



Brussels, February 24th, 2017

TO: EU Energy Ministers
CC: Member States Permanent Representations to the EU
Energy Attachés

Subject: EU Biofuels Value Chain:

Key principles for the discussion on the post-2020 EU Renewable Energy Directive (RED II)

Dear Energy Ministers,

Ahead of your first discussion on the post-2020 EU Renewable Energy Directive (RED II), to take place in Brussels on February 27th, the undersigned organizations, representing the European Biofuels Value Chain, would like to bring to your attending our main concerns and the key principles necessary for an ambitious and successful RED II.

Introduction

Decarbonising transport requires concrete, realistic yet ambitious policies. The European Commission's proposal for a revised Renewable Energy Directive for the period 2020-30 does not deliver in this regard.

Instead of supporting COP 21 and EU's climate and energy goals, the RED II proposal would:

- hinder decarbonisation in transport and thus place a higher burden on other non-ETS sectors;
- have a devastating economic impact on the EU biofuels chain, from farmers to processors;
- put at risk the 220,000 direct and indirect jobs in the EU, particularly in rural areas;
- further undermine investor confidence (including those in the advanced biofuels sector);
- favour the fossil oil industry at the expense of sustainable renewable energy; and
- work against the EU's energy security and bio-based economy goals.

Policy makers should consider the following key guiding principles to deliver on the twin objectives of renewables uptake and decarbonisation in the transport sector:

1. Increasing ambitions for renewable energy use in transport

- To meet the EU's overall decarbonisation goal of 30% in non-ETS sectors including transport and reach at least 27% renewables use by 2030, the EU cannot roll back its 2020 ambitions.
- The share of renewables in transport that will be reached in 2020 should be considered as a minimum basis for post-2020 and no decrease from such volumes can be accepted.
- Each Member State shall require fuel suppliers to include a minimum share of 15% of renewable energy in transport by 2030, granting a homogeneous policy across the EU which is key to prevent a fragmented fuel market.

2. Ensuring policy continuity by not lowering the contribution of conventional biofuels

- The 7% maximum contribution of biofuels from arable crops to the share of renewables in transport must not be reduced.
- The figure is the result of a three-year policy debate. This compromise is still being implemented by Member States and addresses concerns over the alleged impact of the EU's biofuels policy on the availability of biomass.
- This compromise also recognises that conventional biofuels produce valuable co-products, notably for the livestock sector, allowing the EU to decrease its protein deficit by substantially reducing its dependence on imports of feed meals.

3. Adhering to sustainability criteria and traceability requirements for biofuels and bioliquids

- The European biofuels chain is already complying with strict sustainability criteria and committed to continuous improvements. European biofuels abide by the most stringent sustainability rules in the world, which prevent feedstocks from being grown on deforested land, peat lands or areas with a high biodiversity value. Sustainability is a precondition for any form of renewable energy to be able to contribute to decarbonisation objectives.
- A European cross-checking database of traceability is necessary to have national and voluntary schemes interlinked to avoid any kind of potential fraud.
- An update of the fossil fuel comparator is needed to reflect real values. The existing methodology to calculate GHG savings should be maintained and its transparency increased. The power to amend Annex V should not be delegated to the European Commission.

4. Promoting sustainable conventional biofuels beyond the 7 percent cap

Sustainable biofuels that can contribute to the EU bio-economy and circular economy by generating protein and feed for the EU animal sector as well as the low-emission biofuels should be promoted beyond the cap. These should be defined as biofuels that:

- save at least 60% emissions compared to fossil fuel; and
- are produced from feedstock that complies with mandatory sustainability requirements as set out by the EU Common Agricultural Policy.

5. Promoting the progressive deployment of advanced biofuels on top of conventional biofuels

- Dedicated support is needed to foster investment in commercial production of advanced biofuels.
- The definition of advanced biofuels must be based on a conceptual definition (as per work provided by the SGAB) and not on an arbitrary list of raw materials, processing or byproducts, as is the case in the current proposal.
- Advanced and non-advanced biofuels need to be submitted to an EU-wide traceability verification to avoid untrustworthy claims for extra incentives.
- A policy that plays off biofuels against each other will only protect the market share of fossil fuels, favouring oil imports from unstable regions over renewable fuels which are locally produced from domestic biomass.
- The deployment of advanced biofuels should build on existing legislation and industry, to secure investor confidence, which is a prerequisite for any new investment in renewable fuels projects. Advanced biofuels must be established as an additional instrument to further reduce fossil fuel use and GHG emissions, and be supported through a dedicated sub-target as per the Commission's proposed trajectory.

6. Promote the use of fuels with high blended biofuel levels

- Prevent fuel standards or regulatory limits from achieving the policy goals of increasing the use of renewable fuels in transport.
- Take into account the benefit of biofuels in vehicles regulations to valorise biofuels and promote the development of higher biofuels blends.

Kind regards,

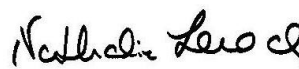
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The **European Biodiesel Board (EBB)** is a non-profit organisation established in January 1997. Today, EBB gathers close to 70 members across 21 Member-States, which represents 75% of the European output. Biodiesel is the main European solution to reduce emissions from transport and dependence on imported oil. EBB aims to promote the use of biodiesel in the European Union and is committed to fulfil International standards for sustainability in GHG emissions and sustainable feedstock. EBB is constantly working towards the development of improved and greener technologies.

The **European renewable ethanol association (ePURE)** represents the interests of European renewable ethanol producers to the European institutions, industry stakeholders, the media, academia and the general public. The organisation, established in 2010, promotes the beneficial uses of ethanol throughout Europe. Based in Brussels, ePURE represents 42 member companies, with 50 production plants in 16 member states, accounting for about 85% of the installed renewable ethanol capacity in Europe.

CEPM brings together Professionnal and inter-Professionnal organisations whose mission is to represent and defend in their respective countries the interests of all or part of the maize chain : corn, maize silage, maize seed and sweet corn. To fulfil these objectives, CEPM carries out monitoring, lobbying and communication activities, and makes concrete proposals.

FEDIOL is the European Association representing the vegetable oils and protein meal industry. The sector covers more than 150 facilities belonging to 35 companies in 17 countries and employs directly 20,000 people. Its members process oilseeds, refine and bottle vegetable oils.

Founded in 2002, the **European Oilseed Alliance (EOA)** brings together the oilseed producing organizations from the main European countries (Germany, France, UK, Poland, Czech Republic, Finland and Belgium) and represents 90% of European oilseed production.

The **C.I.B.E.** is the international confederation of sugar beet growers. It represents the interests of beet growers vis-à-vis European Institutions and international organisations since 1927. CIBE is composed of national and regional associations from 18 European beet-producing countries. These include 140,000 growers from 16 EU countries (Austria, Belgium, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, the Netherlands, Poland, Romania, the Slovak Republic, Sweden, the United Kingdom) and roughly 130,000 growers from 2 non-EU countries (Turkey and Switzerland).

CEFS was founded in 1953 and represents all European beet sugar manufacturers and cane sugar refiners covering sugar production in 21 EU countries (Austria, Bulgaria, Belgium, Croatia, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Lithuania, Portugal, Romania, the Netherlands, Slovakia, Spain, Sweden and the United Kingdom) plus Switzerland.