

EBB Position on the EU Long-Term Strategy "*Clean Planet for All*"



70/COM/19

March 2019

Background

In the end of 2018, the European Commission (EC) issued "[A Clean Planet for all - A European Strategic Long-Term Vision for a Prosperous, Modern, Competitive and Climate Neutral Economy.](#)" This long-term strategy looks at how the European Union (EU) can continue its leadership towards climate neutrality by investing into realistic technological solutions, empowering citizens, and aligning action in key areas such as industrial policy, finance, or research – while ensuring social fairness for a just transition. It builds on the Energy Policy Framework established under the EU's [Clean Energy for All Europeans package](#).

The purpose of this long-term strategy is not to set targets, but to create a vision and sense of direction, plan for it, and inspire as well as enable stakeholders, researchers, entrepreneurs and citizens alike to develop new and innovative industries, businesses and associated jobs. The strategy looks into the portfolio of options available for Member States, business and citizens, and how these can contribute to the modernisation of our economy and improve the quality of life of Europeans. It is also an invitation to all EU institutions, the national parliaments, business sector, non-governmental organisations, cities and communities, as well as citizens, to participate in ensuring the EU can continue to show leadership and encourage other international partners to do the same.

Answering to this appeal, **the EBB is pleased to put forward this position paper with main principles and our proposals to ensure an effective and successful decarbonization of the European transport sector.** This paper is divided into six areas to work on in the upcoming years:

1. <i>Why biodiesel</i>	An explanation on the main reasons for the EU to continue using biodiesel to decarbonize its transport sector.
2. <i>The transport sector should not be left behind</i>	Detailing the specific characteristics and needs for a successful decarbonisation of the transport sector
3. <i>Progressive and realistic deployment of advanced biofuels on top of conventional biofuels</i>	Explaining why conventional biofuels (alongside waste-based and advanced biofuels) should remain a key instrument for the decarbonization of the transport sector
4. <i>Measures to reduce GHG emissions from Heavy Duty Vehicles, Aviation & Maritime</i>	EBB proposals to reduce GHG emission in these specific sectors, where electrification is not feasible in the short or medium term.
5. <i>Enhance use of higher biodiesel blends within harmonised fuel grades across the EU</i>	Rational behind increasing the allowed blends of biodiesel into fuels, and proposals for further work in this area;
6. <i>Improve effectiveness of sustainability criteria and traceability requirements for biofuels</i>	EBB proposals regarding the need to harmonize EU measures in terms of traceability and sustainability certification.

1. Why biodiesel

Biodiesel represents a significant renewable energy source in the EU. With more than 11 million tonnes of biodiesel produced every year, **the EU is today the world leader in the production and use of biodiesel and renewable diesel for transport** ⁽¹⁾. The production of this "made in Europe" green diesel helps reducing a yearly EU diesel deficit of around 25-35 million tonnes of imported fossil diesel. Biodiesel helps avoiding costs of imported fuels by using domestically-produced biofuels instead of € 7.6 billion in 2010, of which biodiesel alone amounted to as much as €5.8 billion of savings ⁽²⁾. Forecasts project that avoided fuel import costs could reach at least € 50 billion in 2020 in 2010 prices ⁽³⁾. The Commission itself estimates that "a 30% share of renewables in 2030 would help create about 600,000 jobs and save €258bn in fossil fuel imports" ⁽⁴⁾.

Moreover, **every tonne of biodiesel produced from crops generates two tonnes of EU-made vegetable proteins. This supports EU independency in food and feed supply** and balances the 70% EU reliance on imported proteins ⁽⁵⁾.

The European biodiesel industry was born from a political ambition that is still ready to serve: develop an EU-made green fuel to improve energy security, progress towards a low carbon economy and strengthen the independence and revenue of European farmers. Our industry continues committed to these values, with a vision to continuously improve its performance and to contribute for the EU's long-term vision to decarbonize the transport sector and achieve carbon neutral Europe by mid-century.

