

IEA-Advanced Motor Fuels ANNUAL REPORT 2025

GERMANY



Germany

Drivers and Policies

2025 has been a challenging year for Germany to move toward meeting its targets to reduce greenhouse gas emissions (GHGs), increase the use of renewable energy sources, and fight climate change. Several threats and challenges on the national and international levels appeared or continued. On the international level, in addition to the ongoing Russian invasion of Ukraine, the previous efforts to protect the environment, reduce GHGs, and increase the use of renewable sources are under pressure all over the world. A global shift seems ongoing that questions the previously agreed common-sense approach to addressing climate change and the accepted need to reduce GHGs as a main driver of climate change.¹ Such questions threaten national governments that are eager to continue their efforts to reduce GHG emissions and increase the use of renewable sources.

Despite these threats and challenges, the newly elected German government seems willing to pursue the agreed-upon policies of climate protection and GHG reduction. In May 2025, the new German government commenced its work. The coalition of Christian Democrats and Social Democrats, under the leadership of the conservative chancellor Friedrich Merz, remains committed to energy security, climate change mitigation, and further expansion of renewable energies. Previously agreed legal frameworks such as the [Climate Change Act](#) or the Energy Conservation Act remain in force. Within the coalition contract, the new government commits itself to the goals of climate protection and wants to achieve climate neutrality by 2045. The new government will adhere to the European Emission Trading System (ETS 2) and aims to increase the expansion of renewable energy sources (i.e., wind, solar, bioenergy, hydro, and geothermal power). However, the government also intends to extend the capacities of gas power plants with capacities of up to 20 Gigawatt (GW) until 2030.² The new government is likely to continue to pursue the energy transition by remaining independent from Russian oil and gas, encouraging energy savings and cost reductions for renewable energy sources, building liquefied natural gas (LNG) terminals, and creating a bridge to hydrogen utilization.

In the final days of its term of office, the previous German government set up a Special Fund for Infrastructure and Climate Neutrality in March 2025. With this Special Fund, the German government can add investments totalling 500 billion euro (€) to the core budget over 12 years, until 2036. Out of these 500 billion €, 100 billion € are reserved as an additional investment for the Climate and Transformation Fund to achieve climate neutrality by 2045. In 2025, the Special Fund for Infrastructure and Climate Neutrality accounted for 24 billion € of the total investment expenditure of 87 billion €.³

Greenhouse gas emissions 2024 and projections for 2025

In the [Climate Change Act](#), Germany set binding targets of at least a 65% decrease in GHG emissions by 2030 (compared to 1990 levels) and aimed to reach the ambitious goal of becoming carbon-neutral by 2045.⁴ For the first time, Germany managed to reach its GHG emissions goals in 2023 and continued this trend in 2024. Germany's CO₂ emissions have further decreased in 2024 by 20 million tons (3%) compared with 2023.⁵ Notably, CO₂ reductions in 2024 were likely achieved due to significant savings in the energy economy, which reduced its emissions by 7.4%, or 15 million CO₂ equivalent tons (tCO₂e), to 190 million tCO₂e.⁶ Emissions from the industrial sector remained

¹ Groupe d'études géopolitiques, 2025: "America's Withdrawal (Again) from the Paris Agreement: A Challenging New Era for the Global Response to Climate Change," <https://geopolitique.eu/en/articles/americas-withdrawal-again-from-the-paris-agreement-a-challenging-new-era-for-the-global-response-to-climate-change/>, accessed 26.02.2026.

² Koalitionsvertrag zwischen CDU, CSU, und SPD, 2025: "Verantwortung für Deutschland," https://www.koalitionsvertrag2025.de/sites/www.koalitionsvertrag2025.de/files/koav_2025.pdf, accessed 26.02.2026.

³ Federal Ministry of Finance, 2026: "Special Fund for Infrastructure and Climate Neutrality," <https://www.bundesfinanzministerium.de/Web/EN/Issues/Public-Finances/SVIK/special-fund-infrastructure-and-climate-neutrality.html>, accessed 27.02.2026.

