

Global policy to stimulate the use of LPG

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What is AEGPL?

- The representative of the LPG industry at European level, representing national LPG Associations as well as distributors and equipment manufacturers from across Europe.

- 54 Members active in 30 European countries, including ULPGA



УКРАЇНЬСЬКА АСОЦІАЦІЯ СКРАПЛЕНОГО ГАЗУ
UKRAINIAN LPG ASSOCIATION

- **Our mission is to engage with EU decision-makers and the wider policy community.**



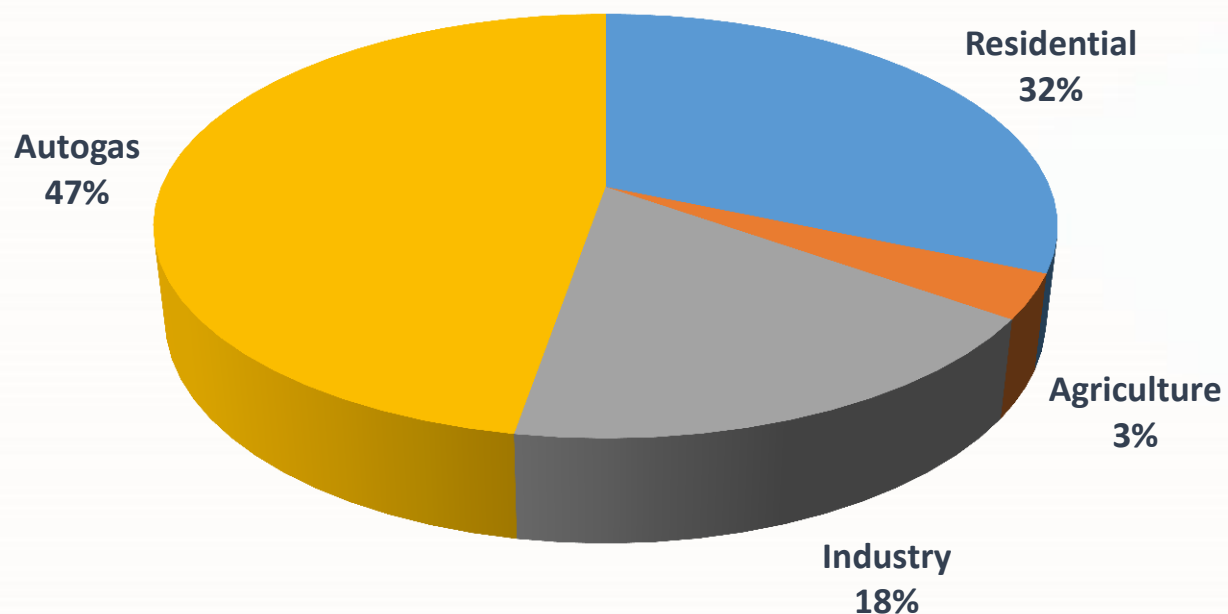
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1. Market Trends

LPG demand in Europe (EU+8 neighbouring countries)

Total LPG demand in 2016
= 22,2 million tonnes



Top-10 LPG retail markets in Europe

Residential:

1. Italy
2. Spain
3. France
4. Turkey
5. Germany
6. Portugal
7. Poland
8. UK
9. Romania
10. Netherlands

Autogas:

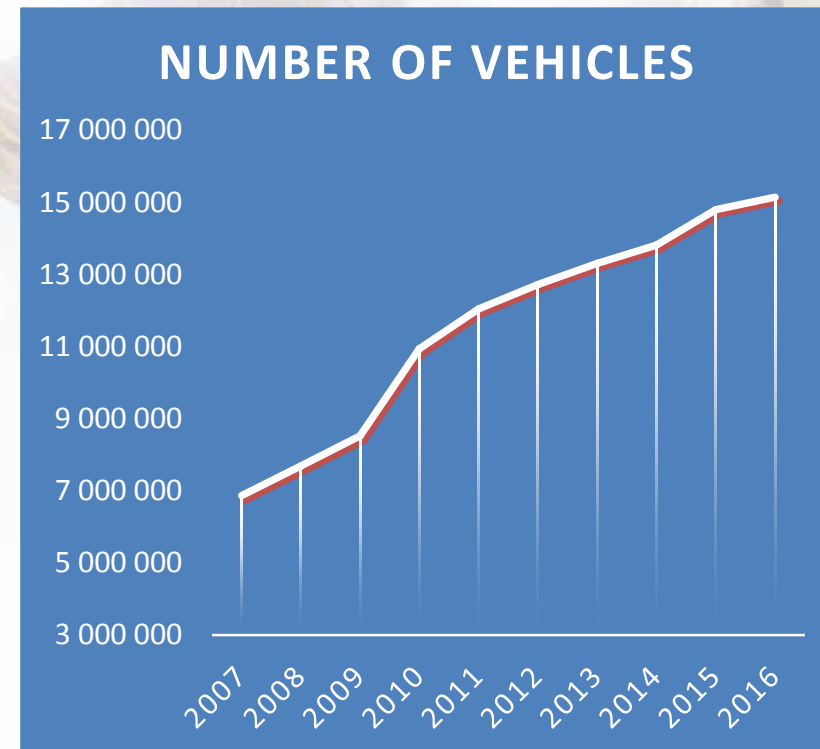
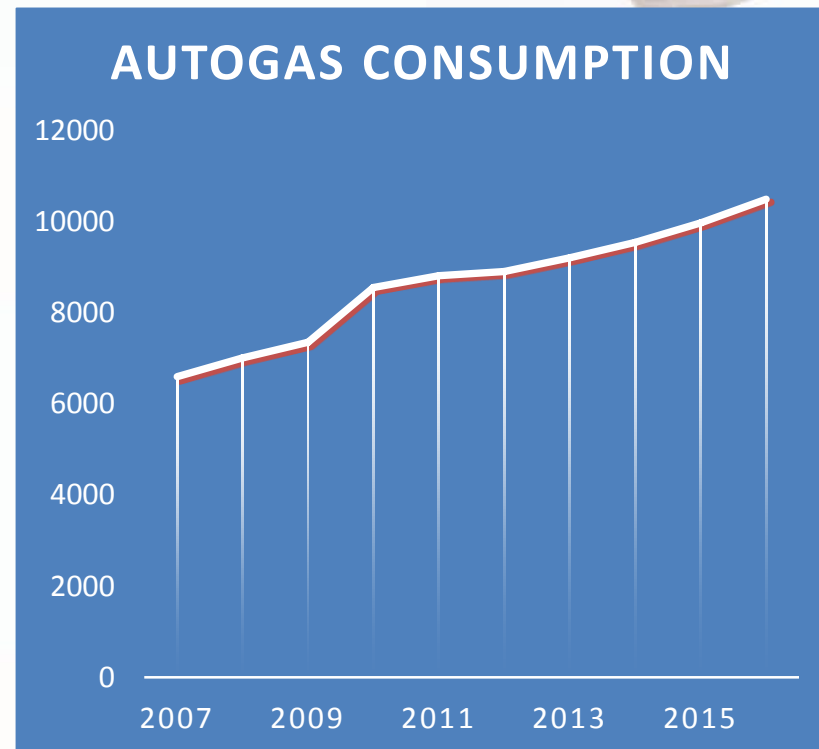
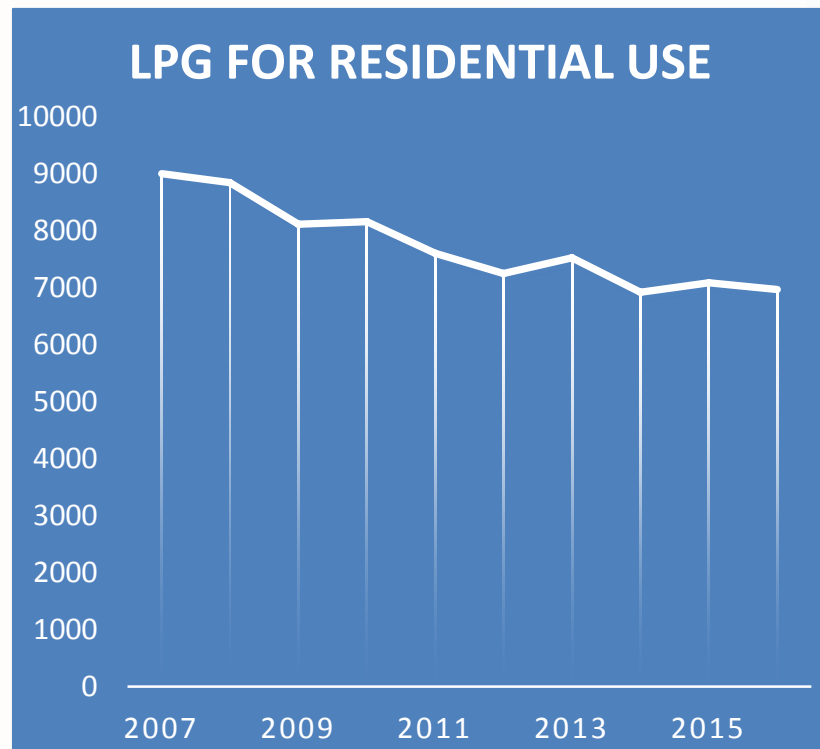
1. Turkey
2. Poland
3. Italy
4. Ukraine
5. Germany
6. Bulgaria
7. Romania
8. Greece
9. Serbia
10. Netherlands

