

EU Public consultation

"Biofuel issues in the new legislation on the promotion of renewable energy"

This must be read in conjunction with the consultation document available at http://ec.europa.eu/energy/res/consultation/biofuels_en.htm. It replies to the questions in the format requested. The specific questions asked have been abbreviated. We are particularly surprised that Pure Plant Oil (PPO), i.e. un-esterified vegetable oil is not mentioned anywhere in the proposed legislation.

Question 1.1 Do you think the “possible way forward” described is feasible?

Yes, it is a good start. Periodic review and flexible systems will have to be built into the Directive to allow it to stay abreast of technical and commercial developments. It should aspire to encompass social and anthropological criteria also, such as use of child labour, slave labour and displacement of people from their homes. Usage of water, fertilizers and pesticides is also an area not addressed under the current proposals.

Question 1.2 What do you think the administrative burden will be?

Cumbersome but necessary. A quantified answer requires more detailed analysis.

Question 1.3 Does it give an adequate level of assurance that biofuel will be sustainably produced?

It sets a framework to commence monitoring, reporting and verifying. It will evolve over time. The sustainability criteria must not be too soft and too easily achieved, as in the example of national CO₂ allocations in the EU emissions trading scheme.

Question 1.4 Should Carbon stock criterion be incorporated under CO₂ criterion?

It is probably best to keep it separate initially, in order to simplify the process and develop a transparent mechanism for assessing the impact on carbon-stock.

Question 1.5 Should biodiversity criterion be extended to account for adjacent land-use impact and how?

If possible yes, the criterion should account for the indirect land-use effects of biofuel. This is most practically done on a national level. It will be difficult for both EU members and trade partners. It could be enacted via bilateral agreement with major world biofuel exporters. This could allow favoured access to EU markets for countries that monitor, report and verify their land-use changes, as part of an over-all reporting process on their biofuel feedstocks and impact on the environment. This could in effect impose the same criterion on external trade partners as the directive would impose on EU member states.

Question 1.6 How can areas of “Exceptional Biodiversity” be fairly defined?

Question 2.1 How to monitor land-use effects?

It is difficult to see how the commission can report effectively on biofuel sustainability and land-use. Can we impose reporting obligations on member states

and external trade partners? The prospect of framework agreements for a given biofuel path is administratively heavy, but may be the only solution. It has already been enacted globally for the reporting and verification of so-called CDM (Clean Development Mechanism) projects in countries who wish to trade carbon credits.

Question 2.2 Is it possible to link effects to individual biofuel consignments?

Probably not a practical approach, though as mentioned, it may be possible to have in place framework agreements for different biofuel feedstock/processing combinations.

Question 3.1 Definition of 2g biofuel?

A combination of option a) “type of material” and c) “other” may be best. This would mean that a 2g biofuel is defined by both the material of origin and sustainability criteria. One definition is that it is non-food, and that it has a 50% GHG (greenhouse gas) reduction over comparable fossil fuels on an energy-basis.

Question 3.2 Encouraging 2g biofuels?

The first proposal, to allow double accounting for 2g biofuels towards fulfilling national obligations has some negative side. It blurs the targets. Is it not equally valid to promote fuel-efficiency in a similar fashion? This concept of reducing the target tends to promote the attitude of displacement rather than reduction.

The second option of allowing higher subsidies on 2g biofuels is preferable.

Question 3.3 Should 2g biofuels only benefit in this way if they make GHG savings?

Yes. Perhaps a 50% GHG definition should be enforced.

Question 4.1 Should the legislation deliver B10 (10% biodiesel) standards?

Not only should it do this, it should encourage the development of a B20 standard, which is in widespread use in the USA. Regarding the concern that B10 is only an 8.8% substitute for diesel, why not raise this standard to a possible 10% energy equivalent?

Question 4.2 Should the legislation include measures to support higher biofuel blends?

Absolutely yes. We are particularly disappointed that Pure Plant Oil (PPO), i.e. un-esterified vegetable oil is not mentioned anywhere in the proposed legislation. It is a particularly environmentally friendly fuel, with a low carbon footprint, and high social benefits.

Several member states are already undertaking initiatives that consumers should have the choice to refuel completely carbon-free. 100% pure biofuel blends should be available as a choice to consumers. Where there are technical barriers to 100% blends, supports should be available to the highest levels in practice available to consumers (eg for E85 ethanol blends).

Question 4.3 Should legislation also support biomethane, methanol and DME?

We know of no reason why the legislation should not encompass as diverse a range of biofuels as possible and provide full support. We would also recommend the inclusion of Pure Plant Oil and Biobutanol in this list.

Question 4.5 Should the commission review the 10% target by a given date?

Yes, this should be periodically reviewed. It is obvious that E10 and B10 blends cannot meet the 10% target alone, therefore the 'other options' must be fully considered.

The review must not presuppose the targets are unlikely to be met, and should take a more proactive and positive approach, in terms of fully exploring how the targets are most likely to be met.

Question 4.6 What role should taxation play?

Member states should be given freedom under the legislation to heavily promote 2g and high-blend biofuels, such as E85, B100, PPO (Pure Plant Oil) and biogas/biomethane. This should be allowed, where member states so choose, through excise-relief, VAT reductions, capital grants and other fiscal supports for use of biofuels. State-aid rules are currently very restrictive in this area.