⁴ Federal Ministry for Economic Affairs and Energy, 2026: "National climate action policy," <https://www.bundeswirtschaftsministerium.de/Redaktion/EN/Dossier/national-climate-action-policy.html>, accessed 02.03.2026.

⁵ Federal Environment Agency, 2026: "Finale Daten für 2024: Emissionen um drei Prozent gesunken," <https://www.umweltbundesamt.de/themen/finale-daten-fuer-2024-emissionen-um-drei-prozent>, accessed 02.03.2026.

⁶ Ibid.

unchanged with 149 million tCO₂e.⁷ The agricultural sector reduced its emissions by 3%, or 2 million tCO₂e.⁸ Likewise, the emissions in the building sector decreased slightly, by 1.9%, or 2.4 million tCO₂e. Emissions from the transport sector remained more or less at the same level as in 2023.⁹ In the LULUCF (Land Use, Land Use Change and Forestry) sector, emissions decreased by 15 million tCO₂e.¹⁰

CO₂ is the most-emitted GHG, accounting for 88.3% of all emitted GHGs in 2024, followed by methane (6.8%) and nitrous oxide (3.5%). Compared with 1990, CO₂ emissions decreased by 45.6%. Emissions of methane and nitrous oxide decreased by 67 and 56.3%.¹¹

In 2025, greenhouse gas emissions fell only marginally compared with the previous year, by around 0.9 tCO₂e (-0.1 per cent), to around 648.9 million tCO₂e. The reductions in the industrial sector (-5.7 million tCO₂e) were almost offset by increases in the buildings sector (+3.4 million tCO₂e) and in the transport sector (+2.1 million tCO₂e). The energy and agriculture sectors remained virtually unchanged from the previous year.¹²

Emissions in the transport sector

While national and sector-wide GHG emissions reduction targets for 2030 are in line with the German long-term strategy, they are not always reflected in sector-specific national contributions (i.e., EU energy efficiency target) and policies and measures (e.g., in the transport sector). These measures, specified in the [Climate Action Programme 2030](#), target a GHG emissions reduction of only 41–42% in the transport sector by 2030, which translates to 98 to 95 Mt CO₂-eq GHG emissions in the transport sector by 2030. A recast of the Bundes-Klimaschutzgesetz ([Federal Climate Change Act](#)) issued in July 2024 reduced the need for countermeasures in individual sectors when those sectors do not meet the target values. A new Climate Protection Programme was approved in March 2026.¹³

In contrast to the previous sector-specific *ex post* analysis of emissions, the amended Climate Change Act foresees a forward-looking, cross-sector and cross-year overall assessment of the expected total annual emissions for 2021 to 2030.

The Federal Environment Agency submits an annual projection report on 15 March, which includes an analysis of the development of total annual emissions from 2021 to 2030. If the Expert Council on Climate Issues determines that the total annual emissions for 2021–2030 will be exceeded in two consecutive years, the Federal Government must decide on measures to ensure compliance with the total annual emissions target (known as ‘adjustment’). The role of the Expert Council for Climate Issues has thus been significantly expanded. In addition, the Expert Council has been given a mandate to make its own proposals for the further development of appropriate climate protection measures. The annual emission volumes are used to assess the contribution of individual sectors. These replace the previous sector targets and will serve as the basis for monitoring in the future.¹⁴

Although Germany has already taken comprehensive climate measures, further efforts are required to achieve the CO₂ savings goal formulated in the Climate Change Act.¹⁵ Figure 1 illustrates the massive

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

¹² German Environment Agency, 2026: “Emissionsdaten 2025 & Projektionsdaten 2026,” https://www.umweltbundesamt.de/system/files/document/UBA%20Emissionsdaten%202025_Projektionsdaten%2026_Hintergrundpapier_0.pdf, accessed: 20.03.2026

¹³ Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety, 2026: “Climate Protection Programme,” <https://www.bundesumweltministerium.de/download/klimaschutzprogramm-ksp-2026>, accessed 09.04.2026

¹⁴ Federal Ministry of Transport, 2025: “BMV — Klimaschutzziele und Beschlüsse,” <https://www.bmv.de/DE/Themen/Mobilitaet/Klimaschutz-im-Verkehr/Klimaschutzziele-und-Beschluesse/klimaschutzziele-und-beschluesse.html>, accessed 05.03.2026.

