COP 21 - Climate Protection Action Alliance 2050 – multiple measures – one objective

Sustainable biofuels play their part!

With the formal signing of the climate protection agreement on 22 April 2016, the process of ratification by 175 signatory states was initiated. Action plans for climate protection must be submitted by 2020, whereby, as a basic principle, the 1.5 degree target should be aimed for.

From a global perspective, the transport sector will continue to grow during this period, but the measures must be put into practice by 2030 so that they can have an impact on climate protection by 2050.

As the main producers of greenhouse gases, industrialised countries must, therefore, take the lead in developing reduction strategies that are accepted, especially amongst consumers. In principle, biofuels have proved their merit for use in engines around the world. Yet they have the potential to make a greater contribution. Signatory states in North and South America, as well as in Asia, will continue to increase the existing national obligations regarding biofuels admixture and will enshrine these in their national action plans. The European Union has specified the minimum legal requirements for sustainability certification with the Renewable Energy Directive (2009/28/EC). As a result of the amendment to this directive (2015/1513/EC), the climate protection reduction was specified retroactively for all types of biofuels and regardless of the raw materials going back to October 2015 – these biofuels must demonstrate a greenhouse gas reduction of at least 60 % as a prerequisite for market access.
Germany, which is currently the only EU member state to have introduced an obligation to reduce greenhouse gases, demonstrates that this is affordable and can be substantiated. The competition for the most efficient greenhouse gas reduction across the entire supply chain, from biomass cultivation up to final processing, is so far unique in the bioeconomy sector. UFOP is therefore calling for the introduction of an obligation to reduce greenhouse gases that is open to raw materials and technology on an EU level.

Sustainable biofuels such as biodiesel and bioethanol in Germany:

- reduce GHG emissions by 5 million tons (2014);
- currently cover more than 5 % of the energy demand in the transport sector;
- must assert themselves in the international competitive market;
- may only then be taken into account in EU obligations if they are manufactured from sustainably certified raw materials;
- are the international „trendsetters" in the implementation and further development of sustainability certification;
- must meet the statutory specifications for GHG reduction (also applicable for non-member states): at least 50 % from 2017, at least 60 % for new production plants since October 2015.

A one-sided orientation towards eMobility and its promotion would impinge upon the climate protection goal without market penetration. **The climate protection goal in the transport sector can only be achieved in conjunction with all renewable fuels and alternative drive systems.**

Biofuels reduce surpluses: The agricultural markets, not only in the EU but also worldwide, are characterised by an overabundant supply. The sometimes disastrous price pressure can be seen around the world. In the early 90s, millions of hectares of agricultural land were set- aside, not only in the EU but also in the US. These areas were made available again through incentives to invest in the use of biofuels. Sustainable intensification is the approach adopted for future production increases as the basis for the bioeconomy to ensure market supply (food and non-food use).

Iplement the GHG reduction obligation throughout the EU

Germany introduced the obligation to reduce greenhouse gases on 1 January 2015. The expected competition at all levels with respect to the efficiency of biomass use, cost and greenhouse gases has been confirmed. This means: higher GHG savings are achieved with less biomass: in 2015, a GHG reduction of 60 % on average was achieved (current requirement: 35 %). **With this, the GHG reduction requirements, which apply to old systems from 2018 (50 %) and new systems since October 2015 (60 %), have already been fulfilled!**

Sustainable biofuels that have been launched onto the market therefore set the benchmark in the bioeconomy sector in the further development of certification systems authorised by the EU Commission. In particular, the biofuel industry advocates that above all the implementation of GHG reduction certification and its calculation be internationally coordinated. It should be noted that the EU requirements specified in the RED must also be implemented in non-member states.

Securing the prospects for biofuels after 2020

For road traffic, and especially Heavy Goods Vehicles traffic (HGV), the trend throughout the EU indicates that fuel consumption and GHG emissions are expected to rise even more. In addition to the increase in vehicle efficiency, currently only biofuels can make a noticeable and quantifiable contribution to climate protection in the short to medium term. In light of the oil price development, a trend towards increased consumption can also be seen due to the drop in consumer prices. **The admixture of sustainably certified biofuels** contributes immediately to climate protection.
Biofuels will, therefore, also need secure prospects after 2020. The amendment to the EU biofuel policy adopted in summer 2015 means the „end" for traditional biofuels after 2020. It would be better to lay the foundations for evolutionary biofuels development now. Because who will invest in new and innovative biofuel generations if not the system operators of first-generation biofuels?

The EU decisions and UFOP's demands:

Introduction of a cap of max. 7 % for biofuels from cultivated biomas

Evaluation: The cap was determined correctly but must be continued after 2020 as a so-called „iLUC-free base quantity" (i.e. without taking into account possible iLUC penalty factors)**.**
Reason: A cap of 7 % takes the food or fuel discussion into account, but also establishes protection of legitimate expectations for existing investments. First-generation biofuels are the economic basis for the 18 certification systems, which are currently approved by the EU commission. They are evaluated and reapproved every five years.
And let's not forget: biodiesel made from European rapeseed reduces the demand for imported soybean meal. In the EU, approx. 7 million tons of sustainably certified rapeseed oil are used to produce biodiesel. As a consequence of this, around 10 million tons of GMO-free rapeseed meal are produced for animal feed. This saves an estimated four million hectares of soya cultivation.
At the same time, the grain market is relieved of the excess.

ILUC reporting in place of binding iLUC factors

Evaluation: The compromise reflects the state of scientific and controversial debate.
Reason: ILUC factors do not "save" hectares of rainforest, instead they only result in displacement effects. The iLUC hypothesis challenges all funding policy measures that lead to a reduction in the range of products. This would also involve organic farming receiving political and financial support. UFOP points out that there is, in principle, no connection between a shortage of raw material supplies and first-generation biofuels because cereals or rapeseed can, depending on the price, be put on the food market at any time. Extensification on the other hand leads to a reduction in the physical supplies due to low yields.

UFOP's demand: introduction of GHG reduction obligation throughout the EU

With the introduction of the GHG reduction obligation at EU level, the efficiency of GHG reduction and of raw materials would improve considerably, in the same way as the developments in Germany. This competition takes place in an international environment, which in turn leads to the economy itself (consider Germany) championing transparent and more stringent certification requirements worldwide.

Prospects have been established for the existing biofuels industry that facilitate the start of investment in further generations of biofuels on the basis of the first generation. This will allow the biomass potential to be developed gradually, in a way that is open to technologies and within the competitive environment. This will allow biomass potential to be developed gradually in the competitive market and in a way that is open to all kinds of technology.

The use of rapeseed oil for biofuel production is also the economic basis for maintaining rapeseed cultivation in grainrich crop rotations. The international vegetable oil market is not as receptive as some experts claim. Exporting countries such as Malaysia, Indonesia, Argentina and Brazil are attempting to compensate the surplus vegetable oil on the international markets by increasing national commitments for biofuel admixture.

Forest conservation is a government issue!

Protecting the remaining rainforests around the world makes an indispensable contribution to achieving the international climate protection objectives. Further clearing of these forest areas must be prevented. This challenge will only be solved promptly through government negotiations. This is the real major political challenge that industrial nations can only solve through appropriate compensation proposals – only then will they also have any claim to control.

Berlin, May 2016

Quick information on UFOP e. V.:

The UFOP represents the political interests of companies, associations and institutions involved in the production, processing and marketing of domestic oil and protein plants in national and international bodies. UFOP supports research to optimise agricultural production and to develop new recycling opportunities in the food, non-food and feed sectors. UFOP public relations aim to promote the marketing of the end products of domestic oil and protein plants..

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