



Position paper

Climate change mitigation with sustainable renewable fuels

Making use of existing sustainable options to reduce greenhouse gases in transport, encouraging the development of new technologies

1. Climate change mitigation is one of the global challenges of this century. The Climate Action Plan 2050 of the German Federal Government sets targets for the reduction of greenhouse gases (GHG) in individual sectors.
2. Germany will not meet its climate targets for 2020. With the current policy trajectory, neither the GHG reduction target for sectors not subject to emissions trading nor the target for the use of renewable energy sources will be met. The gap will become even larger between now and 2030, which is why reducing GHG emissions as efficiently as possible with no restrictions on raw materials or technologies is of central importance.
3. Transport plays a key role in reducing GHG emissions. According to the German Federal Government's Climate Action Plan 2050, greenhouse gases in the transport sector are to be reduced by 40-42% by 2030 compared with 1990 levels - an absolute GHG reduction from just over 165 million tonnes today to 95-98 million tonnes of CO₂-equivalents in 10 years. However, the rapidly growing volume of traffic over the past 25 years has led to a situation where, despite efficiency improvements in drive technologies and the use of certified sustainable biofuels, CO₂ emissions from transport are virtually unchanged. The Energy Reference Forecast on which the Climate Action Plan is based assumes that in 2030, in addition to an ambitious number of 6.5 million e-vehicles (cars only), a 20% share of renewable fuels will be needed to achieve the 2030 transport target.
4. Mobility is a basic need and enables social and economic participation, particularly in rural areas. Despite the ramp-up in e-mobility, new mobility concepts and the expansion of public transport both in urban and rural settings, the passenger car, with its efficient combustion engine, will play a key role in individual mobility for the foreseeable future.
5. While the share of new vehicle registrations accounted for by electromobility will rise continuously and significantly, vehicles with combustion engines will still account for the bulk of vehicles in 2030. This applies both to passenger cars and light commercial vehicles and above all to vehicles used in road freight transport and agriculture. Here, as in aviation and shipping, gaseous and liquid energy sources will still be needed in the long term. The reduction targets in the transport sector cannot therefore be achieved without sustainable, renewable fuels.
6. The net GHG emissions from fuels used in road transport has been significantly improved in recent years by crop-based biofuels, increasingly supplemented by biofuels from waste and residues. The average GHG reduction of biofuels in Germany rose to 81% in 2017.

The growing use of renewable and sustainable fuels can gradually replace more fossil fuels and thus make a tangible contribution to climate change mitigation.

7. Biorefineries are an important element: they produce sustainable biofuels and supply valuable by-products such as domestic animal feed rich in energy and protein that replace soya imports from third countries. Moreover, they are inexpensive “long-term batteries” that stabilise the electricity grid and serve as technology for the capture and usage of CO₂ from the atmosphere. The use of waste and residues in advanced biofuel technologies gives an additional boost to innovation.
8. Renewable fuels, such as biofuels and electricity-based fuels, can use the existing infrastructure of over 14,000 public petrol stations or direct sales of fuels through fuel distributors as intermediaries and be used immediately in the vehicle fleet.
9. In order to have a realistic chance of not exceeding the remaining GHG budget, all options for reducing GHG emissions need to be fully exploited right now. Biofuels and electricity-based fuels, in combination with advanced, highly efficient combustion engines and hybrid concepts, also need to play a prominent role in helping to secure Germany’s future as it transforms its automotive sector.

The signatories therefore call for a significant increase in the proven GHG reduction quota. Greater use must be made of renewable fuels already on the market. New fuel solutions and drive technologies must be advanced so that they can make a contribution to reducing GHG emissions as quickly as possible. Also indispensable are stable and long-term policies that enable all economic actors to invest in production capacities and, at the same time, in targeted research and development, as well as to establish new value chains. A forward-looking climate policy in the transport sector must also support the technological leadership of the companies based here, leverage synergy effects and thus strengthen Germany as an industrial and research location in the long term.

A package of measures is therefore needed to achieve the climate targets in the transport sector:

- The Federal Government must go beyond the targets stipulated in the revised Renewable Energies Directive (EU/2018/2001 - RED II). This includes an ambitious target for advanced biofuels and a target for electricity-based fuels, as well as a gradual increase in the GHG reduction quota by 2030.
- Biofuel blends must be increased and made available at petrol stations.
- The planned revision of the European CO₂ regulation for both motor vehicles in 2023 and trucks in 2022 must make it possible for sustainable renewable fuels to be credited toward fleet limits.
- There is a need for a programme to help introduce development-intensive fuels, e.g. electricity-based fuels, to the market.
- One effective measure would be to exempt vehicles operated with biofuels and alternative, electricity-based fuels on a pro rata basis from tolls in accordance with the German Federal Highway Toll Act.

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Signatories:

German Bioethanol Industry Association (BDBe); German Biotechnology-Industry-Organisation (BioDeutschland); Clariant; German Farmers’ Association (DBV); Waste-based Biofuels Association (MVaK); Novozymes; Scania; Union for the Promotion of Oil and Protein Plants (UFOP); UNITI; UPM; German Association of the Automotive Industry (VDA); Association of the German Biofuel Industry (VDB)