Bundesverband der deutschen
Bioethanolwirtschaft e.V.

Biofuel Associations: DUH Denies the Positive Climate Record of Sustainable Biofuels - Solar power cannot make the existing vehicle fleet climate-friendly

Berlin, February 23rd2022. The German biofuel associations Union for the Promotion of Oil and Protein Plants (UFOP) and German Bioethanol Industry Association (BDBe) consider that the paper on "agrofuels" published today by Environmental Action Germany (DUH) adopts a completely erroneous position in questioning sustainable biofuels' officially certified contribution to climate change mitigation. DUH creates a misleading impression that also misses the mark when it comes to the genuine, urgent need to take action, giving the impression that the current vehicle fleet, including 55 million vehicles with internal combustion engines, could be powered by solar energy. Sustainable domestic biofuels from cultivated biomass and residues will continue to play a leading role in defossilising road transport and ensuring energy security in coming decades.

The DUH paper envisages alternative utilisation of land on which feedstocks for biofuel production are currently cultivated and proposes renaturation. In addition, it advocates installing solar-based systems to generate the energy needed by the transport sector, which to date has been provided by biofuels. The authors neither address the cost of developing such huge solar power capacity or indicate how this project is to be financed. They also fail to factor in farmers' loss of income due to this alternative land use, while also ignoring the cost of converting the vehicle fleet to electric mobility.

In its blanket denial of biofuels' climate protection impact because of the land required, the paper commissioned by DUH assumes that arable land currently used to cultivate biofuel feedstocks would be set aside and planted with trees. The paper asserts that the ensuing carbon sequestration would outperform CO_2 reductions from biofuels. DUH concludes that producing solar electricity for electric vehicles would be significantly less land-intensive and would therefore favour it as a renewable source of engine power.

DUH fails to answer the question of how to compensate in the short term for the loss of emissions savings for greenhouse gas that cause climate damage that would arise if sustainable biofuels were no longer used. Cars would not simply disappear from Germany's roads if biofuels were withdrawn from the market – and nowadays some are fuelled with sustainable biofuels that provide average GHG savings of over 90 %. In this context, failure to meet the reduction targets set out in the German Climate Change Act would result in opportunity costs, as the German government would have to use tax revenues to purchase emission rights from other Member States. Fossil fuels currently account for 92.5 percent of energy consumed in the transport sector. Only 7.5 per cent of the sector's energy use comes from renewables. Biomass-based liquid and gaseous fuels make up

about 90 per cent of renewable energy sources, with the figure rising to over 98 per cent for road transport. Estimates indicate that by 2030 around 120 million tonnes of greenhouse gases will have been saved in the transport sector, thanks to bioethanol, biodiesel and biomethane.

With regard to European biofuel production, the associations underline that it is subject to strict sustainability requirements, which have been made more stringent several times over the past 15 years and will become even more ambitious thanks to the European Commission's proposal to amend the Renewable Energy Directive (2018/2001/EC):

- Since 2008, the feedstocks used in biofuel production, which in Germany are mainly rapeseed, feed grain and sugar, must demonstrably only come from areas already used for agriculture at that time. Forest clearance or drainage of biologically valuable areas are thus excluded.
- Crop cultivation must comply with the provisions on protection of water, soil and biodiversity applicable to the agricultural sector (known as cross-compliance regulations and part of the EU's Common Agricultural Policy). The requirements that will enter into force in 2023 as a result of CAP reform will further advance the approach DUH advocates as an opportunity to promote biodiversity and soil carbon sinks. The European Commission is striving for a carbon use and sink strategy that is adapted according to location that, inter alia, provides for renaturation of peatland sites and fosters carbon accumulation in the soil, which can be credited to food or also to biofuels as an additional contribution to greenhouse gas reduction.
- Pursuant to current EU regulations, from next year it will no longer be permissible in Germany to use agricultural commodities whose production poses a high risk of crowding out cultivation of food and animal feed; currently this applies to palm oil. This provision is also applicable in other EU Member States.
- All emissions associated with cultivation of feedstocks, transport and processing of biofuels are included when calculating the greenhouse gas savings associated with use of sustainable biofuels compared to fossil fuels – most recently to the tune of over 13 million tonnes of CO_{2eq} per year. Recent years have seen progressive increases in the minimum savings to be achieved with biofuels compared to fossil fuels.
- There is a statutory ceiling on use of biofuels from cultivated biomass as the crediting requirements of the associated greenhouse gas reduction quota provide for an upper limit; however, contrary to the DUH's allegations, a blending obligation is not stipulated.

Even with an ambitious market ramp-up of electromobility, it must be assumed that more than 30 million passenger cars and almost all commercial vehicles will still be equipped with a combustion engine in 2030. However, these vehicles must also contribute to defossilisation, but – contrary to the ideas proposed by DUH – cannot be powered by solar and wind energy.

UFOP and BDBe view sustainable biofuels based on European agricultural feedstocks as an immediately available alternative to petrol and diesel that is affordable for consumers. Production of these biofuels secures value creation and jobs in rural areas and, thanks to the co-products generated, especially GMO-free protein animal feed, helps to reduce food and feed imports from

third countries.

The German Bioethanol Industry Association (BDBe) represents the interests of the biofuel sector's member companies and associations, spanning agricultural production of the raw materials all the way to industrial production and processing of bioethanol and all by-products. Co-products include DDGS, CDS, biogenic carbonic acid, gluten, yeast, biomethane and organic fertilisers. For fuel uses, beverages and food or the chemical industry, bioethanol with different classifications is produced from feed grain, sugar beet or biogenic waste and residues. In Germany, the types of petrol currently available at petrol stations contain between 5% and 10% certified sustainable bioethanol.

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