

Renewable ethanol drives EU decarbonisation. Why turn back now?

With its revised Renewable Energy Directive (RED II) the European Commission wants to phase out conventional biofuel use in Europe – **a proposal that threatens to remove ethanol – one of the EU’s best options for reducing greenhouse gases and decarbonising transport.**

The measure would reduce the maximum contribution of conventional biofuels, such as ethanol made from corn, wheat and sugar beet grown in Europe, from a maximum of 7% of road transport energy in 2021 to 3.8% in 2030.

What is at stake?



Road transport is currently 95% reliant on oil and accounts for 20% of EU emissions. In its latest progress report on renewable energy the Commission admits there is “slow” progress in decarbonising EU transport.

But rather than ensuring the growth of realistic renewable and low-carbon energy sources in transport by 2030, **the Commission’s proposal is counterproductive to the EU’s climate and energy goals, discourages investment in new technology (such as advanced cellulosic ethanol) and ignores the Commission’s own scientific research.**

Why is ethanol important?



Conventional ethanol is made from crops grown sustainably in Europe, with very low impact on land use change and no direct impact on food prices. When blended with petrol it offers a renewable, cleaner-burning fuel that delivers significant greenhouse gas emission savings: **64% on average compared to petrol – equivalent to the annual emissions of 4 million cars.** It works in existing vehicles, and at scale. And it provides significant income to Europe’s farmers – at least €2.1 billion per year.

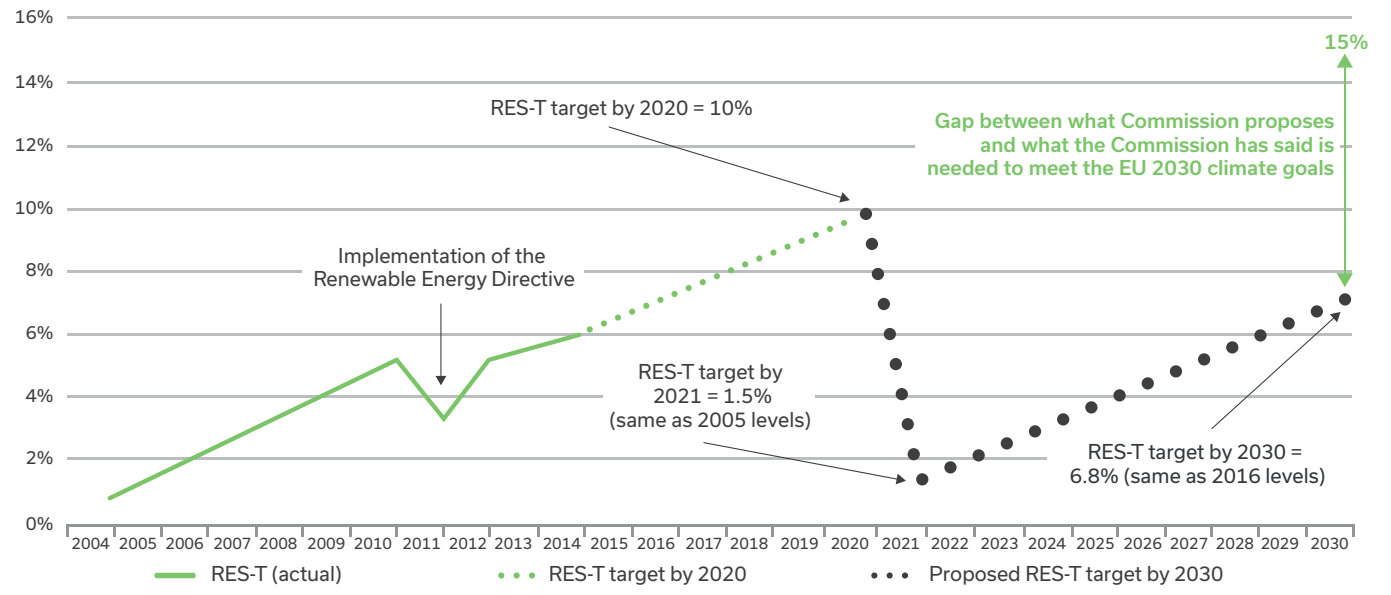
RED II is supposed to move the EU closer to its transport energy goals. Instead, it is counterproductive because it...

