

THE RENEWABLE ENERGY DIRECTIVE

A missed opportunity to end the biofuels monopoly

Context

The EU's Renewable Energy Directive (RED), in place since 2009, was supposed to increase the use of sustainable renewable alternative fuels in transport. But it has mostly incentivized biofuels blending, driving the use of crop biofuels with negative climate and environmental impacts. Renewable electricity and renewable hydrogen/synthetic fuels are the necessary fuels to reach full transport decarbonisation by 2050, not biofuels.

What has the European Commission proposed?

The European Commission (EC) has proposed an increased target for the use of renewable alternative fuels in transport. But it hasn't fixed the biofuels problem and has failed to provide sufficient reward for renewable electricity in the transport sector. We observe the following key elements in the EC's proposal:

- A system to ensure that fuel suppliers don't rely only on blending biofuels, but can also count renewable electricity, is now mandatory but only includes public charging. The proposal also removes a key reward for electricity's higher efficiency – a multiplier of 4.
- No progress on phasing out **crop biofuels**. Countries can continue to count them in their targets, subject to a limit linked to their 2020 share.
- The date for ending support to **palm based biofuels** remains 2030 and soy is still not to be phased out.
- The EC increased the target for '**advanced**' biofuels (2.2% from 1.75% earlier) from waste/residues without tightening the related sustainability criteria.
- For the first time, the EC introduced a target for the supply of **green electrofuels** (hydrogen and efuels) in transport. But this target is unrealistically high (2.6%) and could push efuels in cars and trucks, where more efficient battery-electric alternatives are available and cheaper.
- The fuel target has changed. Rather than requiring a certain *share of renewable energy* in transport fuels, it now requires a certain *reduction in the carbon footprint* of the fuels, using renewable energy.

What's good? What's not?

The EC missed an opportunity to ensure the phase-out of crop biofuels and to reward only advanced biofuels from true waste and residues. It proposed a meaningful system to support the transition to electro-mobility, but not to its full potential.

How should it be improved?

- For the system of crediting renewable electricity to meaningfully support electromobility, it should cover both public and private charging and (re)introduce a multiplier of 4 for renewable electricity.
- Support for biofuels produced from palm oil and soy must be ended immediately, and crop biofuels should be phased out by 2030.
- The list that defines 'advanced' biofuels must be amended to remove problematic feedstocks and sustainability safeguards must be strengthened. The target for 'advanced' biofuels must remain at 1.75%, not higher.

- The target for hydrogen/e-fuels must continue to reward only renewable hydrogen. Its level is very high, at 2.6% compared to T&E estimates (1% for shipping & aviation).

Don't forget...

- The target for transport fuels is set at a 13% reduction in carbon intensity, potentially equivalent to around 22–26% share in transport energy. It relies on crop biofuels, doesn't account for indirect impacts and foresees unsustainable amounts of advanced biofuels. The target must be set at a more realistic level – [equivalent to 16% renewable energy](#).

What next?

Members of the European Parliament (MEPs) must follow the last position adopted by the Parliament and immediately end the support to palm (and soy) based biofuels. They must also push for a gradual phase-out of all crop biofuels by 2030 and focus on stronger sustainability rules to protect the environment and biodiversity, rather than adopting higher targets.

Some **EU governments** have decided to end support to palm (and sometimes soy) based biofuels earlier than 2030 (e.g. France, Germany, Sweden). And some countries (Netherlands, Germany and soon France) already have a system to reward the use of renewable electricity in transport. These governments must push for these measures to be adopted EU-wide.

Further information

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