

Renewable Energy Directive

Phase out of the worst biofuels, support for more sustainable alternatives, but not enough action to stop burning food for fuel

The Environment Committee (ENVI) of the European Parliament (EP) adopted their report on the Renewable Energy Directive (RED) on 17 May where they sent a clear signal to choose food over fuel in times of a global food crisis. The RED now moved to the main committee in charge of its revision in the EP, the Committee on Industry, Research and Energy (ITRE) that voted on their report on 13 July. We compare the results of the two reports and look at the broader implications of the ITRE vote for the further negotiations on the RED.

Context

Although the Environment Committee's vote on the Renewable Energy Directive was not perfect, it laid down a good [basis](#) for a more decisive action on crop biofuels, one of the main challenges in this revision of the RED. ENVI decided on an immediate phase out of palm and soy oil, some of the worst crop biofuels in terms of greenhouse gas emissions. It also decided to lower by more than half the maximum share of food and feed biofuels in the EU.

This was particularly important in the current context of the global food crisis caused by the Russia-Ukraine conflict that triggered shortages of main agricultural crops across the world. Europe burns an equivalent of [19 million bottles of sunflower and rapeseed oil](#) every day in cars. It is therefore crucial to move away from burning crops for fuels and focus on cleaner alternatives, notably renewable electricity in electric vehicles for the road sector and green hydrogen and efuels to

aviation and shipping where electrification is more challenging. After the ENVI vote, the ITRE Committee unfortunately didn't keep the same level of ambition on crop biofuels. Pro-biofuels MEPs pushed hard to water down the progress made in the ENVI Committee. Not all was lost however and there is still room to make things right in the plenary that will take place in September.

Will the plenary in September manage to retrieve the level of ambition on crop biofuels and reward electricity accordingly ?

What's good? What's bad?

With a slightly different wording, the ITRE Committee confirmed an immediate phase out of crop biofuels that have the highest deforestation record: palm and soy oil. On other crop-based biofuels, the ITRE Committee however didn't follow ENVI's steps but preferred to keep the status quo

Fit for 55 Committee Votes

as in the Commission's proposal. Without further changes, the gap left in the target by removing soy & palm oil will be filled by other food commodities like rapeseed or sunflower oil, driving again negative impacts.

This is even more worrying considering that the already high greenhouse gas intensity reduction target for the overall transport of 13% was increased to a staggering 16%. Without additional safeguards, the 'too ambitious' greenhouse gas target will achieve the opposite effect from what is intended: it will lead to more pressure on the uptake of cheaper renewable options such as biofuels and in particular those that are not capped at the moment, such as intermediate crops and energy crops. In addition to that, the ITRE committee included the option to further increase the cap on waste-based biofuels without any consideration of their limited availability in sustainable quantities in Europe.

Members of the ITRE committee did take some positive decisions, especially on the more promising alternative fuels that will help the transport sector move away from biofuels. First of all, they recognized the efficiency of renewable electricity as a transport fuel by recognizing that its use generates significantly more greenhouse gas savings than combusting biofuels (overturning the earlier opinions of the other committees in the European Parliament). Secondly, ITRE members rejected efforts by the rapporteur to derail the ongoing efforts by the Commission to

lay down minimum sustainability criteria for green hydrogen and efuels (aka Renewable Fuels of Non-Biological Origin). A very high target for green hydrogen and efuels was endorsed, but there was also a recognition that fuel suppliers shall target the supply of these green hydrogen and efuels to the shipping sector (setting a mandatory 1,2% RFNBO subtarget for the hard-to-abate maritime mode).

How should the proposals be improved?

In the plenary vote in September the Parliament needs to ensure that the reliance on crop-based biofuels is decreased by reducing the share of all crop-based biofuels and significantly lowering the greenhouse gas intensity reduction target. It is also necessary to take into consideration the limited quantity of sustainable EU-sourced feedstocks for waste-based biofuels that would allow a more realistic view on their sub-targets.

Next steps to deliver on Europe's climate goals

We are now facing a once in a lifetime opportunity in Europe to send a strong signal that burning crops for biofuels is not the right way to decarbonise the transport sector. MEPs need to vote in September to push more strongly in the direction of cleaner alternatives instead of crop biofuels. This will also be essential for the trilogue negotiations with the Council later in the autumn of 2022.

T&E Comment

Barbara Smailagic, fuels policy expert at T&E, said: *"Biofuels mandates have been a disaster. The ITRE committee took a step forward in correcting this by phasing out support for soy and palm oil. But, with food prices soaring, it is irresponsible that we continue to burn crops like wheat and corn for fuel. Today MEPs missed an opportunity to alleviate pressure on global food supplies by limiting further crop biofuels. They must put that right in the plenary vote in September and choose food over fuel"*.

Geert De Cock, electricity and energy manager at T&E said: *"MEPs in ITRE today voted in favour of support for a high green hydrogen target with a strong commitment to sustainability standards. They also recognised that green hydrogen and other e-fuels will need to be targeted at those transport modes where direct electrification is not feasible, like aviation and shipping. We welcome in particular that member states will need to ensure that hydrogen and e-fuels will be available for the shipping sector to start moving away from the dirtiest fossil fuels."*