Department for Transport Consultation: Renewable Transport Fuel Obligation Draft Post Implementation Review

February 2014

The below sections are extracted from a response form submitted to the Department for Transport call for views on its Renewable Transport Fuel Obligation Draft Post Implementation Review.

PART 1 - Information about you

Name	Hugh Whittall					
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Company Name or Organisation (if applicable)	Nuffield Council on Bioethics					
Please tick one box from the list below that best describes you /your company or organisation.						
	Small to Medium Enterprise (up to 50 employees)					
	Large Company					
	Representative Organisation					
	Trade Union					
	Interest Group					
	Local Government					
	Central Government					
	Police					
	Member of the public					
x	<i>Other (please describe):</i> The Nuffield Council on Bioethics is an independent body which considers and reports on ethical issues in biology and medicine. It is funded jointly by the Wellcome Trust, the Nuffield Foundation and the Medical Research Council.					

If you are responding on behalf of an organisation or interest group how many members do you have and how did you obtain the views of your members:

The comments provided below are drawn from the Nuffield Council's report Biofuels: ethical issues, which was published in 2011 following an 18 month inquiry led by an expert Working Party. This group was chaired by Professor Joyce Tait of Edinburgh University and included members with expertise in science, the environment, ethics, law, policy, economics, the commercial sector, energy security, and sustainable and international development. To inform its deliberations, the Working Party held a public consultation, receiving 90 responses from a wide range of organisations and individuals. It also held a series of 'fact-finding meetings' with, for example, non-governmental organisations, scientists, industry and policy makers. The full report, details of the method of working and a summary of the consultation responses can be found at <u>www.nuffieldbioethics.org/biofuels</u>

If you would like your response or personal details to be treated **confidentially** please explain why:

PART 2 – Biofuels supply

Q 2.1 Do you agree that the RTFO is an effective mechanism to ensure supply of sustainable biofuels in line with Government targets?	Yes 🗌		No 🗌				
Q 2.2 Has the replacement of fuel duty	Positive 🗌	Neu	itral	Negative 🗌			
derogations for biofuel with RTF certificates had a [positive / negative / neutral] effect on your business? Why? (please use the box to the right to elaborate)	Please use this space to elaborate						
Q 2.3 Do you have any further comments on the analysis in this chapter? Please use the box below to elaborate.	Yes 🗌		No 🗌				
Please use this box to elaborate on your answers to the above or add any additional comments:							
In the Nuffield Council report we set out six ethical principles (listed below) that policy makers should use to evaluate biofuel technologies and guide policy development. The report concluded that the use of mandatory targets for biofuel production set by the RTFO encourages unethical practices by stimulating rapid expansion of biofuel							

In our report we identified the dangers to natural ecologies and human rights that can result from target setting and we argue for a more sophisticated target-based strategy that fully accounts for the wider consequences of biofuel production – including social impacts. We recommend the introduction of a *mandatory* certification scheme that includes social and environmental criteria, so that in order to count towards the UK RTFO, biofuels must be shown to have met *both* environmental criteria and social criteria (see Principles 1 and 4 below).

The ethical principles are as follows:

production without appropriate safeguards.

1.Biofuels development should not be at the expense of people's essential rights

(including access to sufficient food and water, health rights, work rights and land entitlements).

2.Biofuels should be environmentally sustainable.

3.Biofuels should contribute to a net reduction of total greenhouse gas emissions and not exacerbate global climate change.

4. Biofuels should develop in accordance with trade principles that are fair and recognise the rights of people to just reward (including labour rights and intellectual property rights).

5. Costs and benefits of biofuels should be distributed in an equitable way.

The Council then considered whether there may be a duty to develop biofuels in the face of global climate change. To address this a sixth Principle is proposed:

6. If the first five Principles are respected and if biofuels can play a crucial role in mitigating dangerous climate change then, depending on certain key considerations, there is a duty to develop such biofuels.

These additional key considerations are: absolute cost; alternative energy sources; opportunity costs; the existing degree of uncertainty; irreversibility; degree of participation; and the overarching notion of proportionate governance (See Chapter 5 of the full report).

PART 3 – Greenhouse gas savings

Q 3.1 Do you have comments on the methodology used to assess ILUC effects	Yes X	No 🗌	
(see Annex A)? If so, please elaborate in the box to the right.	Please use this space to elaborate		
Q 3.2 Do you have evidence indicating whether the GHG performance of biofuels	Yes	No	
delivered under the RTFO will improve or worsen in the period to 2020 (including the effects of ILUC)? Please provide such evidence in the box to the right, or attach materials/documents to this form.	Please use this space to elaborate		

Please use this box to elaborate on your answers to the above or add any additional comments:

We support the inclusion of ILUC factors in accounting for greenhouse gas emissions as we feel that policies should take into account the possible greenhouse gas emission savings over the whole production lifecycle of the biofuels. However, in the Council's report we noted the complexities associated with calculating and determining ILUC factors.

We recommended to the UK Department for Transport, along with the European Commission (EC) Directorate-General for Energy and Transport and the Department of Energy and Climate Change, Department for Environment, Food and Rural Affairs and Department for International Development, that different biofuel types should be certified on the basis of their life cycle greenhouse gas emissions according to attributional life cycle assessment (LCA), and based on a single international standard. This requires elucidation of the important distinction between attributional and consequential LCA. Such certification should be complemented by a robust regulatory mechanism to ensure compliance. The standard should be drawn up by the original authors of the Renewable Energy Directive, including the Joint Research Centre and the subsequent regulators who must translate EC policy into individual Member State practice e.g. through the RTFO. The standard should be extended globally, for example in cooperation with the United Nations Framework Convention on Climate Change (see paragraph 5.50 of the full report).

PART 5 – Minimum sustainability criteria

Q 5.1 Do you agree that the market was adequately prepared for the introduction of the mandatory sustainability criteria and that mandatory reporting of carbon and sustainability data in the preceding 3.5 years played a key role?	Yes 🗌	No	
Q 5.2.a Do you have data on the impact of the RED sustainability on biofuel prices?	Yes 🗌	No 🗌	
Q 5.2.b If so, do the observed impacts match the projected impacts shown in figures 5.1 and 5.2?	Yes 🗌	No 🗌	
Q 5.3 Are the reasons for the uptake of	Yes	No 🗌	
voluntary schemes correct i.e. reduced risk to the supplier and lower verification costs? If not, please provide reasons in the box to the right.	Please use this space to elaborate		
Q 5.4 Do you consider that there have been	Yes 🗌	No 🗌	
unintended consequences as a result of the RTFO amendments to include mandatory GHG and sustainability criteria? If so, please provide an explanation of unintended consequences in the box to the right.	Please use this space to elaborate		
Q 5.5 Within the boundaries of the EU RED legislative requirements, could the UK	Yes 🗌	No 🗌	
implementation of the GHG and sustainability criteria be improved? If so, how? Please explain in the box to the right.	Please use this space to elaborate		

Please use this box to elaborate on your answers to the above or add any additional comments:

As indicated in our comment above (see section 2), we suggest the development of a comprehensive ethical standard for biofuels, to include the protection of human rights and the environment, full life cycle assessment of greenhouse gas emissions, trade principles that are fair, and access and benefit-sharing schemes. It should be set within wider frameworks for mitigating climate change and addressing land use change (direct and indirect) and should be open to future revision as needed.

We have suggested that such an ethical standard should be enforced through corresponding certification for all biofuels developed in and imported into the EU.