



Ensuring a just energy transition everywhere and for all

Liquid Gas Europe's
8-point Manifesto for
2024 - 2029



Ensuring a just energy transition everywhere and for all

The European Union has set the ambitious task of achieving climate neutrality by 2050, with the intermediary goals of a 55% emission reduction by 2030 and the recently proposed 90% emission reduction target for 2040.

The European liquid gas industry stands committed to contributing to these goals and transitioning towards renewable energy.

Liquid gases, such as propane, butane, and dimethyl ether (DME), provide an affordable, reliable, and cleaner source of energy, and are particularly important in rural off-grid areas and outermost regions where, according to the European Commission, the percentage of population

at risk of poverty and social exclusion is higher than in towns and cities and where the bioeconomy has a high potential for growth. In line with the EU objectives of climate neutrality by 2050, and to enable a just energy transition, the industry is building up on the supply of renewable liquid gases, which could be as high as 625,000 tonnes by 2025.

As we begin to finalise and implement the 'Fit For 55' legislative package, and move towards targets beyond 2030, the liquid gas industry asks to set aside the tunnel vision that risks blinding our decarbonisation efforts, and to truly embrace a technology neutral approach to achieve the energy transition while leaving no one behind.

The liquid gas industry, through Liquid Gas Europe, will continue working across **8 pillars** necessary to enable a just energy transition.

I Renewables
Supporting the EU-wide roll-out of renewable liquid gases

II Heating
Prioritising a just transition for rural areas

III Transport
Driving forward sustainable decarbonisation

IV Industry
Creating a versatile and competitive industrial sector

V Sustainable Competitiveness
Guaranteeing energy security while remaining competitive

VI Beyond Fit for 55
Continuing the path towards 2050

VII Affordability & Carbon pricing
Making the energy transition affordable for all

VIII Outermost regions and islands
Recognising and supporting the specific energy situation in Europe's outermost regions and islands

Regulation cannot be successful when done in a vacuum. To facilitate a just transition, Liquid Gas Europe will continue striving to engage with European policymakers to help build policy that is beneficial to all.

I

Pillar I

Renewables

Supporting the EU-wide roll-out of renewable liquid gases

The liquid gas industry is committed to ensuring that, by 2050, the demand for liquid gas can entirely be supplied by renewable liquid gases, such as renewable LPG (propane/ butane), and renewable and recycled carbon DME (Dimethylether). To fulfil such an ambitious target, a strong and enabling legislative environment will be needed to enhance the production, distribution, and use of renewable liquid gases. Renewable liquid gases are a guaranteed way towards decarbonised rural heating and sustainable transport, while also ensuring security of supply. To work towards our 2050 targets, our industry will work towards:

1. Methods and support schemes that put renewable liquid gases as an integral part of the energy transition.
2. The clear recognition of renewable liquid gases in the implementation of the Renewable Energy Directive (RED III) and future revisions.
3. Supporting the scale up of automotive biofuels and Sustainable Aviation & Maritime Fuels, of which renewable liquid gases are a by-product, and biomethane.
4. Developing a biomass strategy that incentivises the production of bioLPG.
5. Creating framework conditions to incentivise the production and supply of renewable liquid gases, through the expansion of wind and solar to produce renewable liquid gases and clear conditions for carbon capture and utilisation (CCU).
6. Building the recognition of recycled carbon fuels for the decarbonisation of transport, off-grid heating, and industry.

II

Pillar II

Heating

Prioritising a just transition for rural areas

Rural areas comprise approximately 137 million EU citizens, but their specific needs are often overlooked by EU legislation, which instead focuses on urban and suburban needs. Full electrification is not the silver bullet for all households and small businesses, particularly where extensive renovation is required beforehand. The alternative offered by a lower carbon fuel, like renewable liquid gas, with progressive renovation when funds and circumstances permit, is a more pragmatic and affordable solution that should not be overlooked. To ensure that rural areas are part of the EU energy transition, we intend to:



1. Ensure the proper implementation of legislation recognising fossil-free heating sources, including blends of renewable liquid gases.
2. Encourage the replacement of the overwhelming number of single-family homes operating coal-fired heating systems with highly efficient (renewable) liquid gas appliances to improve the air quality of rural areas.
3. Make the transition accessible for all by giving consumers the right to choose the most efficient and appropriate technologies for their specific needs.
4. Encourage the roll-out of renewable liquid gases through a clear legislative framework recognising the strategic role of renewable liquid gases in heating.



