

LIQUID FUELS

National Reduction Target (NRT)

The National Indicative Target (NIT) is not the only obligation in Poland related to EU targets for reducing greenhouse gas emissions in the transport sector. The other example is the so-called National Reduction Target (NRT). Unlike the NIT, it does not relate solely to the share of renewable components, but refers explicitly to the reduction of greenhouse gas emissions over the life cycle of fuels, other resources and energy used for the transport purposes.

The National Reduction Target is an obligation to ensure a 6 per cent reduction in greenhouse gas emissions over the life cycle of liquid fuels, liquid biofuels, LPG, natural gas (CNG and LNG), inland vessel engine oil or hydrogen used in transport.

In accordance with the Act on the System for Monitoring and Controlling Fuel Quality, importers and producers of liquid fuels, liquid biofuels, LPG and oil for inland vessel engines, suppliers of natural gas (CNG and LNG) to a filling station or an on-site station, and optionally, after expressing to the President of the ERO the intention to join the reduction obligation, also suppliers of electricity for motor vehicles, are obliged to achieve emission reductions.

The obligation to reduce GHG emissions applies to the entire life cycle of the above fuels. Unlike NIT, fulfilment of the obligation may take place not only through the share of biofuels in the final product, but also through the use of LPG and CNG (lower GHG emission rate than e.g. petrol) and even reduction of greenhouse gas emissions in the upstream sector (e.g. in the form of reduction of gas combustion in flares).

The obligation fulfilment is confirmed by submitting an annual report to the President of the ERO by 30 June of the year following the year of execution of the duty.

Joint fulfilment of NRT obligations is also allowed, which is communicated in the joint annual report.

Failure to fulfil the obligation is subject to a penalty of up to 15% of the obliged entity's revenue.

Are you interested in this topic?

Feel free to contact us.

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