Industrial:

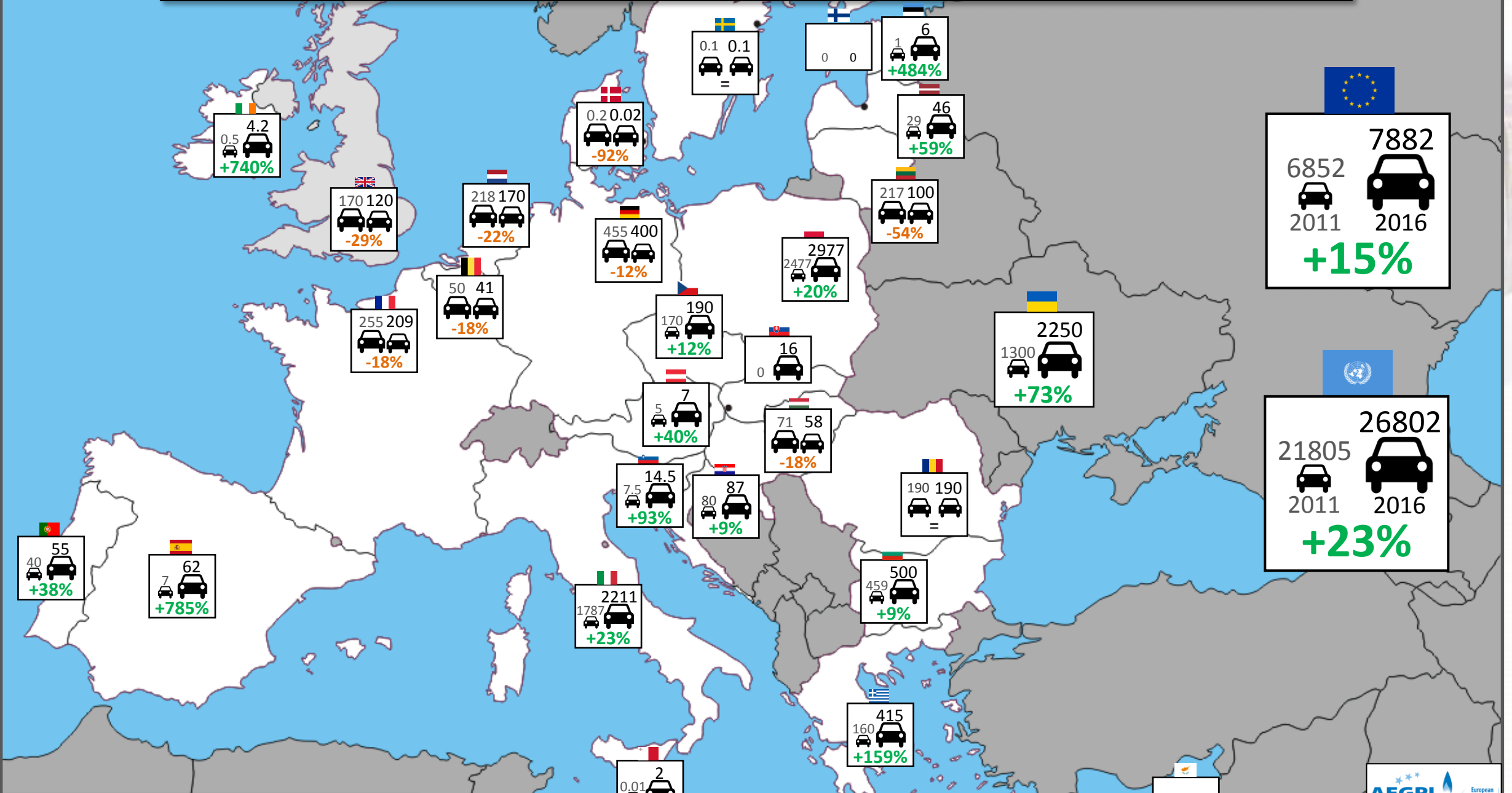
1. Germany
2. UK
3. France
4. Sweden
5. Finland
6. Spain
7. Italy
8. Norway
9. Poland
10. Greece