2. The transport sector should not be left behind

The transport sector remains the only EU sector where GHG emissions keep increasing every year and could reach close to 45% of all EU economy emissions in 2040-50 ⁽⁶⁾, contrary to all other EU economy sectors which have experienced falling GHG emissions.

The Commission's strategy recognizes the importance of tackling the decarbonization challenge in all sectors of the European economy, including the transport sector. It acknowledges that, for a successful decarbonization, sustainable biofuels should continue a critical role in reducing GHG emissions and achieving the goals of the Paris Agreement. This is even clearer when looking at the Commission's net-zero-by-2050 scenario, which, although including a significant share of liquid biofuels of up to 17-26%, recognizes that fossil fuels will still represent most of the energy used in transport in 2050.

Conventional biodiesel, as well as waste-based and advanced biodiesel, are the most widely used biofuel in Europe today, and are certainly part of Europe's decarbonisation path towards carbon neutrality. The most recent statistic put forward by the International Energy Agency (IEA) concludes that the production of transport biofuels grew by just 4% in 2017 ⁽⁷⁾. Looking at this outlook, **the IEA considers that, to achieve the IEA's Sustainable Development Scenario (SDS) 2030 target, use of biofuels needs to triple**, driven by cost reductions of advanced biofuels, widespread sustainability governance and more

¹ The European biodiesel industry represents 25.000 jobs directly linked to biodiesel production in Europe, which are part of the 220.000 total jobs of the EU biofuels sector, including jobs in the farming and crushing sectors.

² Economic Energy, Part III, p. 130

³ European Commission Staff Working Document accompanying the report from the Commission to the European Parliament and the Council 'Renewable energy progress report', [SWD\(2013\)102](#)

⁴ European Commission DG CLIMA website.

⁵ As the EU is still dependent on 70% of protein imports, European biodiesel production helps the food and animal feed sectors through the production of valuable co-products such as proteins for animal feed. Upstream, European cultivation of rapeseeds provides protein meal, hence decreasing imports from third countries. Downstream, biodiesel's main co-product, green glycerine, replaces chemicals in a wide variety of fields such as cosmetics, food, feed etc.

⁶ Technical report: [EMISIA SA report No: 14.RE.002.V2 "The contribution of biofuels in transport sustainability post-2020"](#)

⁷ <https://www.iea.org/tcep/transport/biofuels/>

adoption in aviation and marine transport. This demonstrates that **all sustainable biofuels are essential to meet the Paris Agreement**, and therefore it is essential that an EU long-term strategy addresses how to effectively increase their share in the transport energy mix.

The post-2020 EU Renewable Energy Directive (RED II) agreement determined that **the use of biofuels with a high risk of Indirect Land-Use Change (ILUC) should be limited, and not all crop-based biofuels**, and the supposed ILUC effects should be verified further. Therefore, the EU long-term framework up should reflect this and ensure the continuous contribution of sustainable biofuels such as certified biodiesel to the decarbonization of the European transport sector.

Moreover, while electrification is likely to experience a significant development in relation to passenger cars in urban areas, it will need to be combined for long distance transport with higher blends of biofuels in Heavy-Duty Vehicles (HDVs), aviation and the maritime sector. Moreover, **for this electrification to be meaningful, and achieve real GHG emissions savings, it is crucial to ensure that the electricity is genuinely produced by real renewable sources.**

Finally, legislative stability and a long-term predictable regulatory framework is crucial to ensure industry mobilization into significant investments. **The EU legislative framework up to 2050 should reflect this predictability and ensure that all sources of renewable energy are used in a sustainable and cost-effective way.**

3. Progressive and realistic deployment of advanced biofuels on top of conventional biofuels

The EU biodiesel industry is committed to constantly improve its contribution to EU sustainable growth and **is the main European investor and producer of advanced biofuels from waste and residues.** Advanced biodiesel can be produced from a wide variety of waste and residues, such as waste animal fats or used cooking oils. The overall progress of this industry needs a consistent framework of support in the next decade and beyond.

