

Meeting with CEO's from European Advanced Biofuel Companies – 25 February '16

[REDACTED], will not join the meeting. He will have to leave after an event in the EP, where also VP Sefcovic and Jerzy Buzek, MEP, speak.

Commission position

- 1st Generation Biofuels (based on food crops) will no longer receive public support after 2020 (Questions on compromising food security and environmental damage)
- Policy development should focus on 2nd and 3rd generation Biofuels
- The Energy Union does not set targets for Biofuels in the transport energy mix after 2020 (demand side targets)
- Instead, through the SET plan, we are working on market push targets – in terms of capacity for production and competitive pricing.
- Member States may set national targets and plans on Biofuels, in order to achieve the EU target of 27% renewable energy and 40% CO2 reduction. Commission monitors this.

Key points from Industry

- Key issue for deployment and commercialisation of biofuels is creating market confidence.
- Currently, at EU level mixed signals are given, resulting in loss of investments in development of 2nd and 3rd generation biofuels. In for example the US there is a much clearer policy direction.
- A clear target for biofuels in the transport energy mix is requested after 2020. 4% is considered realistic by the Industry with significant reduction in CO2, jobs creation and investments.

Questions:

- If a 4% Biofuel target for the transport energy mix is realistic, leading to a (rough estimation) of 2 % of CO2 reduction, how important are Biofuels to reach our 2050 decarbonisation objectives?
- The Commission is working on an action plan for 2nd and 3rd generation biofuels and other sustainable fuels: Developing market push targets. Will this action plan not give the needed market confidence?
- Member States may set national plans and targets for Biofuels, which are monitored by the Commission. Do these national plans and targets not give enough market confidence?

Line to take:

- Demand side targets will not be set at EU level (in any case it is not our competence).
- We are creating market confidence by setting market push signals (SET plan).
- We are providing market confidence by Public Investments in development of 2nd and 3rd generation Biofuels through H2020, NER 300 (funding from ETS emission rights) etc.