



EBB-FEDIOL Recommendations for the trilogue negotiations on the Renewable Energy Directive III

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The RED III final compromise should ensure that all sustainable renewable energy sources play a role in the decarbonisation of the EU transport sector. To allow the EU to meet its ambitious climate targets and provide stability and regulatory certainty to operators and the energy market, EBB and FEDIOL strongly urge the trilogue negotiating team to deliver on the following:

1. Keep the cap on crop-based biofuels at 2020 consumption level with a maximum of 7% in the transport sector.

As the first renewable energy source in transport in 2020, biodiesel produced from crops and wastes will be instrumental in delivering the 2030 objectives and beyond, and stability and predictability up to 2030 must be ensured.

The positions adopted by both the European Parliament and Council maintaining the cap on crop-based biofuels within a 7% limit should not be undermined (**keep article 26 (ii) unchanged**).

2. Maintain the possibility for farmers to calculate GHG emissions savings based on NUTS II regional values.

Without the option to use NUTS II values to calculate their GHG emissions savings, **many farmers would be excluded from the biodiesel feedstock market and consequently lose revenues**. With lower participation of farmers in the EU biofuels market, it is questionable that deletion of the use of NUTS II values would incentivise the reduction of GHG emissions at farm level. As for the alternative of using RED default values, they are conservative and give a relatively low GHG emission saving performance, giving the biofuel a low value on the market.

In many EU Member States, agriculture is fragmented with small and medium sized farms, where most farmers do not individually calculate their GHG emissions. For this part of the EU agriculture sector, the additional burden would not only have implications for biofuels, but also significantly impact the feed sector. Namely, if farmers reduce their production of oilseed crops, then there will be less seeds for locally processing, and consequently be less EU meal placed on the European market. The gap would have to be closed through higher imports of meal.

Furthermore, the significant increase in administrative burden for operators to handle emissions from all farmers contributing to a single batch of oilseeds would be substantial:

To provide a practical example: 1 barge contains around 4000 MT of biodiesel, which could come from 10.000 Mt of rapeseed linked to up to 400 farmers. This would result in 400 different GHG emissions values for only 1 barge. A facility delivering 4 barges per month would need to handle 1600 different GHG emissions from individual farms in one month.

NUTS II values are an important tool for European biofuel producers as they enable accurate lifecycle emissions calculations while reducing administrative burden. They provide

traceability and accuracy of data in addition to preventing mistakes and risks of fraud. Removing the possibility to use regional values for cultivation emissions will therefore not make the LCA methodology more accurate.

We therefore oppose the deletion of the ability to use NUTS II values for the calculation of the GHG emission saving performance of biofuels (**do not delete article 31, paragraph 2**).

3. Stick to the RED II timeline for the phaseout of high ILUC-risk feedstocks, namely by 2030.

The final compromise text should not anticipate the existing date for phasing-out high ILUC-risk biofuels. 2030 was agreed as a phase-out date just a few years ago, as a compromise to provide a predictable framework for the industry, and to allow for market to adapt and diversify its supply, and it should remain so.

It should be reminded that all sustainable crop-based biofuels are currently contributing to the EU renewable energy targets and comply with the strict sustainability requirements of RED II, including the strict requirement for no deforestation since 2008 (**do not modify RED II article 26, paras 5 and 6**).

4. Preserve the European Commission competence to establish (and revise) the high ILUC-risk feedstock criteria via a delegated act.

The criteria to determine what are high Indirect Land-Use Change (ILUC) risk biofuels should be left solely under the scope of the revision of the respective delegated act by the European Commission (EC).

Therefore, we ask negotiators not to adopt the European Parliament's proposal aiming at phasing-out soy via the high Indirect Land-Use Change (ILUC) delegated act. This proposal encroaches into the EC's delegated competence to determine the criteria to categorise high ILUC-risk biofuels, which should remain a separate technical assessment according to this delegated act as prescribed in the RED, and the ordinary legislative process is not the right place to address them.

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