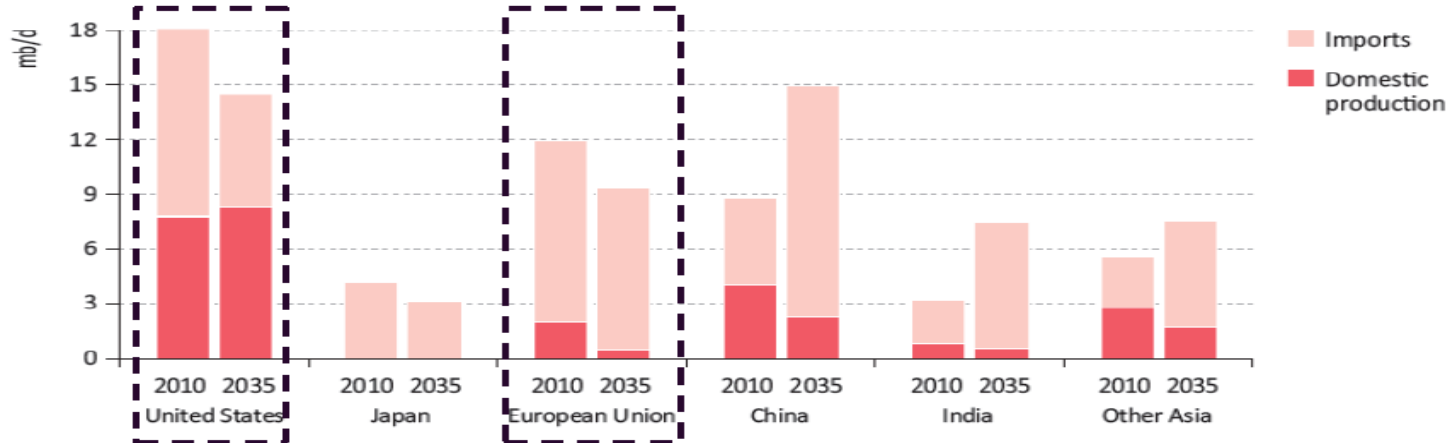


# ***Biofuels in Europe***

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Member of the European Parliament

# EU energy dependency



US on the right track

EU oil production declining faster than consumption

# EU energy security

- **Renewable Energy Directive:** EU member states are required to make sure that 10% of energy for the transport sector comes from renewable sources, mainly biofuels, by 2020.
- The RED dictates minimum CO<sub>2</sub> savings of 35 % GHG savings from biofuels compared to petrol and diesel in order to qualify for the 10 % target and receive state subsidies.

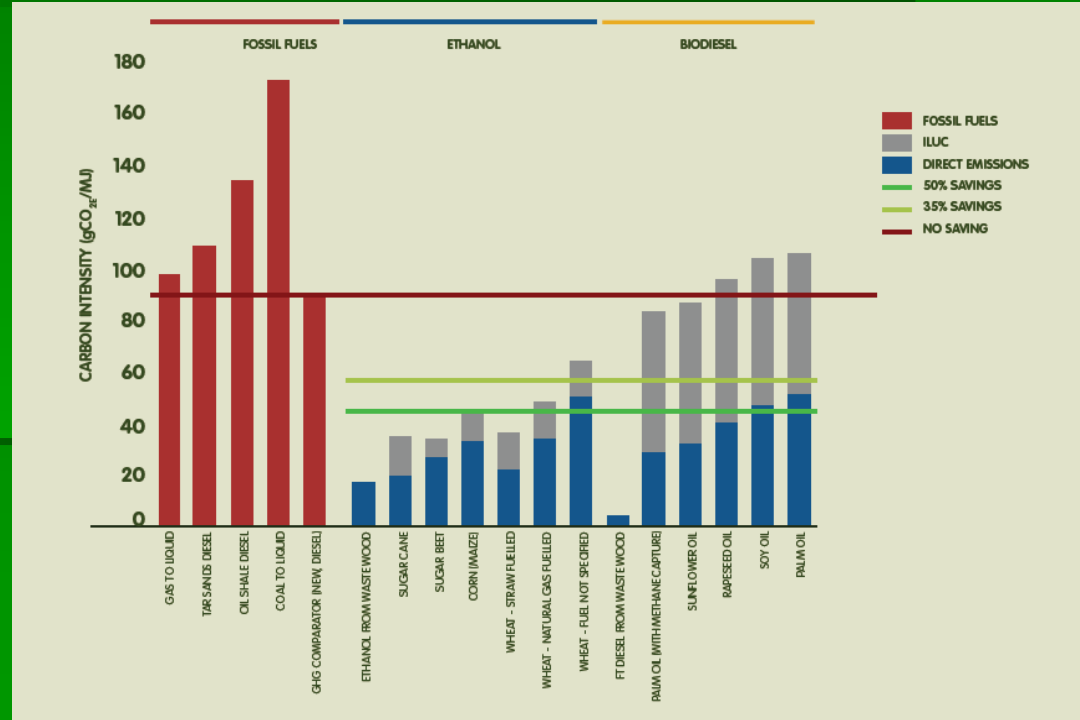


# Reducing CO2 emissions in EU

- **Fuel Quality Directive:** This law requires fuel suppliers to reduce the carbon footprint of a unit of transport fuel by 6% by 2020 - using more biofuels is one of the permitted ways for suppliers to meet that target. The same biofuels sustainability criteria agreed to in the RED also apply under the FQD.
- **Challenge:** The sustainability criteria does not currently contain measures to calculate the massive carbon emissions caused by expanding agriculture to accommodate new biofuels demand: so-called 'Indirect Land-Use Change' (ILUC).

# What is ILUC?

- ILUC occurs when existing agricultural land is turned over to biofuel production and agriculture has to expand elsewhere to meet the existing demand for crops for food and feed.
- This expansion can happen at the expense of forests and other carbon rich ecosystems, thereby releasing large amounts of GHG emissions.



# How to combat ILUC emissions?

- New proposal from the European Commission will kick-start the transition to biofuels that deliver solid GHG savings also when estimated indirect land use change (ILUC) impacts are considered while respecting existing investments.
- The Commission proposes to limit the amount of 1st generation biofuels - that can count towards the renewable Energy Directive targets - at current consumption levels (5 %).
- The remaining growth in the biofuels market is expected to come from advanced non-land using biofuels for which incentives are also increased.

# Consequences and challenges?

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- Impact of the new legislation?
- What does the future hold?