

# *Sourcing Sustainable Biofuel – a UK / NL Solution*

Information Workshop on Biofuels Certification  
9<sup>th</sup> February 2007

Greg Archer

Director, Low Carbon Vehicle Partnership, UK

*For the UK & Netherlands biofuels are principally focussed on delivering low-carbon road-transport*



*UK and Dutch schemes have many complementary features - and some important differences*

**UK Approach**

**Cramer Commission Proposal**

Biofuels

Biomass

Supplier reporting scheme

National mission – sustainable biomass

Mandatory reporting against sustainability criteria

Mandatory sustainability criteria













GHG saving – reporting

GHG saving – targets

Future incentives for low carbon fuels

Evolving criteria stringency

# *There is considerable consensus regarding the key sustainability criteria for biofuels*

	LowCVP	Cramer Commission
<input type="checkbox"/> GHG balance		
<input type="checkbox"/> Land use change		
<input type="checkbox"/> Biodiversity		
<input type="checkbox"/> Environmental Protection		
<input type="checkbox"/> Welfare	X	
<input type="checkbox"/> Well being (workers rights)		
<input type="checkbox"/> Competition for food and other materials	X	

## *Differences in approach highlight some key constraints and uncertainties*

- ❑ To what extent do sustainability criteria impinge upon trade rules?
- ❑ How can we most effectively encourage the supply of biofuels with good greenhouse gas savings?
- ❑ What is the availability of sustainable biofuels - and how quickly can this be improved?
- ❑ Can robust verification be achieved cost- effectively?
- ❑ What can (and can't) assurance schemes actually deliver?





# *To what extent do sustainability criteria impinge upon trade rules?*

## ❑ Key trade issues are whether:

- Biofuels “like-product”
- Biofuels are agricultural products, environmental products or industrial goods!
- The scheme objectives and design are appropriate

## ❑ To maximise effectiveness and minimise the risk of successful challenge criteria should:

- Ideally be based upon Internationally agreed standards
- Also apply to indigenous producers
- Allow flexibility in how to comply
- Be based on robust science

## ❑ In addition:

- There should be bi and multi-lateral discussions
- Time should be allowed for adaptation
- Appropriate due process should be followed



# How can we encourage the supply of biofuels with good greenhouse gas savings?

❑ GHG savings (& production costs) of biofuels vary widely depending upon:

- Feedstock
- Cultivation processes
- Production processes
- By-product use

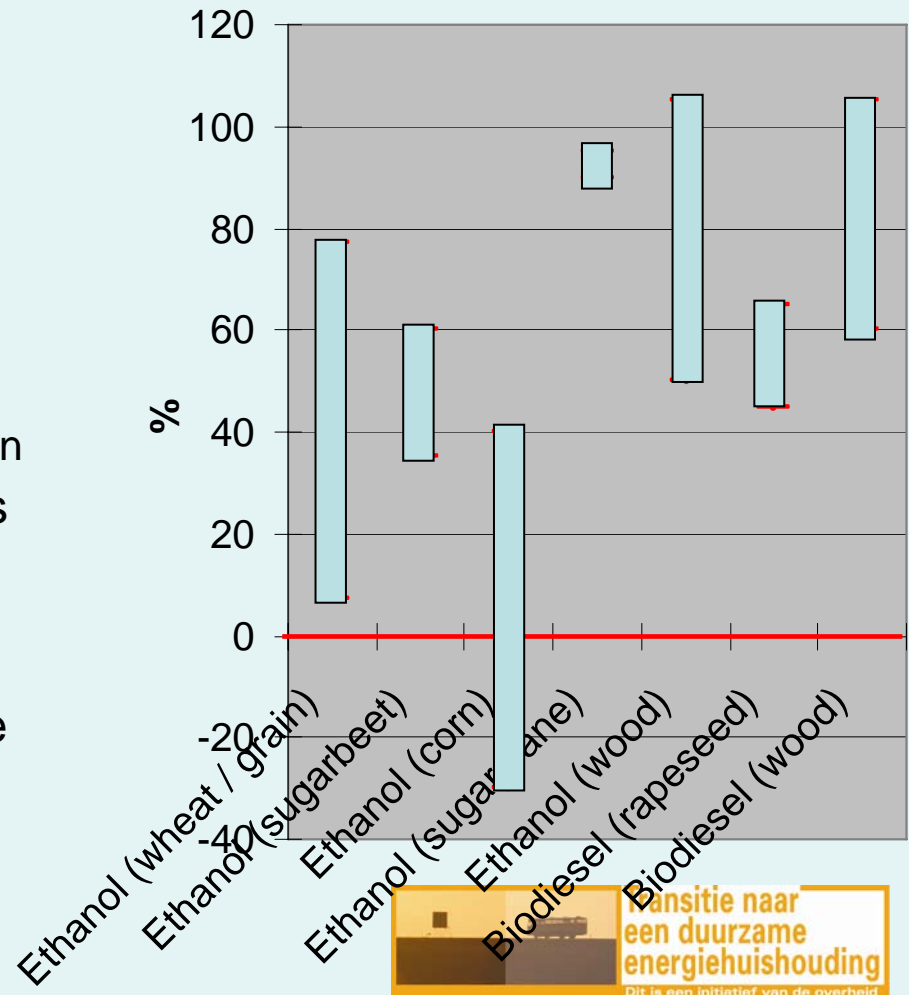
❑ Most feedstock can deliver >50% GHG saving