The RED II includes ambitious targets for advanced biofuels. These are an important signal in order to expand the available renewable liquid fuels, but this cannot neglect today's important role of conventional biofuels, which are already providing significant GHG emissions savings, and can continue to do so. **Sustainable biodiesel is already a concrete and commercially available alternative to fossil fuels in transport and should continue to be used in the EU's transport energy mix.**

Therefore, to respond to the goals of COP21 and meet the EU's overall decarbonisation goal of a 30% reduction in GHGs in the non-ETS sectors ⁽⁸⁾, of which transport is the most challenging sector, and to reach the EU-wide goal of at least 32% renewables by 2030 (as adopted in the RED II), **the EU cannot roll back its ambitions and should build upon the RED II for the period up to 2050.** To this end, the 7% minimum contribution of biofuels from arable crops, as a share of renewables in transport, must be maintained in the long term and up to 2050.

The EU biodiesel industry is also committed to constantly improve its contribution to EU sustainable growth and **is the main European investor and producer of advanced biofuels from waste and residues.** Advanced biodiesel can be produced from a wide variety of waste and residues, such as waste animal fats or used cooking oils. The overall progress of this industry needs a consistent framework of support in the next decade.

⁸ Agriculture, buildings, waste and transport, included in the so-called Effort Sharing Regulation (ESR), currently under discussion.

4. Measures to reduce GHG emissions from Heavy Duty Vehicles, Aviation & Maritime

Reducing GHG emissions from transport is challenging, especially in the case of **buses** and **Heavy-Duty Vehicles (HDVs)** ⁽⁹⁾, **aviation** and **navigation**, where electrification is not a viable option. Moreover, contrarily to passenger cars, these sectors are foreseen to have an increase in fuel consumption.

The reduction of emissions in these transport modes will rely significantly on the promotion and uptake of the use of biodiesel, renewable diesel and biokerosene. As such, up to 2050, specific measures are necessary to decarbonize these sectors, including by:

- a. Developing separate targets for biofuels and CO₂ emission standards for Heavy and Light Duty Vehicles (vans, buses and trucks – all keeping a full diesel mobility in next decade at least);
- b. A specific target for bio-kerosene in aviation;
- c. A specific target for renewable fuels in navigation.

5. Enhance use of higher biodiesel blends within harmonised fuel grades across the EU

To ensure higher use of renewable fuels in transport, it is crucial to continue the work on new fuel standards and eliminate regulatory hurdles. Commercially available biofuels are the most efficient and viable means to achieve green and low emissions in transport, and the current B7 level of biodiesel blending in fossil diesel should be maintained. Higher FAME blends and grades and HVO should be promoted especially in those sectors where electric mobility is not a viable option, as highlighted above.

As such, the EU long-term energy and climate policy should **provide the right framework to promote not only biofuels but also the development of higher biodiesel blends** such as B10, B30, B100, ED95 and HVO100.

Furthermore, an easy and efficient way to incentivise biodiesel and biofuels development would consist in recognising the GHG emission savings of biodiesel and biofuels generally in clean vehicle standards. Consistently with the EU ETS Directive, biofuels should be granted zero tail-pipe emissions.

6. Improve effectiveness of sustainability criteria and traceability requirements for biofuels

The European biodiesel chain is already complying with strict sustainability criteria laid out in the existing RED and is committed to continuous improvements. European biodiesel already abides 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.

For the sector to continue its leadership in sustainability certification, **the implementation of a single European transparency and traceability database for all biofuels (as foreseen in the RED II) is crucial to have existing national and voluntary certification schemes interlinked to avoid any kind of potential fraud.**

The **European Biodiesel Board (EBB)** is a non-profit organisation established in January 1997. Today, the EBB gathers 65 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. The EBB is constantly working towards the development of improved and greener technologies.

⁹ Commercial and HDVs represent alone around 35 to 40% of all EU road transport emissions.