

Leaders of Sustainable Biofuels welcome the role of advanced biofuels in reducing CO2 emissions from transport

10 companies from across Europe and beyond recognize the proposal as a significant step to provide investor's confidence to foster the deployment of advanced biofuels in the EU.

The European Commission's proposed recast of the Renewable Energy Directive sets the legislative framework for the European Climate and Energy policy objectives until 2030. LSB welcomes the proposed blending obligation for advanced renewable fuels. By recognizing the need for advanced biofuels as an immediately deployable option for the decarbonisation of the EU transport sector, the European Commission has set the scene for enhancing Europe's innovation capacity and stimulating green growth.

Blending obligation for 'low emissions fuels' (Art. 25)

The EC proposes a progressively increasing blending obligation for 'low emission and renewable fuels' including a dedicated share for truly advanced sustainable biofuels (Annex IX part A). The introduction of such a measure is indispensable for creating a stable and predictable business environment and to establish investor's confidence. The proposal sets the right direction and framework for investments in novel technologies and sustainable innovation. This will enable the advanced renewable fuels industry to move forward and to unleash its full potential in Europe. Sustainable advanced biofuels bring multiple benefits as one key option to decarbonize the transport sector in terms of CO2 reductions, investments, jobs, revenues for farmers, and energy security.

Innovation, jobs and growth boosted by the proposal

LSB recognizes that the Commission proposal for a mandate on truly advanced and sustainable biofuels require substantial investment across Europe. We know that technologies are ready to take off, feedstock is sufficiently and sustainably available in Europe and that the mandate will boost European innovation, jobs and green growth.¹

Stringent enforcement of the obligation needed for long-term stability

In order to enable a stringent enforcement of the obligations it is important to have a clear penalty system in place. The REDII should thus include a provision that requires Member States to determine penalties, which will be applicable to non-compliance with the blending obligation. The penalties shall be effective and proportionate.

In addition, industry requires long-term stability and visibility therefore we are concerned to already review the Directive by 2025 (Art. 25 §7). A potential policy U-turn will frighten investors.

Overall renewable energy in transport stagnating at best

Transport is a crucial sector where options to reduce greenhouse gas emissions and diversify energy sources are limited. While we strongly welcome the blending obligation for advanced low-carbon renewable fuels we notice that the overall use of renewable energy in transport by 2030 is not increasing. In order to reach the goals it is of importance to have as much as possible sustainable biofuels in the energy mix. Keeping 90% of transport fuels fossil is not the right way forward.

Moreover, a fair taxation system for all fuels would support the transition towards a low carbon and sustainable mobility.

¹ See the up-coming Report from the Sustainable Transport Forum's Sub Group on Advanced Biofuels: Building up the future – Technology status and reliability of the value chains, publication pending.

LSB is committed to innovation and sustainability

LSB is a group of companies that share the same vision of promoting innovation and sustainability in the transport fuels sector. The initiative aims at supporting the development of advanced low carbon biofuels in the EU. The leaders of BioChemtex, BTG, Clariant, Dong Energy, St1, UPM, Energochemica, Enerkem, NEOT and Kaidi are joining forces to ensure the market uptake of advanced sustainable biofuels by all transport sectors.