Pillar III

Transport

Driving forward sustainable decarbonisation

Liquid gas in transport (referred to as Autogas) is the fuel of choice for over 8.5 million vehicles in the EU today, making it the number one alternative fuel in the EU. Europe has a strong manufacturing base for new and retrofitted Autogas vehicles. As these are increasingly supplied with renewable liquid gases, we will work to:

1. Critically reassess, on a life cycle assessment basis, the emission targets for cars and vans and heavy-duty vehicles.
2. Bring recognition to the immediate CO₂ reduction opportunities of Autogas vehicles, whether through new vehicle offerings or retrofits, or by offering renewable liquid gases as a drop-in solution to the existing Autogas fleet.
3. Support Original Equipment Manufacturers (OEMs) in expanding its Autogas vehicle offering.
4. Address the ageing legacy fleet by promoting Autogas conversions and strive to extend the market to new segments.
5. Put Autogas on an equal footing with other fuel sources by continuing to support existing Autogas refuelling stations that are immediately ready for renewable liquid gases.
6. Bring a just transition to all European consumers by making sustainable alternative transport solutions available and affordable, especially for citizens in rural areas.



IV

Pillar IV

Industry

Creating a versatile and competitive industrial sector

Liquid gases are integral to energy intensive industries such as steel, ceramic, and textiles production. Farmers across Europe rely on liquid gases to keep them growing. It is also an energy source with untapped potential to reduce emissions in areas where hydrogen or other renewable synthetic gases are unavailable. Therefore, our industry will strive to:

1. Sustain renewable and conventional liquid gases as a viable, cost-efficient, and immediately available alternative to more polluting energy sources in energy intensive industries such as steel, ceramic, and textiles.
2. Enable a socially fair energy transition that enhances the competitiveness of the EU economy while providing synergies with other environmental challenges, as envisioned by the Clean Planet for All communication.
3. Make legislation meet the needs of European farmers, who rely on liquid gases for pig and chick rearing, grain and fruit drying, and thermal desiccation.
4. Reduce dependence on external raw materials by transitioning towards renewable and conventional liquid gases in industrial applications.
5. Support an industrial plan that is technology neutral and acknowledges the bioenergy industry as a strategic technology.



V

Pillar V

Sustainable Competitiveness

Guaranteeing energy security and sustainability while remaining competitive

The liquid gas sector operates a well-established and far-reaching production and distribution infrastructure, which must be leveraged if the European Union is to remain competitive in the energy transition. Renewable liquid gases can also contribute to meeting the objectives of reducing dependencies on energy imports from third countries and securing the European energy infrastructure. To unlock this potential, the industry aims to:

1. Enhance local production of European renewable fuels to increase energy security and competitiveness.
2. Leverage the existing liquid gas infrastructure network to effectively decarbonise homes and industry in off-grid areas as well as transport.
3. Represent off-grid Small and Medium Enterprises (SMEs) and industries using liquid gases to remain competitive in the transition towards lower carbon and renewable fuels, by contributing to the development of dedicated European industrial plans.
4. Build up energy security through better integration within the European Energy Strategy to improve upon the existing storage and distribution infrastructure across all Member States.
5. Support the repurposing of refineries towards producing renewable-based liquid gases.

VI

Pillar VI

Beyond Fit for 55

Continuing the path towards 2050

The European Commission has set out objectives for achieving a 90% emission reduction by 2040. The European liquid gas sector will therefore ensure that it remains a key stakeholder in the process by:

1. Actively taking part in shaping the energy policy framework past 'Fit For 55' and towards climate neutrality.
2. Contributing to the technical and legislative discussions to achieve workable legislation for 2040.
3. Positioning renewable liquid gases as a key energy source in achieving the 2040 climate targets.
4. Supporting the sustainability and circularity of renewable liquid gases.
5. Empowering a more effective approach to meet waste targets by promoting renewable liquid gases for a more robust circular economy.



VII

Pillar VII

Affordability & Carbon pricing

Making the energy transition affordable for all

The affordability of renewable energy will continue to be a deterrent for consumers. Renewable liquid gases will be an affordable energy source heating driving off-grid communities by 2050, but only if legislation does not favour certain technologies over others. To achieve a technology neutral financing system, our industry will:

1. Cooperate with stakeholders and the European Commission in implementing the ETS II in a fair and fruitful way.
2. Work to create a tax system that supports the goals of CO2 reductions and climate neutrality, aimed at reducing the taxes for the least emitting fuels.
3. Advocate for the recognition of sustainable fuels towards renewable targets in heating.
4. Address road and fuel taxes to incentivise consumers to choose vehicles running on liquid gases.

