

Position on RED II revision – public consultation

In addition to the response to the public consultation questionnaire on the RED II revision, ePURE would like to provide recommendations to make the most out of this upcoming revision of the main policy instrument fostering the uptake of renewable energy in transport. This in order to significantly increase renewable energy quantity in Europe, reduce reliance on fossil energy and support the European Green Deal ambitions.

As the EU is once again moving towards a new revision of the RED, **it is critical that the Commission takes stock of the shortcomings of the approach that has been taken so far on renewables in transport and crop-based biofuels in particular.** The design of RED II puts renewables against each other, instead of trying to replace fossil fuels as much as possible. This approach, initiated by the ILUC Directive, hinders greater renewable energy incorporation.

- It is time to do better: **the EU cannot afford to dismiss what has been the nearly sole contributor to renewable energy incorporation in transport and the third largest renewable energy job creator in the EU.** In light of the Green Deal ambitions, it would be wise to revise upwards the current cap on crop-based biofuels put in place in response to ILUC concerns which have now been fully addressed in the Delegated Act on high ILUC-risk biofuels. The existence of a crop-based biofuel cap simply hinders greater renewable energy incorporation in transport by penalising some high environmentally performing biofuels such as European renewable ethanol.
- **RED II targets and sub-targets should only be revised upwards**, without the possibility to reduce them, as it is presently the case through reduced crop-based biofuels cap and the use of artificial multipliers. The target of at least 14% is not sufficient to achieve the ambitions set out in the European Green Deal and the 2030 Climate target plan.

As illustrated by the launch of this process at a time where Member States are still implementing RED II and confirmed by the 2020 Renewable Energy Progress Report, **the EU renewable energy policy framework has been highly unstable and inconsistent**, hindering investors certainty and delaying the necessary deployment of renewable energy in transport.

Low carbon renewable fuels such as ethanol consistently deliver high GHG emissions savings and offset fossil fuels reliance. Keeping fossil fuels in the ground is essential to meet the climate targets for 2030 and to become climate neutral in 2050. Renewable ethanol produced by ePURE members saves more than 72% GHG emissions compared to fossil fuel on average; these savings have increased by more than 20% over the last 9 years. More than 99% of the feedstock used by ePURE members to produce renewable ethanol originated in Europe which contributes to sustain farmers revenue, hence preserving Europe's food security.

ePURE members are at the forefront of EU transport decarbonisation, investing to valorise European crops, waste and residues in the production of crop-based and advanced ethanol and further increase GHG emissions savings: in addition to ethanol, ePURE members are co-producing protein animal feed and capturing biogenic CO₂ for further uses.

In light of the above, ePURE calls on the Commission to consider the following key policy recommendations:



1. An ambitious and stable policy framework

- RED II targets for transport represent a bare minimum to achieve the decarbonisation objectives considering the weight of the sector in the Effort Sharing. Failure to further decarbonise transport would not only jeopardize our climate goals but place a higher burden on other non-ETS sectors such as agriculture.
- Policy continuity requires long-term visibility, beyond 2030, but also ensuring that both the 2020 and recently agreed 2030 targets are met, including the dedicated sub-target for advanced biofuels. To provide investor certainty, the Commission ought to secure that this sub-target is not undermined by any future revision. Development of new and revised policies should not come at the expense of the implementation of agreed legislation.

2. Increase ambitions for renewable energy in transport

- Renewable fuels help limiting the use of climate-damaging and air polluting fossil fuels. Each Member State should endeavour to gradually increase its share of renewable energy in transport to a minimum of 24% by 2030. Ideally, they ought to put in place obligations for renewables uptake in all transport fuels, e.g. separate targets in petrol and diesel.
- The obligation to decrease the carbon intensity of transport fuels set by Art. 7a of the Fuel Quality Directive must continue and be progressively increased to at least 16% by 2030.
- Multiple counting of several renewable energy sources is counterproductive to climate change mitigation and perpetuates fossil fuel dependence. It should be eliminated and reporting of progress towards renewable energy targets should be based on real uptake and not be artificially inflated.

3. Promote sustainable crop-based biofuels

- Crop-based biofuels are an immediate and cost-effective tool to reduce emissions of the existing and future light and heavy-duty vehicles, considering their number and lifespan. Their use should not be limited to transport modes that cannot be electrified.
- The crop cap set by the ILUC Directive and amended under RED II should be revised upwards, to provide each Member State with flexibility, taking into consideration the current crop-based biofuels market uptake, higher renewables and emissions reduction targets, and that the delegated act on high-ILUC risk biofuels has been adopted since then. European crops do not drive deforestation and commodities prices up, and only high-ILUC-risk biofuels must be limited and then progressively phased out.
- The year 2020 as reference for the crop-based biofuels cap should be reviewed in light of COVID-19 market impacts.

4. Continue the progressive deployment of advanced biofuels

- The deployment of advanced biofuels from RED II Annex IX-A feedstock should build on existing legislation and industry, to secure investor confidence, which is a prerequisite for any new investment into renewable fuels.
- Advanced biofuels must be established as an additional instrument to further reduce fossil fuel use and GHG emissions and remain supported through a dedicated ramping-up sub-target leading to min. 3.5% by 2030 based on the current Annex IX-A feedstock list, without multipliers but associated penalties for non-compliance.

5. Strengthen sustainability criteria

- All sustainable renewable low carbon fuels should be able to contribute towards EU's climate and renewable objectives under stricter sustainability criteria, including European environmental standards for agricultural production, GMO policy, waste prevention and managements standards, and strict traceability requirements.
- Consistent with its climate agenda and the sustainable provisions on forest biomass (Art. 29.7 a. 1), the EU must require that all renewable feedstock eligible to count towards the targets originates in countries that are parties to the Paris agreement.