

# The EU biofuel sustainability scheme

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- I Biofuel sustainability measures – a **classification**
- II The EU scheme
- III The EU scheme – **next steps**



# I BIOFUEL SUSTAINABILITY MEASURES - A CLASSIFICATION



## Design issues for sustainability measures:



**Criteria:** what do we want?




**Consequences:** what happens if not?



**Checking:** how do we know?



# CRITERIA



Does the measure apply sustainability criteria to **individual consignments** of biofuel? (or does it apply sustainability criteria to policies?)

- YES → measure is a “sustainability scheme”
- NO → measure is “policy analysis”

# CONSEQUENCES

In a sustainability scheme, does failure to comply with the criteria have **legal consequences**? (or does it simply mean that the consignment is not entitled to a “sustainability label”)

- YES → scheme is a “mandatory scheme”
- NO → scheme is a “voluntary scheme”



# CHECKING



A key issue for sustainability schemes

- reliability
- administrative burden



Not so important for policy analysis



## II THE EU BIOFUEL SUSTAINABILITY SCHEME



## CONTEXT:



Scheme forms part of **Renewable Energy Directive**



Directive should **enter into force** in May 2009 - **transposed** by Member States by November 2010



### **Binding targets** for 2020:

- 20% overall share of renewable energy
- 10% share of renewable energy in transport
- 6% reduction in unit greenhouse gas emissions from road transport fuels (Fuel Quality Directive: scheme applies here too)



## CRITERIA (1) – Greenhouse gas savings



### Minimum rate of GHG savings

- 35% immediately
- 50% in 2017
- 60% in 2018 (new installations only)



### Rules for the **calculation** of GHG savings



## Default values – for example:

- *Sugarbeet ethanol* 52%
- *Sugarcane ethanol* 71%
- *Wheat ethanol* 16 to 69% (depends on process fuel)
- *Cellulosic ethanol* 70 to 85% (depends on raw material)
  
- *Rapeseed biodiesel* 38%
- *Sunflower biodiesel* 51%
- *Soya biodiesel* 31%
- *Palm oil biodiesel* 19 to 56% (higher figure: methane capture at oil mill)



Producers can always use **actual values** instead



## CRITERIA (2) – Protected land uses:



Avoid conversion for **greenhouse gas** reasons:

- wetland
- forest
- undrained peatland



Avoid taking biomass for **biodiversity** reasons:

- primary forest
- nature protection areas
- highly biodiverse grassland



## CONSEQUENCES of not meeting the criteria:



Biofuels do not count towards **EU targets**



Not eligible for **financial support** from governments



Do not count towards national “**biofuel obligations**”



## CHECKING:

- **Chain of custody:** “mass balance” method  
(stricter than “book and claim”, simpler than “identity preservation”)
- **Governments** are responsible for checking ...
- ... but the Commission can recognise “**voluntary schemes**” ...
- ... and all governments must then accept them as proof



**NB:**

— Scheme applies to **domestic production** and **imports**

— **Harmonised** EU scheme

→ governments may not lay down **requirements that go further**



## III NEXT STEPS



## ● Details to be added to the sustainability scheme:

■ **Definitions** of “degraded land” and “highly biodiverse grassland”

■ **Reporting requirements** for producers – (test of relevance, appropriateness and administrative burden)

■ **Indirect land use change**

- analysis of the issue
- what policy options to address it?

■ **Guidance on land carbon stock** calculation

■ Possible extension to **solid biomass**



thank you

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text of the Renewable Energy Directive (provisional version):

[http://www.europarl.europa.eu/sides/getDoc.do?type=TA  
&language=EN&reference=P6-TA-2008-0609](http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P6-TA-2008-0609)

