

PRESS RELEASE

The ENVI vote on cap is a sensible approach to land use but the focus should remain on the intended greenhouse gas benefits.

Brussels, July 19th, 2013: EUROPIA, representing the European refining industry, believes that the European Parliament's Environment Committee vote on a legislative proposal intended to limit the use of conventional biofuels in order to stimulate development of advanced biofuels and use of electricity in road transport fail to set a clear and consistent framework for the industry needed to achieve the real environmental targets of both the Renewable Energy Directive (RED) and Fuel Quality Directive (FQD).

On July 11th, 2013 the European Parliament's environment committee voted on a legislative proposal related to biofuels. This proposal intended to limit the use of conventional biofuels in order to stimulate development of advanced biofuels and use of electricity in road transport also extends the targets of the Fuel Quality Directive (FQD) from 2020 to 2025 and introduces an energy efficiency target for transport in 2020 for the Member States under the Renewable Energy Directive (RED).

EUROPIA believes that some aspects go in the right direction, however regrets that this proposal does not adhere to some important key principles needed to achieve the real environmental targets of both RED and FQD, whilst setting a clear and consistent framework for the industry. In particular,

- EUROPIA supports a cap of 5% on the contribution of conventional biofuels to the achievement of the RED target as a good way to address Indirect Land Use Change (ILUC), as it limits their expansion and hence land impacts. This should be applicable to both directives (RED & FQD);
- EUROPIA believes that multiple counting rules in both RED and FQD can help to support the development of advanced biofuels and may be used as long as needed to stimulate innovation and investments. However they need to be accompanied by clear rules to prevent abuses and undesired consequences. If used cooking oils and animal fats are to benefit from double counting, it should be in both RED and FQD and they should be excluded from the cap on conventional biofuels;
- EUROPIA does not support mandated technology as a cost effective mean to meet the targets. If sub-targets are however introduced for alternative fuels other than biofuels they must also take into consideration the real well-to-wheel greenhouse emissions and their costs to ensure equal treatment amongst all energies used in road transport.
- Investments to comply with the very challenging targets require a clear, homogeneous and predictable regulatory framework. Industry has invested and developed plans to meet the 2020 targets; partial extension of existing measures to 2025 does not help clarity or predictability.



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- Similarly, introducing energy efficiency targets into renewable obligations will create similar confusion of measures. Any revision of such targets or instruments post 2020 should be made as part of coherent proposals in the EU's 2030 energy and climate policy.

EUROPIA recommends that the focus remains on the intended greenhouse gas (GHG) benefits of both RED and FQD. Evolving scientific analysis on the GHG savings and the ILUC effects of existing and new biofuels may affect both the achievability of the RED and FQD targets and the true GHG savings. These targets – and any new ones - must be carefully reviewed in the light of such new science to ensure that these Directives deliver real environmental benefits for which they were implemented.

-- ENDS --

EUROPIA represents the European Petroleum industry, the downstream sector of Europe's oil industry.

EUROPIA is an organisation whose 43 members account for almost 100% of EU petroleum refining capacity and over 75% of EU motor fuel retail sales.

EUROPIA as a leading Industry Representative aims at contributing pro-actively and constructively to the development of policies to safeguard the secure and sustainable manufacturing, supply and use of petroleum products by providing competent and expert advice to the EU Institutions, Member State Governments and the wider community.

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