¹⁵ Schröder, Görsch (Eds.), 2026: Renewable Energies in Transport. Monitoring Report, Leipzig: DBFZ, pp. 204. ISBN: 978-3-949807-36-7, DOI: [10.48480/45hp-x131](https://doi.org/10.48480/45hp-x131).

gap between trends and targets in the transport sector, highlighting that significant action must be taken quickly to reach the GHG emissions target of 85 Mt CO₂-eq by 2030.

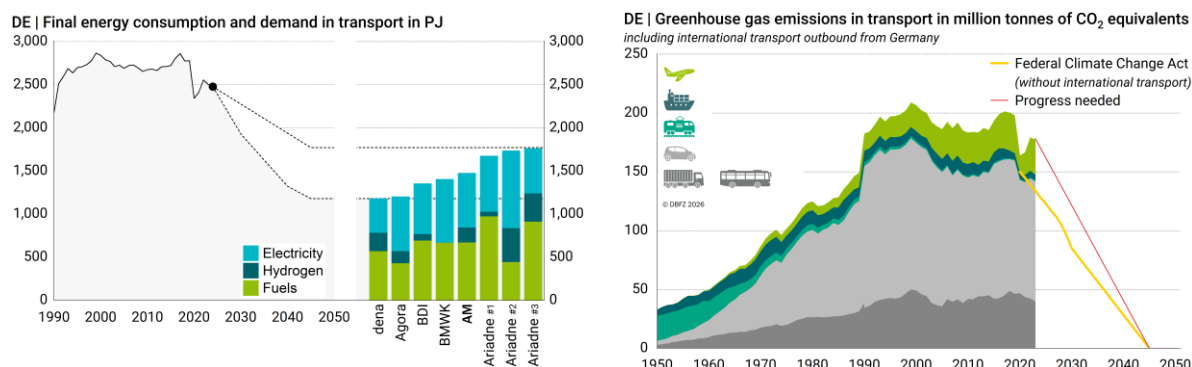


Figure 1. The massive gap between trends, targets, and scenarios in transport, 1990–2050¹⁶ (Source: DBFZ).

The main public policy drivers in the transport sector are the revised Renewable Energy Directive (RED III) and, to a lesser extent, the Fuel Quality Directive (FQD). These frameworks are implemented in Germany through the [Federal Immission Control Act \(BImSchG §37\)](#) and the Federal Climate Action Act, which together establish binding GHG reduction obligations for fuel suppliers.

Under the German regulatory framework, the GHG mitigation quota (Treibhausgasminderungsquote) remains the central emissions compliance mechanism. Fuel suppliers are required to reduce the life-cycle GHG emissions of the fuels they market, and they must report these emissions annually. The quota has become significantly more stringent in recent years, increasing from 7% in 2022 to 9.25% in 2024, and continuing on a linear trajectory toward a target of 25% by 2030.¹⁷ While the FQD originally established a 6% GHG reduction target for transport fuels by 2020, its relevance has declined as the RED framework has become the primary instrument for regulating renewable energy in transport.

Starting in 2025, the German transport sector has been subject to significant revisions to the regulatory framework governing its GHG emissions to align with the revised RED III. In this context, the German government has introduced the draft Second Act on the Further Development of the Greenhouse Gas Reduction Quota, which was adopted by the Federal Cabinet in December 2025 and is, as of early 2026, under parliamentary deliberation. The draft proposes a substantial strengthening of the national GHG mitigation quota under the Federal Immission Control Act (BImSchG §37), extending the quota trajectory beyond 2030 to 2040. The proposed GHG reduction requirement for fuel suppliers would increase significantly — up to 59% by 2040 — thereby exceeding the current target of 25% by 2030.

