Revision of the Energy Efficiency Directive

While the European Parliament has decided to put on hold until March 2023 the examination of the revision of the Energy Taxation Directive, the Council continues to examine the Commission proposal at technical (working party) level.

The European Commission is still expected to present two proposals related to:

- A Revision of the CO2 standard emissions for Heavy Duty Vehicles
- A Revision of the Euro 6/VI emission standards (Euro VII)

There are still some uncertainties about the presentation dates.

UPEI NEWS

23/09/2022 | UPEI Board meeting

The UPEI Board met online on 23 September and focused its meeting on two major action items:

- a) Review of current EU legislation with an update by Weber Shandwick. It was agreed that UPEI would

prepare a position paper on the Renewable Energies Directive, focusing specifically on the unrealistic deadline proposed by the European Parliament on the phase-out of biofuels based on feed crops.

- b) Preparation of the General Meeting in Dublin, with the adoption of a budget proposal and membership fees for 2023, the finalisation of the reviewed Vision 2023 and the overall review of the programme, including the celebration of UPEI's 60th Anniversary.

27/09/2022 | UPEI Bunkering Commission meeting

The latest UPEI Bunkering Commission meeting addressed the state of play of the issues that are considered a priority for UPEI. In particular, the European Parliament and the Council positions on the most relevant "Fit for 55" package files. After a discussion on the FuelEU Maritime, the EU Energy Taxation Directive, and the EU Emission Trading System legislative proposals, Pierre gave an overview of the upcoming EU embargo on Russian fuels.

A discussion on the application of UPEI for the Renewable and Low-Carbon fuels Value Chains Industrial Alliance (RLCF) followed. The Secretariat discussed and participants discussed and agreed on UPEI participation.

The next meeting is scheduled to take place in December 2022, via online.

Find all the information [here](#).

UPEI: engagement: meeting with the Czech Presidency of the EU Council



EU2022.CZ

Image Source: Czech Presidency of the Council of the European Union

On 27 September, alongside with other members of the Mobility for Prosperity in Europe (MPE) group, UPEI met with Mr. Zdenek Čechura, Transport Attaché at the Permanent Representation of the Czech Republic to the EU. The meeting was put together to review the priorities of the Czech Presidency in terms of transport, including energy and climate related legislative files.



UPEI Publications

Joint Letter to European Policymakers on CO2 Standards for Cars and Vans

UPEI, in cooperation with Automakers, Auto Parts Industry and Fuel Manufacturers, presented on 20 September a joint letter to European policymakers aiming at European institutions to agree on a technology-neutral CO2 Standard Regulation.

To do so, the joint statement calls for Trilogue negotiations to fully implement the outcome of the Council General Approach to enable, after 2035, Internal Combustion Engine (ICE) vehicles to run exclusively on CO2 neutral fuels. In particular, the document suggest:

- to incorporate Recital 9a of the Council General Approach into the Articles of the agreement,
- to introduce a new Article to establish the content of Recital 9a as a legally binding provision,
- to set a deadline as early as possible, but at the latest one year after the entry into force of the regulation, for the Commission to present a proposal on how to register vehicles running exclusively on CO2-neutral fuels.

Read more [here](#)

UPEI Position Paper on the European Commission proposal for a Regulation on an emergency intervention to address high energy prices COM(2022) 473 final

On 28 September, UPEI presented a position paper in the framework of the European Commission proposal for a Regulation to address high energy prices as a consequence of the Russian invasion of Ukraine and the subsequent economic sanctions adopted notably by the EU against Russia.

In view of the Energy Council expected outcome, UPEI proposes that the Regulation contains a better definition of complementary national measures, by excluding contributions on turnover or companies which do not benefit from surplus profits. This would contribute to maintaining the coherence of the Internal Market.

Read more [here](#)



Business Partners' focus

DS Mineralöl

We have been supplying our customers with heating oil, diesel and petrol for more than 50 years. As a Bremen-based company, we have become a strong and successful market player with trading locations throughout Germany.

Reliability and a straightforward, fair approach are the cornerstones of our cooperation. In addition to mineral oil products and biodiesel, we develop new ways of energy supply with the sale of wood pellets.

DS-Mineralöl is a company of the Diersch & Schröder Group, a 100% family-owned business, which was founded in 1920. Today, more than 1,000 employees work in the business divisions Energy, Chemicals and Young Business.



Since decades we are active members in various national associations such as AFM+E (Außenhandelsverband für Mineralöl + Energie) or en2x (Wirtschaftsverband für Fuels & Energie). As a business-partner of UPEI we see a value in knowing early about political tendencies and decisions, which are taken in Brussels as they have a direct impact on the measures taken in national legislation and in consequence for our industry and last but not least for our business. Furthermore it is interesting to get an overview on how EU-legislation is adopted into the national law of other EU-memberstates.“

Find more information about DS-Mineralöl [here](#).

UPEI Circulars

11/2022 [UPEI Autumn General Meeting 2022](#)
[Updated arrangements](#)

12/2022 [Official Commission Proposal for Regulation](#)
[Emergency intervention to address high energy prices](#)



UPEI Diary

October 2022

- 04/10 [UPEI Retail Stations Commission meeting](#)
- 18/10 UPEI Joint Heating Commission meeting

December 2022

- 16/12 UPEI Board Meeting
- (TBC) UPEI Fuel Payments Commission meeting

UPEI General Meeting



UPEI Position Paper on the European Commission proposal for a Regulation on an emergency intervention to address high energy prices COM(2022) 473 final
28 September 2022

UPEI, representing the European Independent Fuel Suppliers, has carefully read the proposal presented by the European Commission on 14 September to address high energy prices, announced the day before by President von der Leyen in her speech on the state of the European Union.

The purpose of this Regulation proposal is to tackle recent dramatic price rises of energy as a consequence of the Russian invasion of Ukraine and the subsequent economic sanctions adopted notably by the EU against Russia.

The Regulation Proposal is based on article 122 (1) of the Treaty on the Functioning of the European Union (TFEU), allowing for the adoption of measures appropriate to the economic situation and particularly if severe difficulties arise in the supply of certain products, notably in the area of energy. This legal basis allows for a fast-track adoption of the proposal since the European Parliament is not involved and the EU Council can decide by qualified majority. It is expected that the Council will adopt it on 30 September at an extraordinary meeting of the Energy ministers.

Amongst other measures, the Regulation proposal establishes a mandate for Member States to introduce a "temporary solidarity contribution" on surplus benefits generated by the energy crisis for the oil, gas, coal and refinery sectors. These sectors are more precisely defined in Article 2 (17) as "activities in the field of oil, gas, coal and refinery sectors" means any economic activity performed by an EU company or permanent establishment generating at least 75% of turnover in the field of the extraction, mining, refining of petroleum or manufacture of coke oven products", therefore excluding non-extracting and non-producing companies.

As it stands, non-integrated companies represented by UPEI will not be affected by this new contribution, but the Regulation proposal allows Member States to complement the European contribution with broader national measures.

In view of the mentioned Energy Council, UPEI proposes that the Regulation contains a better definition of complementary national measures, by excluding contributions on turnover or companies which do not benefit from surplus profits. This would contribute to maintaining the coherence of the Internal Market.



UPEI AUTUMN MEETING
& 60th ANNIVERSARY
20 & 21 October 2022
Dublin, Ireland