



## **Government Must Show Greater Commitment to UK Biofuels**

**28<sup>th</sup> January 2009**

“Extremely disappointed” is how the Renewable Energy Association (REA) described its reaction to today’s Government announcement on the Renewable Transport Fuels Obligation (RTFO). Just 3.25 per cent of the UK’s transport fuels will have to be provided by fuel from renewable sources from April 2009. This is in contrast to the original target of 3.75 per cent announced when the obligation was launched in 2008.

A review of biofuels by Professor Ed Gallagher, Chairman of the Renewable Fuels Agency (RFA), published in July 2008, recommended slowing down the rate of increase of UK biofuels targets. However, since then an error in the legislation has come to light, meaning that the current year’s target of 2.5% biofuel use is effectively halved.

“The effect of the government’s error when it drafted the legislation has been to drastically reduce the amount of biofuels going into the fuel supply, and further undermine the financial stability of the UK’s biofuels industry. The Renewable Transport Fuels Certificates, which companies have been awarded for using biofuels, have become worthless,” said Clare Wenner, Head of Renewable Transport at the REA.

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“According to the Renewables Fuels Agency (RFA) UK-produced biofuels outperform the average by a wide margin – 98% of them meet tough official sustainability standards <sup>1</sup>. We are leading the world, showing how it is possible to produce biofuels that deliver genuine greenhouse gas savings to the highest environmental and social standards.

“However, the industry needs a much greater degree of certainty in the future, if it is to secure the investment it requires. The Gallagher review clearly shows that there are good biofuels and bad biofuels, and the UK industry is capable of producing the very best biofuels, but the government must demonstrate its commitment to the future of a strong biofuels industry in this country.”

The challenge for the government has been made even greater by the recently-approved European Renewable Energy Directive. This means that 10% of the UK’s transport energy must come from renewable sources by 2020. “These are binding targets that the UK must meet,” said Clare Wenner, “It is difficult to see how we can hope to deliver against these targets in the transport sector without a strong, viable UK biofuels industry producing in a sustainable manner.”

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<sup>1</sup>[http://www.renewablefuelsagency.org/db/documents/RFA\\_quarterly\\_report\\_Apr\\_Oct\\_2008.pdf](http://www.renewablefuelsagency.org/db/documents/RFA_quarterly_report_Apr_Oct_2008.pdf)

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#### **Notes for Editors**

- The Renewable Energy Association is the UK’s leading trade association for the renewables industry, with over 550 members across the industry and around 70 involved in biofuels
- More facts and figures on biofuels can be obtained from [www.biofuelsnow.co.uk](http://www.biofuelsnow.co.uk)