Ares(2021)3688015 - 04/06/2021
Ref. Ares(2023)1425910 - 27/02/2023

To: [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE); [redacted] (MOVE)
Cc: MOVE D1 SECRETARIAT
Subject: Flasg report - meeting with Shell on 04/06/2021

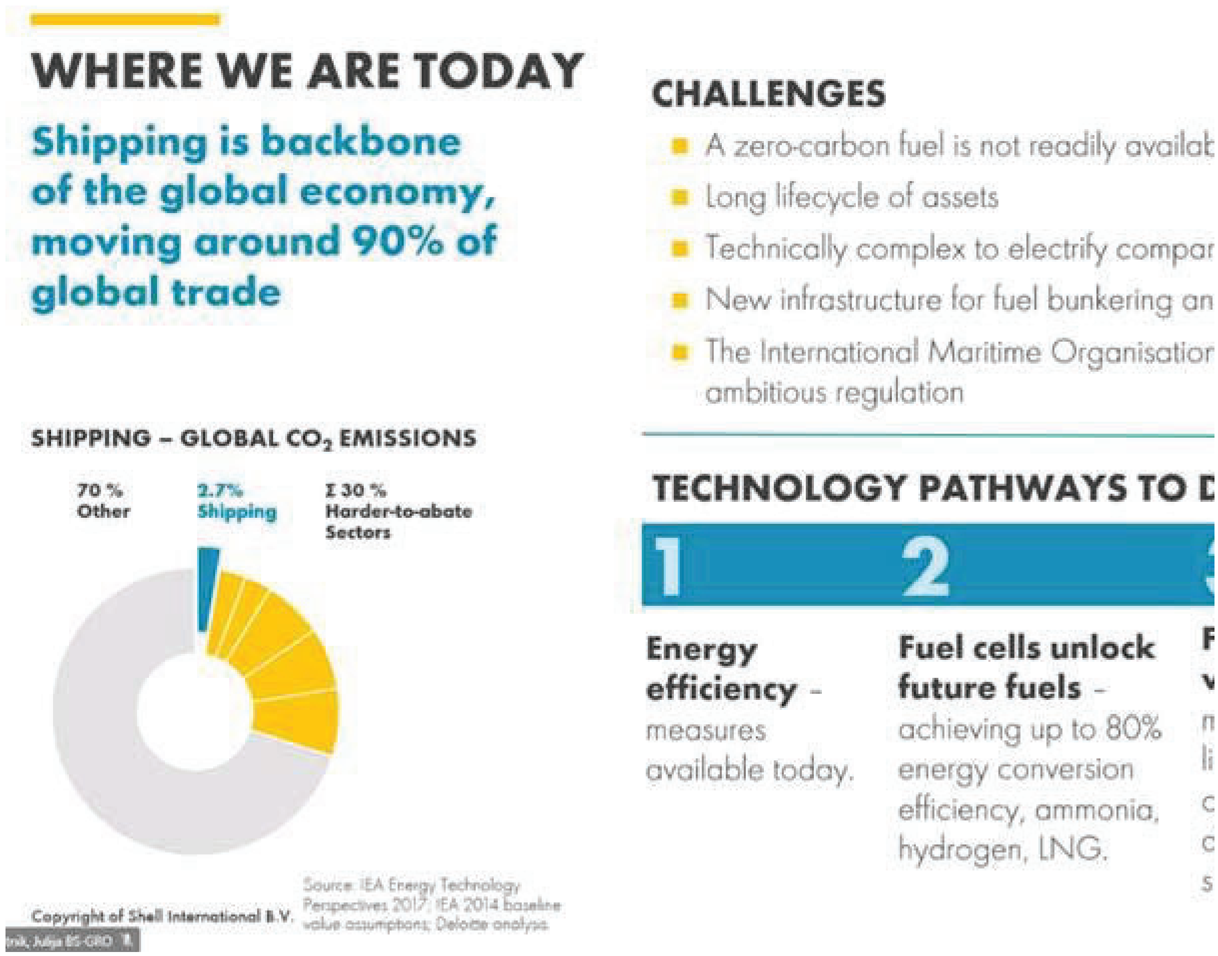
Dear all,
Please find below the summary of the discussion we had with Shell this morning on FuelEU Maritime.
Kind regards,
[redacted]

<u>Participants:</u>

- Shell : [redacted]
- DG MOVE: [redacted]

<u>Discussion:</u>

- Shell provided an overview of their climate strategy and the implications for the transport sector / maritime. Overall ambition is to become a net-zero emissions company by 2050 (scope 1 & 2 but also scope 3 emissions). The strategy is then broken down by decarbonisation pathway for each of the sectors. For maritime, the main elements are:



- In addition to these points, they also recognised the importance of using green electricity for ships at berth. Concerning the regulatory approach, Shell expressed preference for a global solution, and in case instruments are established in the EU, they should be designed in a way that would allow to translate them in international rules by the IMO.
- Concerning the interfaces with the maritime sector:

- In terms of projects, Shell mentioned ongoing project on hydrogen in Asia, work on marine lubricants, continuing investment in LNG and then the use of digital solutions to reduce the emissions of their own fleet.
- In their views, the policy framework should allow aligning demand and supply, as well as the infrastructure. It is important to scale up demand for H2. Call for a carbon intensity standard (baseline and credit system), allowing all fuels for compliance. Concerning ETS, they would favour a separate maritime ETS, which would best fit the sector and be more easily transferred to the IMO. Concerning ETD, they would support the inclusion of the maritime fuels and move the taxation base on CO2 content. Infrastructure support should continue as an enabler; they would support the introduction of obligation on H2.
- [redacted] provided an overview of how FuelEU Maritime is designed to fit in the overall basket of measures and explained the endeavour to complement RED, AFID, etc. . [redacted] pointed out to the LCA discussions at the IMO. On values, Shell expressed preference for keeping the RED schemes. [redacted] mentioned the upcoming discussions on the Low Carbon Fuel Alliance.