EU 28 + Turkey, Ukraine, Norway, Switzerland, Serbia and Bosnia Herzegovina

Market trends - Residential and Autogas



5 YEAR EVOLUTION OF THE NUMBER OF AUTOGAS CARS IN THE EUROPEAN UNION



The numbers are expressed in thousands of units

2. European Union policies promoting Autogas

Autogas: an alternative fuel



Directive 2014/94/EU on the deployment of alternative fuels infrastructure

Article 1:

*'alternative fuels' {...} include, inter alia: — electricity, — hydrogen, — biofuels, — synthetic and paraffinic fuels, — natural gas, including biomethane, in gaseous form (compressed natural gas (CNG)) and liquefied form (liquefied natural gas (LNG)), and — **liquefied petroleum gas (LPG)***

Recital 7

*“LPG or autogas is an alternative fuel, derived from natural gas processing and oil refining, with a **lower carbon footprint and significantly less pollutant emissions than conventional fuels**. Bio-LPG derived from various biomass sources is expected to emerge as a viable technology in the medium to long term. LPG can be used for road transport (for cars and trucks) for all ranges of distances. It can also be used for inland navigation and shortsea shipping.”*

Excise duty rates – Autogas

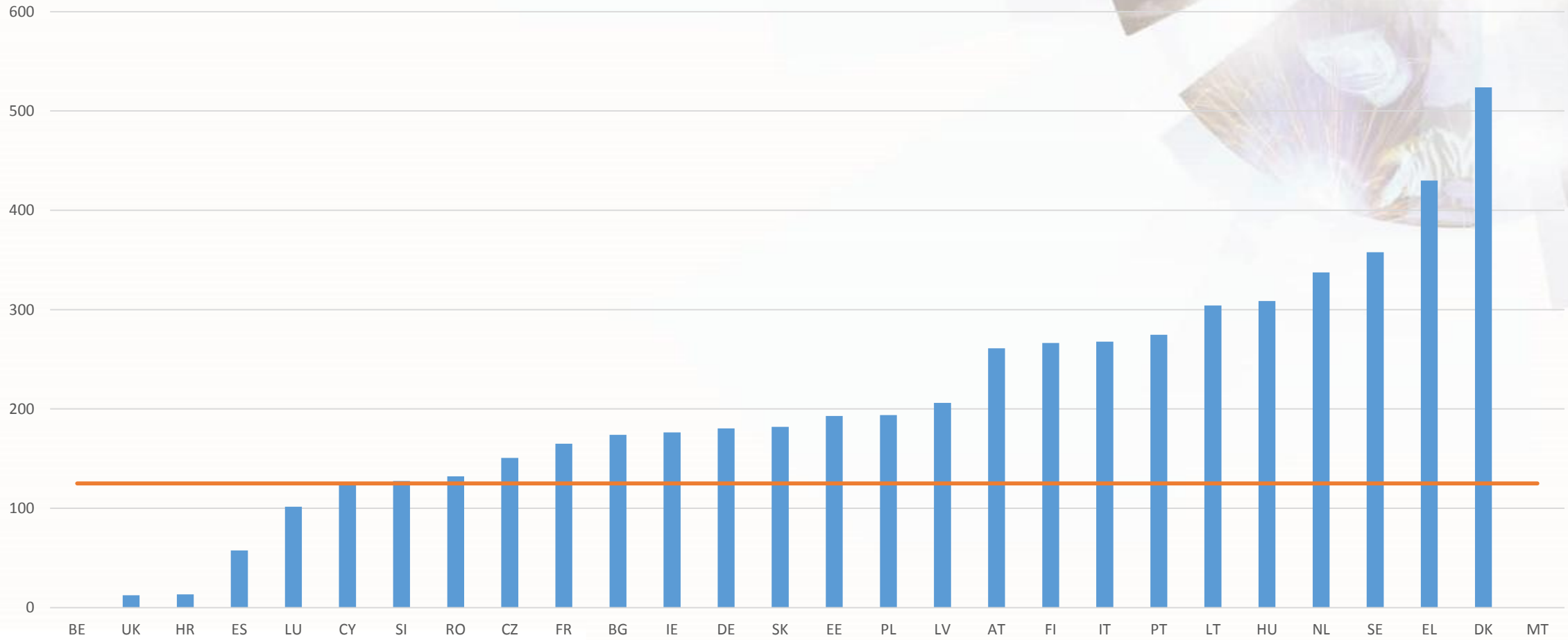
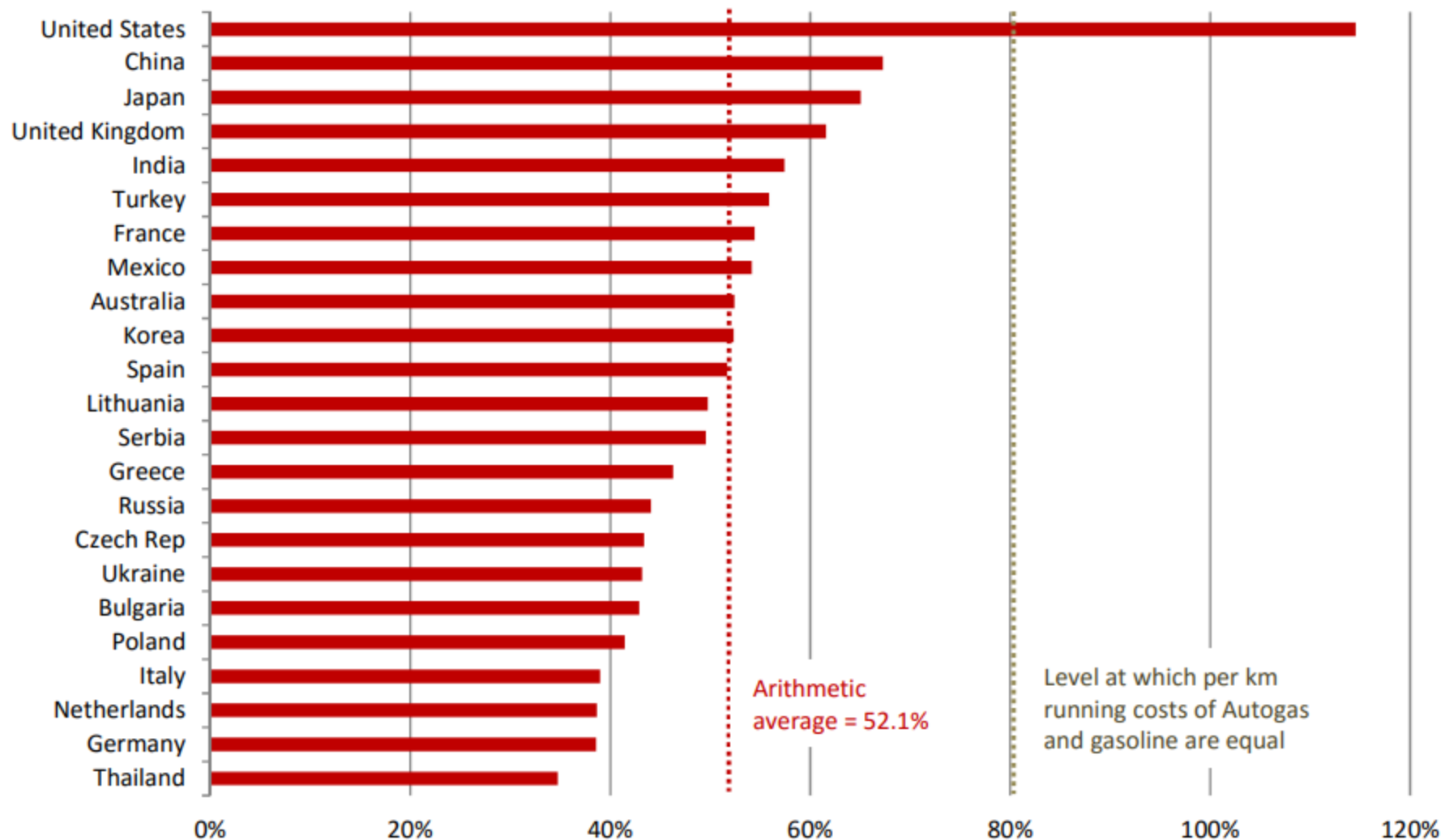
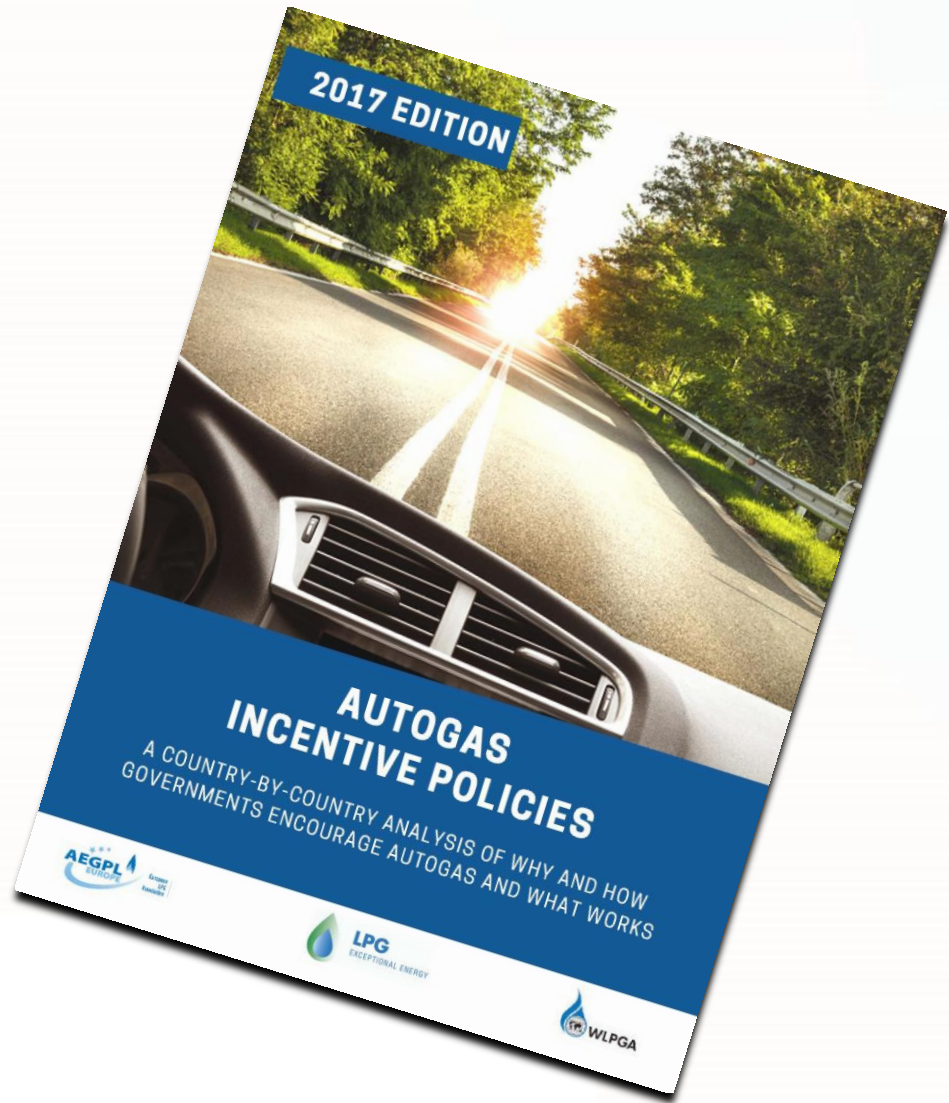


