

## EBB response to the European Commission consultation on the Amendment of the Regulation setting CO<sub>2</sub> emission standards for cars and vans



November 2020

The European Commission (EC) recently opened an initial feedback period for stakeholders on its Inception Impact Assessment of the Amendment of the Regulation setting CO<sub>2</sub> emission standards for cars and vans. This initiative aims at revising the CO<sub>2</sub> emission standards for cars and vans to ensure a clear pathway from 2025 towards zero-emission transport.

The EC considers that emissions from road transport are not projected to be on a decreasing trajectory that allows achieving the new 2030 target and the climate neutrality objective by 2050. Therefore, a higher uptake of zero-emission vehicles, than currently projected, will be needed for achieving these objectives.

### *EBB response to the consultation*

The EBB welcomes the opportunity to respond to the EC's consultation, and to be part of the preparatory process of the Amendment of the Regulation setting CO<sub>2</sub> emission standards for cars and vans initiative, as well as upcoming EC activities designed to gather further stakeholder input.

**This EBB response is focused on principles and main elements for the EC to consider while designing its upcoming proposal.**

### *Why biodiesel*

The production of this "made in Europe" green diesel helps to reduce a yearly EU diesel deficit of around 25-35 million tonnes of imported fossil diesel. Biodiesel avoided costs of imported fuels of € 7.6 billion in 2010 by using domestically produced biofuels, of which biodiesel alone amounted to as much as € 5.8 billion of savings <sup>(1)</sup>. Forecasts project that avoided fuel import costs could reach at least € 50 billion in 2020 in 2010 prices <sup>(2)</sup>. The EC itself estimated that "a 30% share of renewables in 2030 would help create about 600,000 jobs and save € 258 bn in fossil fuel imports" <sup>(3)</sup>.

Conventional biodiesel, as well as waste-based and advanced biodiesel, are the most widely used biofuels in Europe today and are a crucial part of Europe's decarbonisation path towards carbon neutrality. The most recent statistic put forward by the International Energy Agency (IEA) concludes that the production of transport biofuels grew by just 4% in 2017 <sup>(4)</sup>. **The IEA considers that, to achieve its Sustainable Development Scenario (SDS) 2030 target, use of biofuels needs to triple, driven by cost**

<sup>1</sup> Economic Energy, Part III, p. 130.

<sup>2</sup> European Commission Staff Working Document accompanying the report from the Commission to the European Parliament and the Council 'Renewable energy progress report', [SWD\(2013\)102](#).

<sup>3</sup> European Commission DG CLIMA website.

<sup>4</sup> <https://www.iea.org/tcep/transport/biofuels/>.

reductions of advanced biofuels, widespread sustainability governance and more adoption in aviation and marine transport. This reinforces the argument that **all sustainable biofuels are essential to meet the Paris Agreement**, and therefore upcoming EU measures to increase its ambition must incentivize changing to a less carbon-intensive fuel such as biodiesel.

Another additional benefit from biodiesel production is the production of feed. As the EU is still heavily dependent on protein imports, European biodiesel production helps the food and animal feed sectors through the production of valuable co-products such as proteins for animal feed, hence decreasing imports from third countries. Mostly from European produced rapeseed, **every tonne of biodiesel produced from crops generates two tonnes of EU-made vegetable proteins. This supports EU independency in food and feed supply and balances the 70% EU reliance on imported proteins.**

Moreover, downstream, biodiesel's main co-product, green glycerine, replaces chemicals in a wide variety of fields such as medical disinfectant, cosmetics, food, feed, etc.

With more than 11 million tonnes of biodiesel produced per year, the EU is the world leader in the production and use of biodiesel for transport. **Sustainable biodiesel (both crop and waste-based) is delivering today significant GHG emissions savings and constitutes an essential tool for the decarbonisation of the European road transport sector. Thus, it should continue to be part of Europe's decarbonisation path towards carbon neutrality.**

### ***EBB's position on the upcoming amendment of the Regulation setting CO2 emission standards***

To ensure that this decarbonisation continues, the EBB considers essential for the upcoming amendment of the Regulation setting CO2 emission standards to consider the following policy measures:

- Develop separate targets for biofuels and CO2 emission standards for Heavy and Light Duty Vehicles (vans, long-haul buses, and trucks – all keeping full diesel mobility in the next decade at least).
- The EU should recognise the GHG emission savings of biofuels in the existing EU CO2 emission standards regulations for passenger cars as well as HDVs.
- Whereas this inception impact assessment states that "*the increased market uptake of vehicles with zero tailpipe emissions can have a positive impact on air pollutant levels*". It should be taken into account that the tailpipe approach (Tank-To-Wheel) is too restrictive and distorts competition between powertrain technologies and misleadingly labels electromobility as emissions-free.

Therefore, the EU should consider an approach that accounts for the nature of the energy powering vehicles (Well-to-Wheel), distinguishes between fossil and biogenic CO2 and accounts for the production and end-of-life emissions of the vehicles, while ensuring a level-playing field across all technologies.

At this stage, **the EBB notes the EC's current intention of only incentivizing the use of electric vehicles.** Unfortunately, this approach is too limiting and does not reflect the reality of the European transport sector. Consumer embrace of electric cars on a wide-scale is likely to take time and delay a broader roll-out and use of these vehicles. On the contrary, biofuels are a readily available alternative to immediately decarbonise the transport sector.



**The EBB is fully committed to work with the EC to ensure a successful framework for the regulation setting CO2 emission standards for cars and vans** in the context of the new baseline scenario of the European Green Deal, and to achieve climate neutrality by 2050.

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The **European Biodiesel Board (EBB)** is a non-profit organisation established in January 1997. Today, the EBB gathers around 65 members across 21 Member-States, which represents 75% of the European output. Biodiesel is the main European solution to reduce emissions from transport and dependence on imported oil. EBB aims to promote the use of biodiesel in the European Union and is committed to fulfil International standards for sustainability in GHG emissions and sustainable feedstock. The EBB is constantly working towards the development of improved and greener technologies.