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EU ADVANCED BIOFUELS INDUSTRY LEADERS REQUESTS EU POLICY MAKERS

TO REVISE ENVI'S COMMISSION DECISION

The Leaders of Sustainable Biofuels (LSB), the EU industrial leaders in Advanced Biofuel technology group, appreciate the limit on conventional biofuels and the dedicated target for truly advanced biofuels. The Leaders support the categorization of UCO/tallow as conventional biofuels: however, LSB request the policy makers to revise the Rapporteur Corinne Lepage's (ENVI) decision amending the Renewable Energy Directive (RED) and the Fuel Quality Directive (FQD) adopted on 11 July 2013.

LSB strongly believe that it is essential for an effective implementation of the proposal, that the feedstock eligible for Advanced Biofuels production are derived from lignocellulosic biomass (i.e. straw, bagasse, EFB, forestry residues, lignocellulosic energy crops, crude tall oil & tall oil pitch), or are manufactured from the biomass fraction of municipal wastes: all of these feedstock are truly sustainable. It is however essential that fraudulent activity of feedstock categorization is eliminated.

CALL FOR ACTIONS

The LSB emphasize the need to implement the following measures as a revision to RED and FQD:

- Include a higher target of at least 2,5% for advanced biofuels by 2020
- Include intermediate targets in order to reach the dedicated mandate for advanced biofuels by 2020
- Include ramp-up targets beyond 2020 for advanced biofuels
- Revise the complex and impossible to implement criteria (with respect to diversion from existing uses) and definitions of hierarchy of waste and residues
- Include cellulosic non food and lignocellulosic materials from agricultural residues and energy crops in the advanced biofuels feedstock list
- Include palm empty fruit bunches in the advanced biofuels feedstock list

EU ADVANCED BIOFUELS ABORTED?

The ENVI proposal is aimed at the development of Advanced Biofuels but the proposal will in fact negatively impact the deployment of lignocellulosic Advanced Biofuels

After a full decade of invested time and resources into the development of next-generation lignocellulosic biofuels by private companies and the EU Commission, we are now ready to enter full scale production with commercial scale plants. The ENVI Committee's decision risks a scenario in which the development of commercial production facilities of our advanced biofuels will move outside Europe, where policy frameworks are more suitable and ready to seize this great opportunity. The consequence of such unilateral action – if it remains as proposed by the ENVI Committee – would ultimately drive investments and jobs outside EU, where the use of agricultural/process residues/wastes and energy crops is encouraged and where consistent strategies promote Advanced Biofuels development. This will mean that:

• New jobs, new businesses and greater sustainability will be created outside EU.



• Europe will import advanced biofuels, produced through the commercial deployment abroad of EU funded technologies.

LIGNOCELLULOSIC AGRICULTURAL/PROCESS RESIDUES/WASTES AND ENERGY CROPS

The Rapporteur's decision contains several issues that could negatively impact on the entire sector.

<u>DEFINITION AND HIERARCHY OF RESIDUES</u> - According to the proposed amendments, biofuels should not be made from raw material obtained from biotic sources (including waste, residues and co-products, such as agricultural residues) unless evidence is provided that this does not result in any diversion from existing applications.

This is ultra-bureaucratic and impossible to implement. In practice this means that a Life Cycle Analysis (LCA) has to be carried out in an indefinite framework without defined boundaries making a LCA indefinite, thus the calculation impossible.

In addition, biofuels producers will not be able to provide evidence that waste material conforms waste hierarchy and especially respects the principle of cascading use (value chains are typically long and continuously changing). Moreover, cascade criteria can be different, depending on local conditions, and it is unclear who should make the selection of the best cascade.

<u>ENERGY CROPS</u> - The cultivation and use of energy crops in the EU territory along with the use of residues and waste, could contribute to resolve the fuel vs. food debate, while strongly **supporting a new green economy development model.** Lignocellulosic energy crops also open up the possibility for higher land-use efficiency and low-impact, resource efficient farming as they can be grown on **abandoned or marginal land** providing additional incomes to farmers without impacting on food/feed production, in a period of deep crisis of the EU agricultural sector.

The Leaders of Sustainable Biofuels

The LSB is a group composed by the Chief Executive Officers of Leading European biofuel producers and European airlines. The initiative aims at supporting the development of second generation biofuels in Europe. The leaders of Clariant, British Airways, BTG, Chemrec, Chemtex, Dong Energy, Forest BtL Oy, St1 Biofuels Oy and UPM and are joining forces to ensure the market uptake of advanced sustainable biofuels by all transport sectors.

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