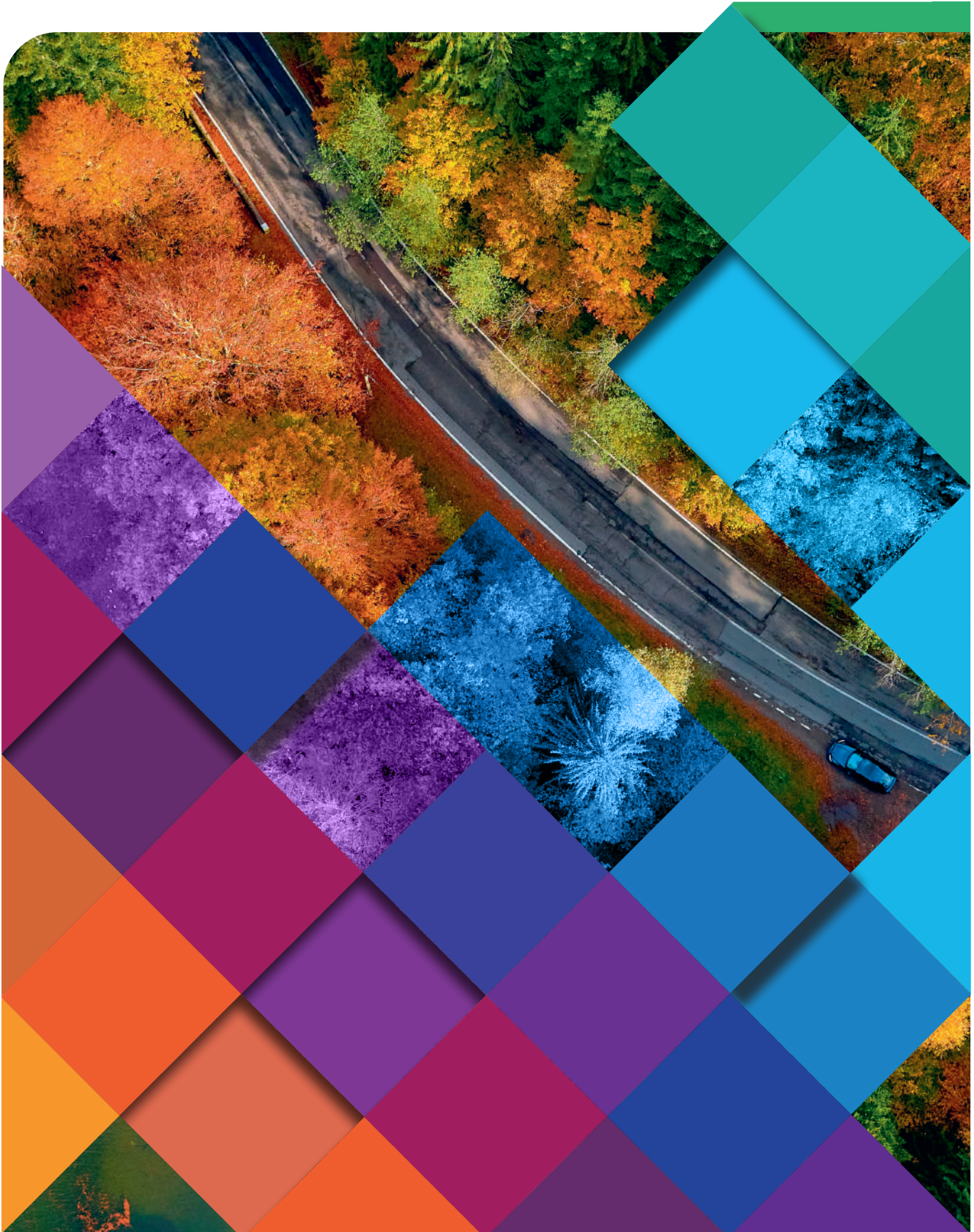
Outermost regions and islands

Recognising and supporting the specific energy situation in Europe's outermost regions and islands

The Outermost Regions of the EU are geographically isolated and small, therefore facing additional costs and high levels of underemployment and risk of energy poverty. Overall, there are 2,200 inhabited European islands. Helping these regions move away from imported fossil fuels and towards renewable liquid gases should not be forgotten. We will therefore:

1. Place Europe's outermost regions at the centre of political discussions to secure their energy autonomy and diversification of their energy mix.
2. Systematically inform European institutions of the benefits for outermost regions to use liquid gases for their energy and transport needs.
3. Support the production and distribution to provide affordable and lower carbon energy to boost local businesses and thwart depopulation and brain drain.





For more information, please contact us at:

info@liquidgaseurope.eu

www.liquidgaseurope.eu