

Brussels, 28th October 2016,

To:

Mr. Maroš Šefčovič, Vice-President of the European Commission, Energy Union
Mr. Jyrki Katainen, Vice-President of the European Commission, Jobs, Growth, Investment and
Competitiveness
Mr. Alexander Italianer, Secretary-General
Mr. Miguel Arias Cañete, Commissioner forClimate Action & Energy
Ms. Elżbieta Bieńkowska, Commissioner for Internal Market, Industry, Entrepeneurship and SMEs
Ms. Violeta Bulc, Commissioner for Transport
Mr. Phil Hogan, Commissioner for Agriculture & Rural Development
Mr. Neven Mimica, Commissioner for International Cooperation and Development
Mr. Carlos Moedas, Commissioner for Research, Science and Innovation

NGOs recommendations for post-2020 sustainable low carbon transport fuels policy

Dear Vice-Presidents, dear Secretary-General, dear Commissioners,

The European Commission is currently working on a new Renewable Energy Directive (RED) and new bioenergy sustainability policy for the period 2020-2030, which will have implications on the long-term pathway to decarbonise transport fuels. With this letter the undersigned organisations encourage the European Commission to phase-out food-based biofuels by 2030 and to prioritize a GHG-based target over a blending mandate for incentivizing truly low carbon advanced fuels and electricity.

1. Stop all direct and indirect support for land based biofuels¹ and stop counting them toward renewable energy and climate targets

In the current RED, the 10% target for renewable energy in transport eventually led to a U-turn, because this policy ended up mandating and subsidising many biofuels with a worse environmental performance and carbon footprint than fossil fuels. Moreover, the promotion of food crops for biofuels has undermined the world's food security due to its upward pressure on food prices and incentivised land grabbing in the global South. A repeat of this disaster scenario must be avoided at all cost, which is why we oppose again setting energy mandates for renewable fuels for 2030.

¹ Our position on energy crops is the following: Use of energy crops for bioenergy could be allowed in exceptional circumstances where strong evidence is provided by the economic operator that the crops are being grown on unused land and that its use for energy does not cause direct or indirect land use change (ILUC), displacement of other material uses of biomass and does not lead to significant loss of biodiversity, soil degradation or water pollution.

In its Low-Emission mobility strategy of 20 July the Commission said that "food-based biofuels have a limited role in decarbonising the transport sector" and that it was "focusing on their gradual phase out and replacement by more advanced biofuels". We expect the Commission to fully live up to this commitment and phase out not just food-based biofuels but all land based biofuels (with the exception highlighted in footnote 1) latest by 2030. This phase-out could be accomplished through the Renewable Energy Directive in a form of a decreasing EU-wide cap down to zero in 2030, with differentiated trajectories for each member state.

Volumes of food and other land-based biofuels (or other bioenergy) over the cap should not count towards renewable energy targets, and neither towards climate targets. Already in the EU emissions trading system, only biofuels complying with sustainability criteria are eligible for zero-rating of CO2 emissions. After 2020, this principle needs to be applied consistently for all forms of bioenergy across all EU climate policies, including the new Effort Sharing Regulation.

2. Create a robust sustainability framework for all forms of bioenergy, including advanced biofuel feedstocks

All types of bioenergy require a robust sustainability framework, which needs to be a prerequisite for the new RED. This includes an adoption of robust sustainability criteria excluding the use of high risk biomass sources like food crops and roundwood and ensuring the sustainable use of waste and residues for bioenergy purposes. For advanced biofuels specifically, this includes: (i) an efficient and optimal use of waste and residues, in line with the principle of cascading use and waste hierarchy; (ii) robust and verifiable emission savings on the basis of correct carbon accounting and (iii) a comprehensive and a binding set of environmental and social sustainability criteria. More information is available in a detailed <u>NGO position paper</u>.

3. GHG targets are the most effective way to ensure economically secure future for lowcarbon, sustainable, advanced fuels

A repeat scenario needs to be avoided at all cost, and hence we caution strongly against setting new energy-based targets in the form of blending mandates for 2030. Any new policy for clean transport fuels needs to be based on their environmental and climate performance, not just on whether they are labelled 'renewable' or not.

Advanced, renewable transport fuels widely vary in their environmental and climate performance, and in technology development. Some fuels have higher GHG emissions than others. Some cause land use change, some do not. Some - electricity - deliver 3-4 times more transport performance per GJ of energy than liquid fuels. Some are technologically simple and mature - used cooking oil - others require further innovation and scale.

The undersigned organizations strongly believe that a GHG target set in the Fuel Quality directive offers the appropriate framework for incentivizing the delivery of renewable, low-carbon, ILUC-free, energy-efficient and innovative forms of fuels. It offers a performance-based differentiation and a competition for best performing technologies while giving clear market signals and incentives for clean fuel investments in the EU.

4. Only set a realistic GHG target for 2025

If such a clean fuel performance target is to be proposed, it should have a clear trajectory over time and begin at a modest and realistic level for 2025. This would enable the EU decision makers to verify whether the target is being achieved in a sustainable manner or not, again avoiding the need for a U-turn midway. This approach was also endorsed by the advanced biofuels industries taking part in the '<u>Biofrontiers</u>' project.

These four elements are essential for transitioning towards a truly clean transport sector powered by sustainable fuels and towards electrification based on renewable energy. We urge the European Commission to ensure these four elements are included in the new Renewable Energy Package to be published before the end of the year.

We are at your disposal at any time, should you need additional information or details on the information provided.

Sincerely,

Jos Dings, Transport & Environment Executive Director Ariel Brunner, BirdLife Europe, Senior head of policy Laura Sullivan, ActionAid Director for Europe Linde Zuidema, Fern Bioenergy policy advisor