In addition to its increased ambitiousness, the draft law introduces structural changes to the quota system: gradual expansion of sub-quotas for advanced biofuels and renewable fuels of non-biological origin (RFNBOs) (e.g., renewable hydrogen and synthetic fuels), as well as the progressive phase-out of certain crediting mechanisms, including double counting and upstream emission reductions. Sustainability requirements continue to be implemented through established national instruments such as the Biofuel Sustainability Ordinance (Biokraft-NachV); however, the requirements are progressively tightened to reflect updated and more stringent criteria introduced under RED III. Overall, the proposed reform reflects a transition toward a more stringent, long-term, and technology-neutral GHG reduction framework, with a stronger emphasis on electrification and advanced renewable fuels in the transport sector.¹⁸

¹⁶ Figure based on and updated from Schröder, Görsch (Eds.), 2026: Renewable Energies in Transport. Monitoring Report, Leipzig: DBFZ, pp. 204. ISBN: 978-3-949807-36-7, DOI: [10.48480/45hp-x131](https://doi.org/10.48480/45hp-x131), accessed 21.04.2026

¹⁷ Bundesministerium der Justiz und für Verbraucherschutz, Federal Immission Control Act, BImSchG §37, “Act on Protection against Harmful Environmental Effects from Air Pollution, Noise, Vibrations and Similar Processes,” <https://www.gesetze-im-internet.de/bimschg/37.html>.

¹⁸ Deutscher Bundestag 2026: Gesetzentwurf der Bundesregierung Entwurf eines Zweiten Gesetzes zur Weiterentwicklung der Treibhausgasminderungs-Quote, Drucksache 21/4083, <https://dserver.bundestag.de/btd/21/040/2104083.pdf>, 10.03.2026.

Table 1. Summary GHG Mitigation Quota Until 2030 and Compliance Options in Germany

Quota	Explanation
GHG mitigation quota	Minimum share of GHG mitigation (yearly increase): 12% in 2026, up to 26.55% in 2030
Advanced biofuels in road transport (RED II Annex IX A)	Minimum share of energy (yearly increase): 1.0% in 2026, up to 2.6% in 2030
PtL jet fuel in aviation	Minimum share of jet fuel energy: 0.5% by 2026, 1% by 2028, and 2% by 2030

To decarbonize the transport sector, high priority has recently been given to the enforcement of hydrogen and LNG infrastructure along the most important middle- and long-distance road networks and the expansion of the charging infrastructure for electric vehicles. The Federal Ministry for Economic Affairs and Climate Action (BMWK) under the previous government invested EUR 62 million in the construction of three bunker vessels or FSRU (Floating Storage Regasification Unit) for LNG, which will later be used to refuel ammonia.¹⁹ The project's aim is to build a modern and sustainable infrastructure for maritime vessels. Likewise, the first German LNG terminal was inaugurated on December 17, 2022, in Wilhelmshaven. Overall, LNG terminals are currently in use at three locations, while at additional two locations, LNG terminals are still under construction.²⁰ The combined capacity of all six units is up to 30 billion m³. The amount of LNG imported via the LNG terminals in Northern Germany varied from 0.7 kwh per week up to 3.2 kwh per week in 2025.²¹

The application of hydrogen and its derivatives as transport fuels is one of Germany's main strategies to reach GHG quotas, as outlined in the [National Hydrogen Strategy](#), dated June 2020. By 2030, the EU expects to have capacity to meet a total hydrogen demand of 90 to 110 terawatt hours (TWh) (approximately 2.7 to 3.3 million metric tons), of which about 14 TWh (0.4 million metric tons) will be produced in Germany.²² The strategy includes a strong focus on green hydrogen from electrolysis based on renewable electricity; biomass-based hydrogen is only considered on biotechnological routes or even as advanced biofuel in line with the RED II/III. In this respect, Germany's strategy differs from the EU hydrogen strategy, which includes biomass as a renewable hydrogen source.²³ The strategy highlights the overall critical stance of the federal government in using biomass for renewable fuel production. The strategy, revised in July 2023, considers the increased level of ambition on the path to climate neutrality and the changing demands and challenges that have resulted from the Russian war of aggression. The main points of the strategy include accelerating the market ramp-up of hydrogen, ensuring sufficient availability of hydrogen and its derivatives, developing an efficient hydrogen infrastructure, and establishing hydrogen applications in the sectors.²⁴