- 2<sup>nd</sup> Generation fuels perform better than most - but not all 1<sup>st</sup> Generation

❑ Incentives based upon GHG-savings on a WTW basis should apply to all feedstock – not only 2<sup>nd</sup> Generation

❑ UK proposes to reward fuels on the basis of GHG savings in Phase 2 of the RTFO post 2010/11

**% WTW GHG savings compared to petrol or diesel**



*What is the availability of sustainable biofuels - and how quickly can this be improved?*

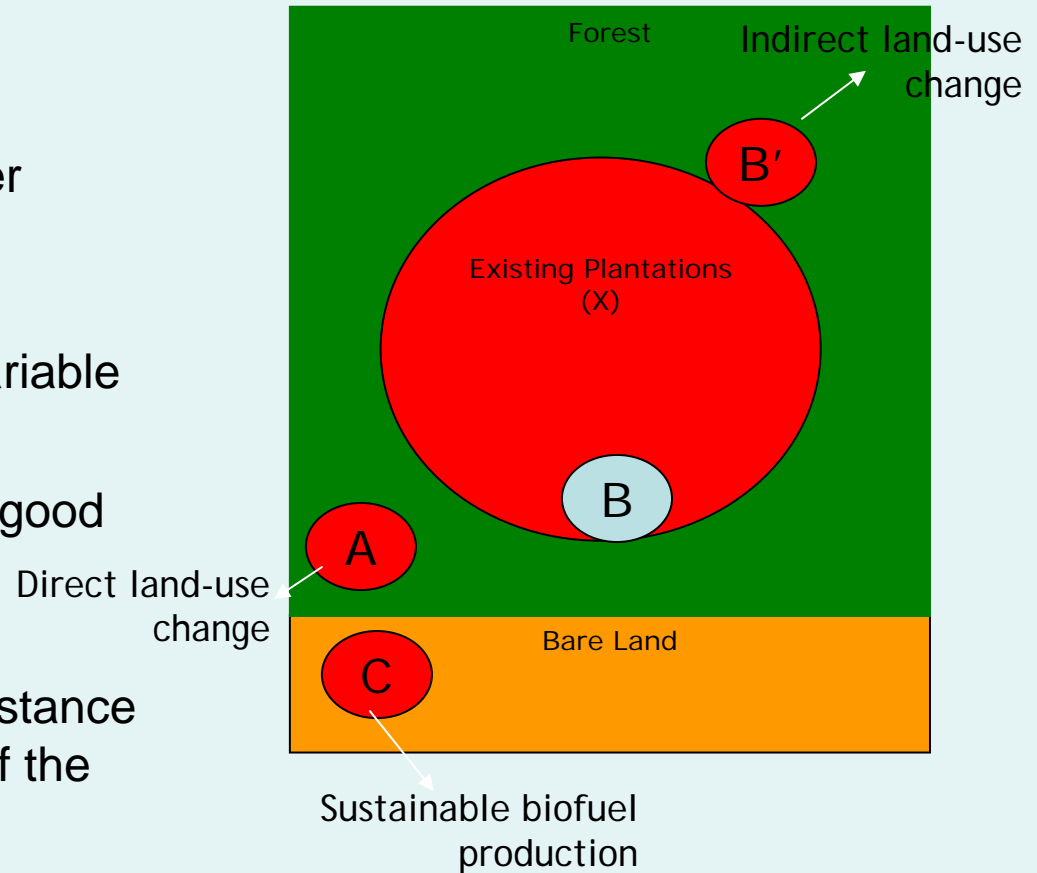
Environmental principle	RSPO (Palm)	Basel (Soy)	ACCS	LEAF	SAN / RA	EUREP-GAP
GHG-saving	Red	Red	Red	Red	Red	Red
Conservation of carbon	Grey	Grey	Grey	Green	Green	Red
Conservation of Biodiversity	Green	Green	Grey	Green	Green	Green
Sustainable Water Use	Green	Green	Grey	Green	Green	Grey
Waste Management	Green	Green	Red	Green	Green	Grey
Maintenance of Soil Fertility	Green	Green	Green	Green	Green	Green
Good Agricultural Practice	Green	Green	Green	Green	Green	Green