- ...works against EU goals for reducing GHG and decarbonising transport.
- ...ignores the Commission’s mandate to promote sustainable biofuels.
- ...makes it harder for Member States to meet EU targets.
- ...is yet another biofuels policy u-turn when stability is crucial.
- ...discourages investment in advanced biofuels.



What the Commission wants: Another policy u-turn

Renewable Energy Share in Transport (RES-T) and EU Targets



RED II...

...is not supported by evidence or public opinion

- The Commission's own research shows ethanol has low risk of indirect land-use change (ILUC) and no negative impact on food prices.
- Renewable ethanol is not a 'food-based fuel'; it's a food-producing fuel that generates enough animal feed co-product to feed more than 2 million dairy cows – 10% of the EU dairy herd.
- Despite Commission claims to the contrary, the EU public strongly supports policies that encourage conventional biofuels (68% in favour; 12% against, according to 2017 EuroPulse poll).

...lacks real ambition

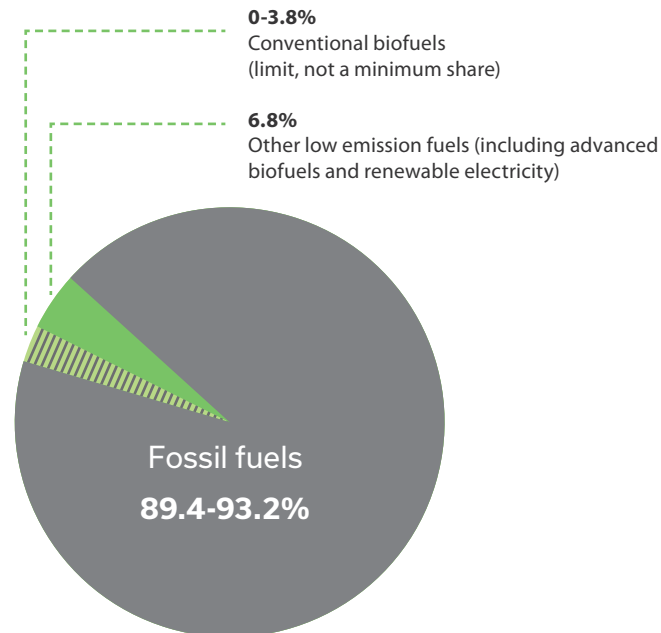
- The EU has set goals for 2030: 40% emission reductions and 27% renewables use.
- That means achieving 18-19% emission reduction and 15% alternative energy in transport.
- Phasing out conventional ethanol will jeopardise those goals because other alternatives, like electric vehicles, will not ramp up quickly enough.

...is friendly to fossil fuel

By severely limiting the ability of renewable ethanol to contribute to EU transport decarbonisation, Europe will be forced to continue its reliance on imported oil.

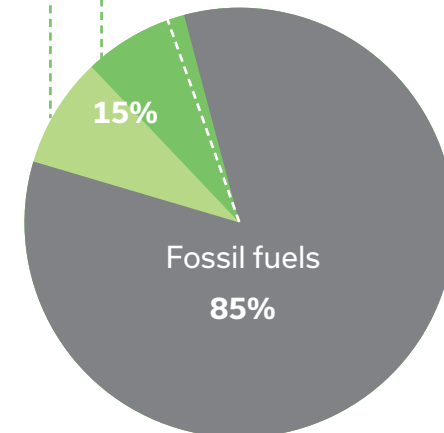
The EU can still move forward with its renewable energy policy. Now is not the time to turn back.

What the Commission wants: 2030 road & rail transport energy mix



What the EU needs... At least 15% renewable energy use in transport, reached by:

- Maintaining the current 7% cap on crop-based biofuels.
- Mandating at least 6.8% low emission fuels, including advanced biofuels and renewable electricity.
- Allowing sustainable crop-based biofuels to contribute beyond the cap.



A better way forward

Rather than make yet another innovation-killing policy u-turn, the EU should...

- Increase the level of ambition to 15% renewables in transport by 2030 to deliver on energy and climate goals.
- Ensure policy continuity and maintain 7% contribution of biofuels from arable crops to renewables objectives.

- Strengthen sustainability criteria and traceability requirements for all biomass to ensure a level playing field between energy sources.
- Promote sustainable conventional biofuels with high GHG savings beyond the current and proposed caps.
- Promote progressive deployment of advanced biofuels on top of conventional biofuels.
- Encourage the development of higher biofuels blends to improve CO2 reduction and air quality.

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