The power-to-liquid ([PtL Roadmap](#)), published in May 2021, outlines Germany's efforts to expand the production of sustainable aviation fuel (SAF) from renewable energy sources.²⁵ The federal government, federal states, and industry representatives in particular agreed that electricity-based PtL kerosene from renewable energy sources will play a key role in making the aviation sector carbon-

¹⁹ Federal Ministry for Economic Affairs and Energy, 2022: "Habeck hands over funding notices: €62 million for the construction of three innovative LNG bunker vessels," <https://www.bmwk.de/Redaktion/EN/Pressemitteilungen/2022/12/20221223-habeck-hands-over-funding-notices-eur62-million-for-the-construction-of-three-innovative-lng-bunker-vessels.html>, accessed 04.03.2026.

²⁰ NDR, 2026: "LNG: Wie viel Flüssigerdgas kommt derzeit in Deutschland an?" <https://www.ndr.de/nachrichten/info/LNG-Wie-viel-Fluessigerdgas-kommt-derzeit-in-Deutschland-an.lng632.html>, accessed 02.03.2026.

²¹ Ibid.

²² DBFZ, 2022: "Hydrogen from biomass," <https://www.dbfz.de/pressemediathek/publikationsreihen-des-dbfz/dbfz-reports/dbfz-report-nr-46>, accessed 04.03.2024.

²³ Ibid.

²⁴ Federal Ministry for Economic Affairs and Climate Action, 2023, "Update of the National Hydrogen Strategy," https://www.bmwk.de/Redaktion/DE/Wasserstoff/Downloads/Fortschreibung.pdf?__blob=publicationFile&v=4, accessed 04.03.2025.

²⁵ The Federal Ministry of Transport, 2021: "PtL roadmap, Sustainable aviation fuel from renewable energy sources for aviation in Germany," https://www.bmv.de/SharedDocs/DE/Anlage/G/ptl-roadmap-summary.pdf?__blob=publicationFile, accessed 05.03.2026.

neutral and sustainable. Germany has set a goal of a minimum of 200,000 tonnes of PtL kerosene used in German aviation by 2030; this target is linked to the [National Hydrogen Strategy](#).²⁶ The country intends to achieve the target by developing new technologies, establishing uniform sustainability criteria, and supporting market ramp-up.

For on-road vehicles, all eyes are on electrification. The Trilogue's October 2022 agreement to ban the sale of new combustion engine cars after 2035 illustrates a strong commitment to electric vehicles.²⁷ The previous federal government supported the agreement and underlined that it will provide German industry the necessary planning security.²⁸ However, the current German government, elected in February 2025, campaigned to soften the ban on combustion engine cars — a stance that was heavily supported by the German car industry.²⁹ Car manufacturers argued that they are struggling with high competition from China and a lower-than-expected consumer demand.³⁰ The European Commission re-evaluated the envisioned measures and timeframe and presented the Automotive Package in December.³¹

However, the number of cars that rely on fossil fuels decreased further in 2025 (Table 2). The final numbers for newly approved cars in 2025 will be available in May 2026.