Compliance
Yes
Partial
No

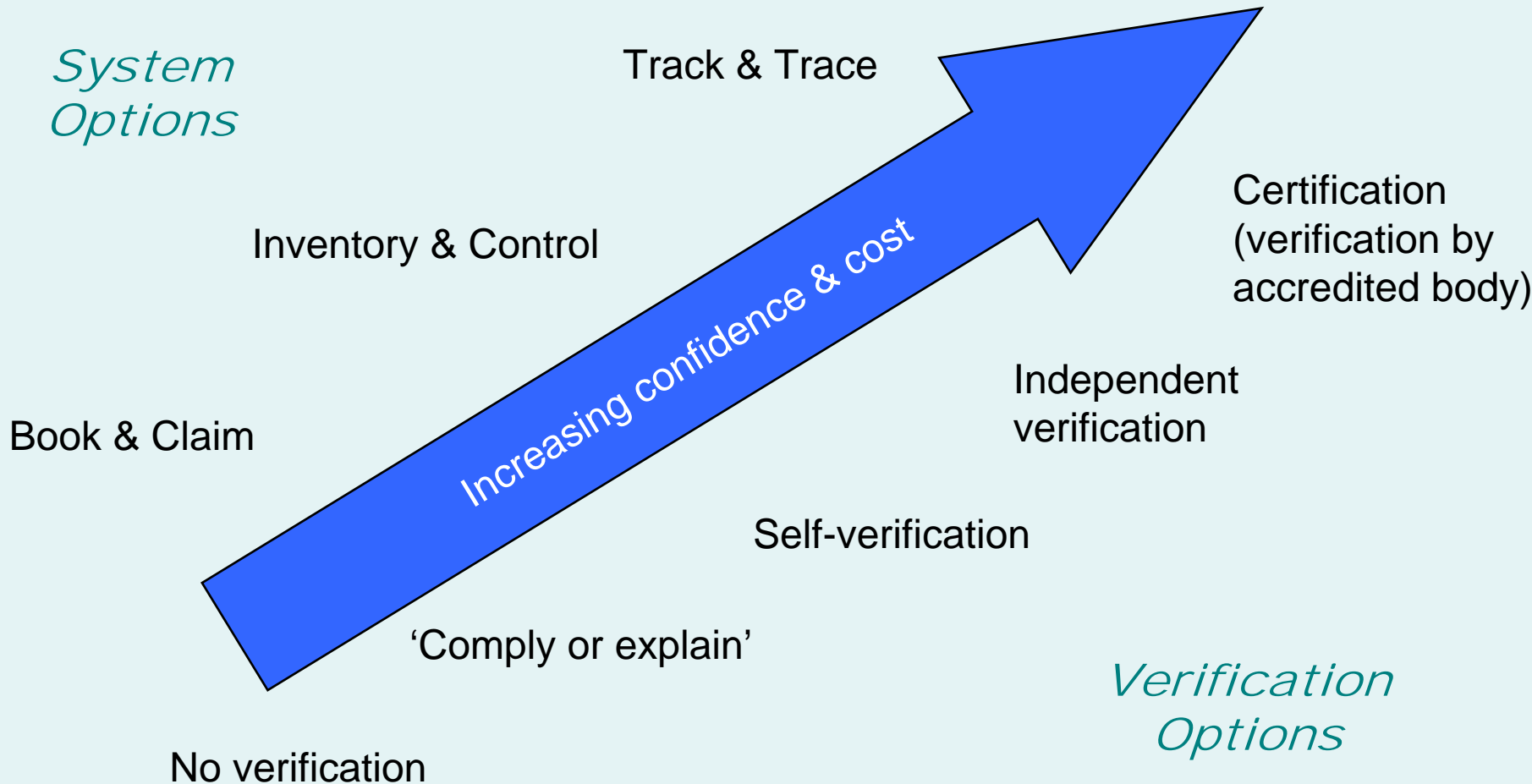


# *Sustainability assurance schemes do not offer a panacea to mitigate harm ...*

- ❑ Limited influence outside the certified areas
- ❑ Unlikely to resolve conflict over resources
- ❑ Scheme credibility is highly variable
- ❑ Not an effective substitute for good governance
- ❑ Bilateral agreements and assistance needed to support countries of the South



*Robust assurance schemes supported by cost-effective verification are an essential part of maintaining public confidence in biofuels*



# Key messages

- ❑ Sustainability assurance should be a key aspect of biofuels policy in the EU
  - Appropriate scheme design is essential to minimise the risk of impinging upon trade rules
  - EU-wide robust, but cost-effective verification is essential to maintaining public confidence
  - An EU approach should building upon existing agri-environment schemes
  - On-going work in the UK & NL demonstrates the feasibility of the approach & provides a model for development of an EU scheme
- ❑ Incentives that reward biofuels based upon their GHG-saving are essential for climate policy and to create markets for 2<sup>nd</sup>-Generation fuels
- ❑ Assurance schemes only provide a partial solution and must be complement by good governance and bilateral support for countries in the South



# Any Questions?

**The Low Carbon Vehicle  
Partnership**

**+44 (0)20 7340 2690**

**[secretariat@lowcvp.org.uk](mailto:secretariat@lowcvp.org.uk)**

**[www.lowcvp.org.uk](http://www.lowcvp.org.uk)**

**LowC<sup>VP</sup>**  
*low carbon vehicle partnership*

