

Directorate General Transport and Energy
European Commission
Mr. A. Piebalgs
Commissioner Energy
200 Rue de la Loi
1049 - Brussels
Belgium

Utrecht, June 5th 2009
subject: Reporting obligation on biofuels

Dear Commissioner Piebalgs,

In December 2008, the European Parliament adopted the Directive on the Promotion of the Use of Energy from Renewable Energy Sources (RES), including a target of 10% renewable energy in the transport sector in 2020. Biofuels that comply to the RES have to meet a number of sustainability criteria and reporting requirements. To prove compliance to these requirements, economic operators have to arrange for a standard of independent auditing of the information they submit to the member states (article 18.3). In practise, this implies that these biofuels will have to be certified to the RES standard.

Public transparency is a fundamental element of every credible product auditing and certification system. The RES includes public transparency on two levels, an EU level and a member state level:

1. Transparency on EU level is provided by means of a transparency platform (article 24), which aims to provide an aggregate overview of the progress of member state compliance to the Directive.
2. Transparency on member state level is indicated in article 21 of the RES, which states that member states "shall ensure that information is given to the public on the availability and environmental benefits of all different sources of renewable energy for transport." This is in line with EU Directive 2003/4/EC on public access to environmental information, based on the Aarhus Convention. This directive was implemented by member states in 2005.

However, it seems that DG Transport & Energy (DG TREN) is not convinced that this implies that member states are obliged to publish relevant information submitted by economic operators to the public. During the Second International Conference on Biofuel Standards in Brussels on the 20th of March 2009, a representative from DG TREN publicly stated that member-state-level public transparency on biofuels brought to the market by economic operators under the RES, is not allowed since "...we do not want naming and shaming." Even though the RES does not state such a prohibition and public transparency is not a synonym for 'naming and shaming'. On the contrary, it enables economic operators to stand out in a positive way.

Therefore:

Stichting Natuur en Milieu, Consumentenbond, Vereniging Nederlandse Biodiesel Industrie (VNBI), Nedalco, BioMCN, Van der Sluijs Groep, BiofuelGO, Oxfam Novib and Solidaridad¹ hereby request DG TREN to confirm that member states are obliged to provide public transparency on the type, origin and sustainability of biofuels brought to the European market by each specific economic operator, for compliance to the 10% renewable energy target in the transport sector.

This level of public transparency on biofuels is fundamental, for the following reasons:

1. Public transparency stimulates the use of more sustainable biofuels

Transparency about the type, origin and sustainability of blended biofuels stimulates biofuel producers and oil companies to avoid blending biofuels with broadly recognized high environmental risks. At the same time and in combination with government support, it stimulates these companies to speed up the development of more advanced biofuels with less environmental risks.

2. Public transparency enables frontrunner companies to distinguish themselves

Oil companies can distinguish themselves positively by blending a high percentage of biofuels that are produced in a sustainable way, by taking into account local social and environmental sustainability, and by using more sustainable feedstocks, like waste-streams.

3. Public transparency facilitates fast development and implementation of biofuel certification

Transparency about the type, origin and sustainability of blended biofuels will increase the interest of biofuel producers, oil companies and other stakeholders to speed up the implementation of reliable biofuel certification. Without this transparency, some parties could benefit from delaying this certification process so that they can continue trading unsustainably produced biofuels.

4. Public transparency allows a public debate based on facts

Without public transparency on biofuels under the RES, all blended biofuels will continue to be regarded as unsustainable by the civil society. As a result, the European biofuel policy is unlikely to obtain broad support from society, while broad societal support is fundamental for any policy to be successful. Knowledge on the type, origin and sustainability of blended biofuels allows a public discussion based on facts instead of assumptions. It gives civil society valuable information on the ecological, social en economical sustainability of the biofuel mix and it gives insight in the question to what extent the EU biofuel policy contributes to reducing greenhouse gas emissions in a sustainable way.

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The Dutch Society for Nature and Environment, Dutch Consumer Union, the Dutch Biodiesel Industry Association, Nedalco, BioMCN (Biofuel producers), Van der Sluijs Groep (Independent market player in downstream oil market), BiofuelGO (Biofuel association), Oxfam Novib, Solidaridad (Development organisations).

5. Public transparency is fundamental for every certification process

The credibility of any reliable product certificate depends on whether third parties are able to verify if the certificate is legitimate. Therefore, similar certification schemes like the Roundtable for Sustainable Palm Oil (RSPO) and the Forest Stewardship Council (FSC) provide a Public Summary for each specific certificate. RES-based biofuel auditing and certification without such public transparency is unlikely to become credible and accepted by the public, or by business.

We sincerely hope that DG TREN is willing to grant this request and agree on full transparency under the RES Directive. In case you have further questions about this writing, please contact: Mr. Ron Wit, Manager Climate & Energy, Stichting Natuur en Milieu +31-(0)30-2348281 or e-mail: r.wit@natuurenmilieu.nl.

Yours Sincerely,

Mirjam de Rijk
General Director Natuur en Milieu

On behalf of:

Van der Sluijs Groep (Independent market player in downstream oil market)

Bart-Willem ten Cate, Biofuels manager

Nedalco (Biofuel producer)

Mark Woldberg, Business development manager

BioMCN (Biofuel producer)

Rob Voncken, CEO

BiofuelGO (Biofuel association)

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Vereniging Nederlandse Biodiesel Industrie (VNBI)

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Wilfred Hadders, Member of Board VNBI & Director Sunoil Biodiesel

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