Table 2. Stock of Passenger Cars in Germany by Fuel Type on January 1, 2022–2026³²

Year	Gasoline	Diesel	LPG	CNG	BEV	Hybrid	Plug-in	Fuel Cell
2022	31,005,134	14,824,262	331,481	82,309	618,460	1,669,051	565,956	
2023	30,556,538	14,437,489	326,853	80,630	1,013,009	2,337,897	864,712	
2024	30,235,032	14,142,184	313,723	77,421	1,408,681	2,911,262	921,886	
2025	29,918,520	13,829,261	299,992	73,123	1,651,643	2,589,533	967,423	
2026	29,343,732	13,385,455	284,455	66,396	2,034,260	3,239,695	1,122,958	1,575

LPG = liquefied petroleum gas, according to European fuel quality standard EN 589

CNG = compressed natural gas, according to German fuel quality standard DIN 51624

BEV = battery electric vehicle

Advanced Motor Fuels Statistics

The consumption of fuels in Germany — primarily diesel, petrol, and biofuels — totaled 53.7 million tonnes in 2024 (Figure 2).³³ To a minor extent, biomethane is used for compressed natural gas (CNG). The absence of incentives results in no market demand for E85 and pure biodiesel. Overall, energy crops and their use as fuel are limited and need to be expanded in order to meet Germany's climate goals.

²⁶ The Federal Government, 2026: "One-Stop-Shop — Hydrogen | The National Hydrogen Strategy," <https://www.bundeswirtschaftsministerium.de/Redaktion/EN/Hydrogen/Dossiers/national-hydrogen-strategy.html>, accessed 05.03.2026.

²⁷ News of the European Parliament, 2022: "Deal confirms zero-emissions target for new cars and vans in 2035," <https://www.europarl.europa.eu/news/en/press-room/20221024IPR45734/deal-confirms-zero-emissions-target-for-new-cars-and-vans-in-2035>, accessed 04.03.2024.

²⁸ German Parliament, "Answer of the federal government to the small question from the CDU/CSU faction," <https://dserver.bundestag.de/btd/20/050/2005047.pdf>, accessed 04.03.2024.

²⁹ German Association of Automotive Industry, 2025: "10-point plan for climate-neutral mobility," https://www.vda.de/en/press/press-releases/2025/250606_PM_2030-2035_CO2-Flottenregulierung_EN, accessed 05.03.2026.

³⁰ CNN, 2025: "Europe backtracks on ban of new combustion engine cars, in setback to tackling climate change," <https://edition.cnn.com/2025/12/16/business/eu-combustion-engine-ban-changed-intl>, accessed 05.03.2026.

³¹ European Commission, 2025: "Commission takes action for clean and competitive automotive sector," https://ec.europa.eu/commission/presscorner/detail/en/ip_25_3051, accessed 05.03.2026.

³² Kraftfahrt-Bundesamt (Motor Transport Authority), 2026: "Kraftfahrzeugbestand nach Umweltmerkmalen," https://www.kba.de/DE/Statistik/Fahrzeuge/Umwelt/umwelt_node.html, accessed 09.03.2026.

³³ FNR, "Fuel consumption in Germany," <https://mediathek.fnr.de/grafiken/daten-und-fakten/bioenergie/biokraftstoffe/kraftstoffverbrauch-in-deutschland.html>, accessed 04.03.2026.

