

Biofuel issues in the new legislation on the promotion of renewable energy

Contribution to Public consultation exercise, April-May 2007 by UPM-Kymmene Corporation (UPM)

UPM agrees with most of the statements and to most of the questions. However, please find beneath some comments to some of the questions:

Question 1.2.:

What do you think the administrative burden of an approach like the "possible way forward" would be?

Answer: The administrative burden of the Member States must be diminutive. This can be assured by clear indications how to meet the criteria in the box 1.

Question 1.3.:

Please give your general comments on the "possible way forward", and how it could be implemented. Does it give an adequate level of assurance that biofuels will be produced in a sustainable way?

Answer: The "possible way forward" needs to assure sustainable forestry and land-use principles.

Question 3.1.:

How should second-generation biofuels be defined?

Answer: Second generation biofuels should be defined with a combination of both raw material and technology aspects. Second generation biofuels should be of high quality and they should have a remarkable GHG emission reduction.

Question 3.2.:

Please give your comments on the "possible way forward" described above. If you think the problem should be tackled in a different way, please say how.

Answer: The legislation should ensure strong support for the environmentally friendly second generation biofuels. The law should assure long term stability to enable large scale investments.

Question 3.3.:

Should second generation biofuels only be able to benefit from these advantages if they also achieve a defined level of greenhouse gas savings?

Answer: By having a second generation biofuel criterion of a certain GHG emission reduction it will be assured that only the fuels that achieve a defined level of GHG savings will get the advantages indicated for second generation biofuels.

Question 4.1 and 4.2.:

Should the legislation include measures to encourage the use of ethanol and biodiesel in high blends?

Answer: The vehicle motor producers should be the ones to answer whether it is suitable to put higher blends of biodiesel/ethanol into the market fuels.

Question 4.3.:

Should the legislation include measures to encourage the use of biomethane, methanol and DME in transport?

Answer: No. According to UPM, it is up to Member States to decide whether to support this kind of measures due to the expensive changes in distribution and vehicle infrastructure.