

Federal Environment Ministry abandons climate change mitigation in transport Biofuel sector: A discouraging draft with no prospects for renewable fuels

Berlin, 28.09.2020. **In the view of three industry associations in the biofuel sector - the German Bioethanol Industry Association (Bundesverband der deutschen Bioethanolwirtschaft - BDBe), the Union zur Förderung von Oel- und Proteinpflanzen (Union for the Promotion of Oil and Protein Plants (Union zur Förderung von Oel- und Proteinpflanzen e. V. - UFOP) and the Verband der Deutschen Biokraftstoffindustrie (VDB) - a draft law presented by the Federal Environment Ministry (BMU) for the use of renewable energy in transport does not solve the urgent problems of climate change mitigation in the transport sector.**

"With its proposals, the BMU is clearly abandoning climate change mitigation in transport. The share of renewable fuels is even expected to decline in the coming years. This means that the current vehicle fleet of nearly 58 million petrol and diesel vehicles will hardly contribute anything to mitigating climate change," said Stefan Walter, Managing Director of the BDBe.

Stephan Arens, Managing Director of the UFOP, Stephan Arens, criticised that the BMU's plan intends to reduce the share of sustainable biodiesel and bioethanol from cultivated biomass even more than in the integrated National Energy and Climate Plan. This was only recently agreed within the government and submitted to the European Commission at the end of June. "Sustainable biofuels from agricultural biomass currently represent by far the largest contribution made by renewable energy in road transport. This reduces CO₂ emissions by around 6 million tonnes per year. It is precisely this indispensable contribution to climate change mitigation that the BMU aims to reduce."

At the same time, increasingly ambitious climate targets are being announced at European and national level. Only from 2026 onwards will the petroleum industry be required to reduce the greenhouse gas emissions of its fuels slightly more than before.

"The BMU is actually proposing that nothing should happen in the next five years to reduce the greenhouse gas emissions of drive energy in the transport sector," said Elmar Baumann, Managing Director at VDB. In stark contrast to proposals from industry and business, the BMU draft does not envisage a step-by-step, ambitious increase in the greenhouse gas reduction for fuels. "This means that it will not be possible to achieve the German 2030 transport target," said Baumann. The Federal Ministry of Transport, which is responsible for the statutory greenhouse gas reduction target in transport, will have to buy emission allowances from other member states for the foreseeable failure to meet the target, at the expense of the German taxpayer.

Under European law, the German government is required to achieve a 14 percent share of renewable energy sources in transport pursuant to the Renewable Energy Directive II (RED II). RED II allows some renewables to be credited multiple times. For example, e-mobility counts four times towards the RED II target, waste-based and advanced biofuels count twice. As a result, the share of renewable energy that is actually physically used will hardly increase at all by 2030 over today's levels. This is why the German government had announced that it would exceed these European targets and ensure more climate change mitigation in transport. Biofuels can play a significant role in these efforts.

"There is no link between the German government's decision to ambitiously implement RED II and the draft law submitted by the BMU. From the perspective of climate change mitigation and a sustainable economic and agricultural policy, this is irritating, and does not do justice to the exemplary role Germany is playing in the context of its current EU Presidency," Walter concluded.

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 or 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

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between 5% and 10% certified sustainable bioethanol.

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