Fuel consumption in the transport sector in Germany 2024

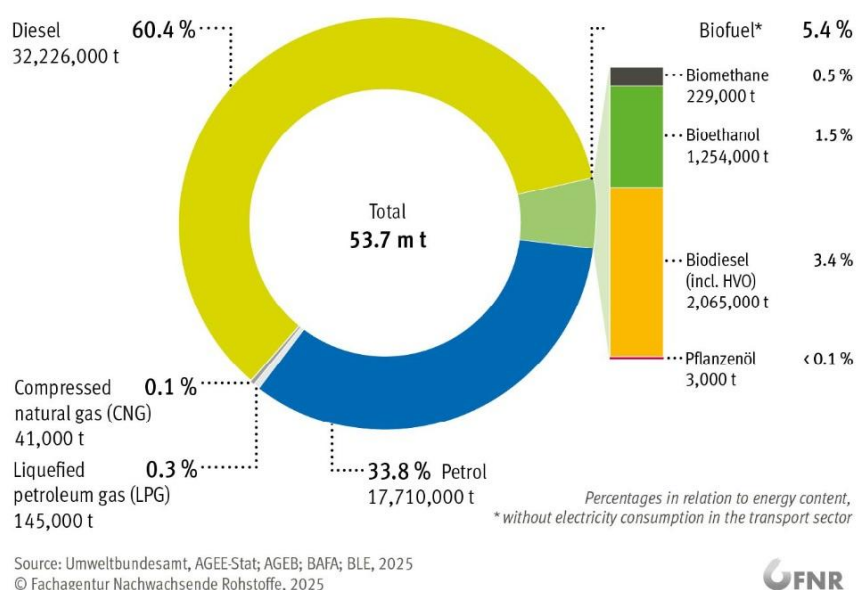


Figure 2. Fuel Consumption in the Transport Sector in Germany in 2024³⁴

In 2024, 3.5 million tons of certified biofuels were sold in Germany. The overall savings in GHG emissions resulting from the use of all biofuels was 12 million tons of CO₂-equivalent — or 90% compared with fossil fuels.³⁵

Table 3. Domestic sale of biofuels, 2020–2024 (as of November each year, in 1,000 tons)³⁶

	2021	2022	2023	2024	2025
Admixture, biodiesel	201.2	219.6	207.9	106.9	189
Of which HVO					3.6
Of which FAME					184.7
Diesel fuel	2,943.3	3,276.2	2,924.7	2,606.5	2,730.8
Diesel fuel + admixture	3,144.5	3,276.2	3,132.6	2,713.4	2,919.8
Share of admixture (%)	6.3	7.2	7.1	3.9	6.4
Bioethanol ethyl tert-butyl ether (ETBE)	10.3	9.7	8.7	7.4	6.1
Bioethanol, admixture	88.8	96.0	98.9	93.1	104.3
Bioethanol in total	99.1	105.7	107.6	100.5	110.4
Petrol	1,439.9	1,309.2	1,303.5	1,382	n.a.
Petrol + Bioethanol	1,539	1,414.9	1,411.1	1,482.5	n.a.
Share of Bioethanol in %	6.8	7.4	7.6	6.8	n.a.

³⁴ Federal Office for Economic Affairs and Export Control [BAFA] et al. (Federal Statistics Office [Destatis], DVFG [German LPG Association], the Federal Ministry of Finance [or BMF], Agency for Renewable Resources [Fachagentur Nachwachsende Rohstoffe e.V., or FNR]), 2025.

³⁵ Federal Agency for Agriculture and Food, 2023: “2023 Evaluation and Experience Report,” https://www.ble.de/SharedDocs/Downloads/DE/Klima-Energie/Nachhaltige-Biomasseherstellung/Evaluationsbericht_2023.pdf?__blob=publicationFile&v=2, accessed 05.03.2025.

³⁶ Federal Office for Economic Affairs and Export Control (BAFA), 2025: “Official Mineral Oil Data,” https://www.bafa.de/SiteGlobals/Forms/Suche/Infothek/Infothek_Formular.html?nn=8064038&submit=Senden&resultPerPage=100&documentType=type_statistic&templateQueryString=Amtliche+Daten+Mineral%C3%B6l+daten&sortOrder=dateOfIssue_dt+desc, accessed 26.04.2026.

Table 3 shows the German domestic consumption of fuel and biofuel each year since 2020. The figures refer to the fuel consumption in November of each year. publication of the official mineral oil data has been suspended,³⁷ so no data is available for November 2025.

