
Update of the National Policy Framework for Alternative Fuels Infrastructure for Transport

**Response from the American Chamber of Commerce Ireland
(AmCham) to the Department of Transport's public
consultation.**

June 2024

The American Chamber of Commerce Ireland The Voice of US-Ireland Business

The American Chamber of Commerce Ireland (AmCham) is the collective voice of US companies in Ireland and the leading international business organisation supporting the Transatlantic business relationship. Our members are the Irish operations of all the major US companies in every sector present here, Irish companies with operations in the United States and organisations with close linkages to US-Ireland trade and investment.

AmCham welcomes the opportunity to respond to the Department of Transport’s public consultation on its update of the National Policy Framework for Alternative Fuels Infrastructure for Transport. The transport sector represents 19.4% of Ireland’s greenhouse gas emissions, and whilst other sectors decreased their emissions in 2022, transport saw an increase of 6%.¹ As the consultation document notes, the “*availability and supply of alternative fuels infrastructure in transport acts as a key support and enabling mechanism to the wider decarbonisation of the sector.*”² Timely infrastructural development for alternative fuels will be crucial in ensuring that Ireland’s transport industry is able to decarbonise within the appropriate timeframe. AmCham members support decarbonisation measures: 42% of AmCham members aim to be carbon neutral by 2030, with this rising to 64% of members by 2040. To support Ireland’s competitiveness and ensure that decarbonisation ambitions are feasible in reality, the Department must address the challenges that industry currently faces in switching to alternative fuels for transport.

Industry requires assurance that the relevant infrastructure will be put in place to allow it to fully commit to transitioning to alternative fuels and advanced technology vehicles. Such assurances would support industry through providing certainty on the fuelling infrastructure that will be supported into the future and, on this basis, clear direction is urgently needed. AmCham therefore emphasises the importance of the Department’s objective to “*provide the appropriate infrastructure and long-term investment signals to increase consistent use of renewable and low carbon fuels and substitute sources of energy in land / maritime / air transport.*”³ Industry requires the provision of certainty regarding the delivery of alternative fuel infrastructure, and clarity regarding timelines of this delivery, so that it can appropriately plan for the future.

Clear communication from the Department, for example in the form of a roadmap for alternative fuel infrastructure delivery, will be crucial going forward. The importance of certainty and clarity cannot be overstated. AmCham would further highlight the need for continued engagement with industry. The Department must work with industry to fully understand the practicalities of alternative fuels for transport, so that legislation is aligned with current trends. Collaboration will be key to the successful transition to alternative fuels for transport. This will particularly be important in achieving the Department’s objective to “*improve and enhance regulatory certainty with regard to the*

¹ EPA: <https://www.epa.ie/our-services/monitoring--assessment/climate-change/ghg/transport/>

² Department of Transport, Update of the National Policy Framework for Alternative Fuels Infrastructure for Transport: <https://www.gov.ie/en/consultation/441f2-update-of-the-national-policy-framework-for-alternative-fuels-infrastructure-for-transport/>.

³ Ibid.

uptake of renewable and low-carbon fuels and sustainable technologies.”⁴ In addition to clarity and stability of regulation, there needs to be adequate lead time for changes to regulation, as well as enhanced advisory and financial resources for businesses going forward.

Urgent acceleration and expansion of investment in the energy grid is needed to provide sufficient capacity levels to cater for both current and future investment and growth. In facilitating Ireland’s decarbonisation the delivery of an upgraded and expanded power grid is essential. At present grid capacity poses a challenge to the introduction of electric fleets. Further, the Department should review the current market structure surrounding the upgrade of local electric grids with a view to reforming costs to allow for reductions, where possible, for the end user.

AmCham supports the Department’s recognition that biomethane has “*some potential to assist in the decarbonisation of freight transport*”⁵ and that “*it will be important to consider what level of additionality is required in this space.*”⁶ The inclusion of biomethane in the Department’s alternative fuel infrastructure strategy will be key, particularly considering the role that it can play in decarbonising hard to electrify Heavy Goods Vehicles (HGVs). It is important that the appropriate infrastructure is planned for and developed, and this is somewhat reflected in Department’s commitment to “*develop appropriate policy options to support the use of biomethane, particularly in the public transport and freight sectors.*”⁷ Further commitment and clarity in relation to these “*policy options*” would be beneficial.

AmCham welcomes the Department’s objective to “*enhance and facilitate innovation, ensuring that new and innovative technologies that can further enhance or accelerate the provision and usage of alternative fuels infrastructure are encouraged, coupled with the enhanced use of data to inform decision-making.*”⁸ As AmCham noted in its White Paper, ‘Sustainable Energy: Powering Ireland into the Future’, “*Ireland’s ambitions should not be curtailed by the limitations of technology of today, but rather work towards new greener technologies needs to be supported and acknowledged by Government. There is need for greater collaboration between industry, research, and Government in order to make best use of the knowledge and opportunities that exist in*

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

*this area.*⁹ Further, financial supports should be put in place to encourage the deployment of alternative technologies that aren't commercially viable as of yet. As technology advances, Ireland should be quick to react. Agile policy implementation and a speedy planning system are needed if Ireland is to advance its alternative fuels infrastructure in a timely manner. Ireland needs to ensure that regulatory hurdles in this space are minimised when it comes to infrastructure and technology.

There are several challenges associated with changing fleets to electric vehicles (EV). As it stands there is limited cost-effective EV availability, and a significant disparity in cost between most commercial EVs and diesel vehicles. AmCham therefore suggests that the Department review the measures currently in place to promote the availability of EVs and consider the introduction of additional supports for companies in transitioning to zero emission vehicles.

Ireland is home to many multinational organisations and air connectivity has traditionally been important for both business and tourism. Ireland's open economy is supported by global links, and is important for trade, business, and personal links to Ireland's diaspora. In terms of aviation, AmCham looks forward to the publishing of the Sustainable Aviation Fuels (SAF) Policy Roadmap at the end of this year and supports the establishment of the Sustainable Aviation Fuel Task Force to inform its development. SAF has "*the greatest potential to reduce CO2 emissions from International Aviation*", according to the International Civil Aviation Organisation.¹⁰ The relevant infrastructural developments and policy supports to fulfil this potential are now needed. For example, the Department must ensure that the relevant mechanisms are in place to enable the safe, efficient, and affordable transport of SAF to and across Irish airports. Concern exists regarding SAF production capacity across the EU, and it is likely that Ireland will have to import SAF to meet industry demand. Ireland therefore needs to position itself as a competitive location for SAF imports. In order to do so, the Department must address environmental, safety and cost concerns. In terms of infrastructure, storage and blending facilities will be required for both imports and domestic industry. The establishment of such facilities should be prioritised going forward.

⁹ AmCham, Sustainable Energy: Powering Ireland into the Future':
https://www.amcham.ie/media/kzmer4md/amcham-energy-white-paper_march-2023.pdf

¹⁰ ICAO: <https://www.icao.int/environmental-protection/pages/SAF.aspx>