Figure A3.4: Autogas pump price including all taxes as % of gasoline price per litre, 2016



3. Case studies in EU member states

| At the country level



<https://auto-gas.net/government-policies/autogas-incentive-policies/>

Good practices



Incentives

- ✓ Low rate of excise tax
- ✓ Grant schemes at local level
- ✓ Eco-bonus to displace diesel for commercial vehicles
- ✓ Annual road tax rebate
- ✓ Free access to congestion-charging zones



Incentives

- ✓ Low rate of excise tax (exemption until 2011; now 3.2 cents/litre compared with 46.2 cents on gasoline and 36.8 cents on diesel)
- ✓ Grants for conversion
- ✓ Public fleet mandate
- ✓ Vehicle labelling
- ✓ Discount on parking



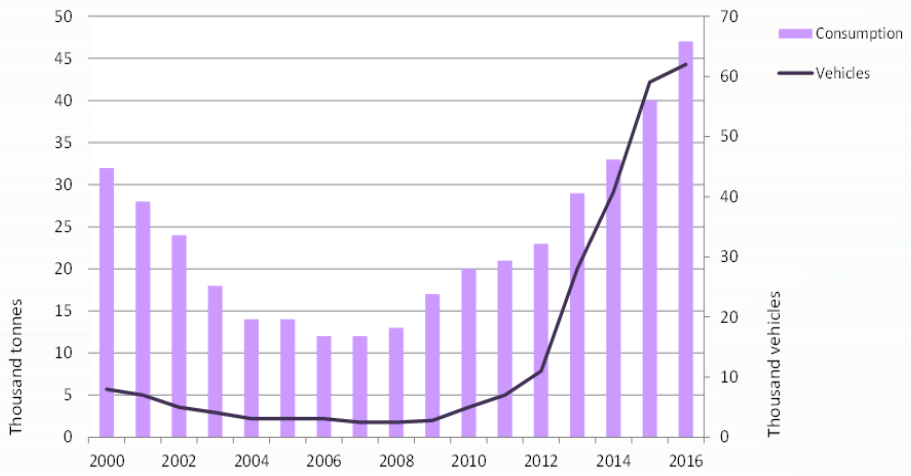
Incentives

- ✓ Low rate of excise tax (less than an a third of the amount charged on gasoline and diesel)
- ✓ No import duty

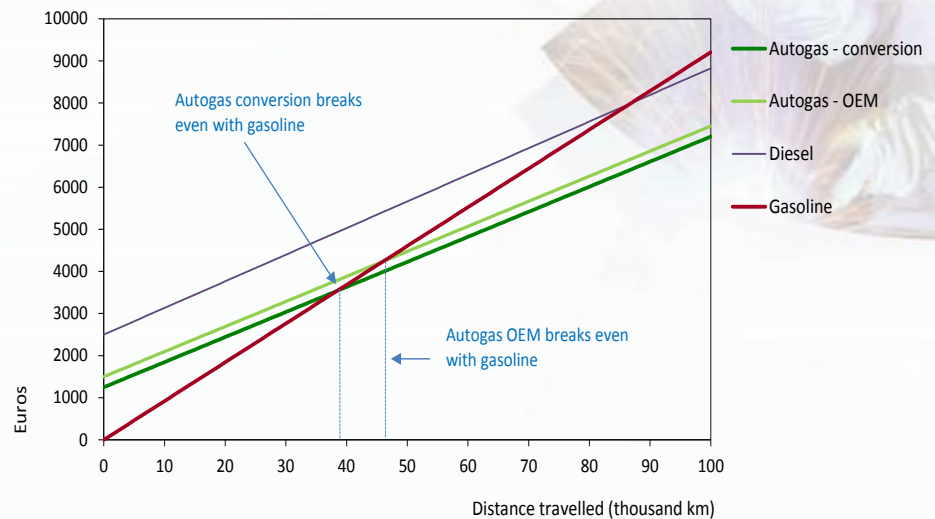


Autogas Incentives - Spain

Autogas market evolution

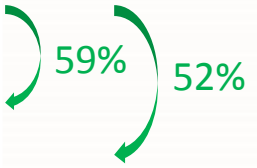


Running costs



Fuel prices

	2016 (US dollars)
Autogas	0.658
Diesel	1.121
Gasoline	1.273



Incentives

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Vehicle labelling scheme - Spain



Electric vehicles



Hybrid, Autogas and CNG vehicles



Diesel E 6
Gasoline E 4-5-6



Diesel E 4-5
Gasoline E 3



The **autogas** Cluster



4. Other factors influencing the success of Autogas

Overview

NEGATIVES



- ❌ Lack of knowledge and visibility
- ❌ Competition of other alternative fuels and alternative powertrains
- ❌ Misperceptions about performance and safety
- ❌ Modest environmental benefits compared to state-of-the-art petrol and diesel engines or alternative powertrains

POSITIVES



- ✅ Reputation of conventional fuels damaged (Dieselgate, testing controversies)
- ✅ Air pollution in urban areas (diesel / conventional engines bans)
- ✅ EV lack of maturity



Thank you!

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