Research and Demonstration Focus

Public funding for alternative motor fuels on the national scale is supported by the [Federal Ministry for Transport](#) (BMV) in the areas of National Innovation Programme Hydrogen and Fuel Cell Technology, [NIPH](#), infrastructure, e-mobility, LNG, CNG, and jet fuel. Likewise, the [Federal Ministry of Research, Technology and Space](#) (BMFTR) funds research through the “Kopernikus Projects” (P2X and SynErgie).³⁸ Since 2022, the BMFTR has funded three lighthouse projects with total funding of EUR 700 million (USD 808 million): H2Giga, H2Mare, and TransHyDE.³⁹ The [H2Giga](#) flagship project aims to mass-produce electrolyzers for the production and scale-up of hydrogen, while the [H2Mare](#) flagship project intends to produce hydrogen on the high seas, and the [TransHyDE](#) flagship project aims to develop a hydrogen transport infrastructure. The [CARE-O-SENE](#) project, funded with EUR 40 million, develops catalysts for green kerosene.⁴⁰

Outlook

In 2025, the national and international threats and challenges of 2024 (mentioned earlier in this report) continued or even increased. Thus, the support and funding for renewable energy sources and sustainable energy technologies are facing increasing competition with other urgent topics. In Germany, topics such as the economic crisis, migration, and national and international security are perceived as more and more important, especially in light of a second Donald Trump presidency, the uncertain developments in Ukraine, and increasing nationalist tendencies in Germany and all over Europe. The rapid changes in national priorities become very clear when looking at the topics perceived as very important in the election campaigns in 2021 and 2025. While in 2021, climate change was perceived as most important,⁴¹ in 2025 migration and inflation were perceived as the most important topics among German voters.⁴²

This shift in public and political attention toward topics such as security and economy might displace — or at least distract — attention from topics such as climate change adaptation and mitigation activities or renewable energy sources. Especially the strong growth of right-wing populist movements all over the world, as well in Germany, is putting German efforts to adopt climate protections and implement increased use of renewable resources under pressure.

Taking all of this into consideration, 2026 will likely also be a challenging year for Germany and Europe, particularly for the topics of renewable energy sources and green transition. Thus, next year’s country report promises to be interesting.

³⁷ Ibid.

³⁸ Federal Ministry of Research, Technology, and Space, “Kopernikus Projekte,” <https://www.kopernikus-projekte.de/en/home>, accessed 06.03.2026.

³⁹ Federal Institute for Education and Research, “Welcome to Hydrogen Flagship Projects,” <https://www.wasserstoff-leitprojekte.de/home>, accessed 04.03.2026.

⁴⁰ CARE-O-SENE, “Research for a green future: CARE-O-SENE – Catalyst Research for Sustainable Kerosene,” <https://care-o-sene.com/en/>, accessed 04.03.2026.

⁴¹ Konrad Adenauer Stiftung, 2021: “Bundestag Election in Germany on 26 September 2021,” p. 8 <https://www.kas.de/documents/252038/11055681/Bundestag+Election+in+Germany+on+26+September+2021.pdf/11c8cee6-4819-40aa-69c5-81e3b8da1e08?t=1633597927008>, accessed 12.03.2025.

⁴² Deutsche Welle, “DW; 2025: German election: migration and economy key issues,” <https://www.dw.com/en/immigration-and-economy-key-issues-in-german-election/a-71702813>, accessed 13.03.2025.

Major changes

- The elections of the German parliament, the Bundestag, resulted in a coalition of Social Democrats (SPD) and Conservatives (CDU/CSU). The coalition agreed on major investments in infrastructure, climate protection, and defence. Major changes related to energy and climate policies have not been implemented so far.
- A Special Fund for Infrastructure and Climate Neutrality was set up. The German government can initiate investments totalling 500 billion € until 2036, in addition to the core budget. Out of the 500 billion €, 100 billion € are reserved as an additional investment for the Climate and Transformation Fund to achieve climate neutrality by 2045. In 2025, the Special Fund for Infrastructure and Climate Neutrality accounted for 24 billion € of the total investment expenditure of 87 billion €.
- The newly elected government agreed on a continuation of subsidies for the purchase of electric vehicles. According to the new regulation, private households can receive between 1,500 € and 6,000 € when buying an electric vehicle or a plug-in hybrid vehicle.
- The CO₂ tax increased from 45 € to 55 € per ton in 2025.

Benefits of participation in AMF

Access to global information and expertise regarding advanced transport fuels; exchange of experience on implementation of solutions in AMF member countries.