

RTFA positions

March 2021 version

What fuels are covered by the RTFA?

Basically everything you would expect. Each of the following fuels is described on our **website** www.rtfa.org.uk. Those in **bold green** are where we have members and are actively seeking to progress the agenda. Some of our members have interests in the fuels in **bold black**, but are progressing these through other representative groups. We don't yet have members engaged in the other fuels listed. Our coverage may expand as membership grows.

Biodiesel
Bioethanol
Biomethane
Biomethanol

Biopropane
Drop in fuels
Renewable electricity
HVO

Renewable hydrogen
Recycled carbon fuels
RFNBO
SAF

What types of company are members of the RTFA?

- Biodiesel and bioethanol producers. UK-based members are **Full** members, overseas fall into the **Associate** category.
- Companies that supply biomethane and other renewable gaseous fuels to the transport sector (these fall into the **Full** category)
- Development fuel companies (**Start-up** category)
- Any other corporate entities that support the RTFA's aims and objectives and which don't fall into the Full or Start up categories, fall into the **Associate** category.

For [an application form](#) and the [rules and code of conduct](#), click the preceding hyperlinks or see the website <https://rtfa.org.uk/#join-us>

Where do we stand on the issues?

RTFO target increase. This is a key area for us. We have commissioned a study which aims to quantify the additional sources of sustainable biomass feedstock available to the UK market. For more information contact Gaynor@rtfa.org.uk

The introduction of E10. This has been a long-term key objective, and at the end of February the [DfT announced that it would be mandated from September 2021](#). Beyond E10 there is scope for higher blends, such as E15, E85 and ED95.

RTFO changes. The forthcoming consultation on the RTFO (expected in March 2021) is expected to cover the following issues in the table below, which also indicates the position our response is likely to take:-

Theme to be covered in consultation	Likely RTFA position
Reviewing targets	A 5% increase in the basic obligation, rolled out from 2022 – 2032 would broadly keep current biodiesel consumption level. We are seeking a <i>greater</i> increase –i.e. an additional 9% at least, to a total of 21%), as there is additional sustainable feedstock available to warrant it.
Bringing in recycled carbon fuels	The RTFO remit should be expanded to encompass these new fuels.
Approach to supporting RFNBOs	There should be a more pragmatic approach to eligible sources of electricity for RFNBO production.
RFNBO expansion into new modes (i.e. maritime, rail and non road mobile machinery (NRMM))	This needs discussion. On principle any increase on demand side needs commensurate increase in obligation size.
Updating the sustainability criteria	Supportive of highest sustainability standards, but keen these apply across the board w.r.t to decarbonisation options

The RTFO legislation has no end date, but there is a perception among some in the industry that the obligation stops in 2032. We want the consultation document to spell out that the RTFO runs beyond 2032 even though there is currently no increase in target levels beyond that date.

Biomethane mass balancing over EU network. The RTFA is working with DfT to make the guidance more robust, so that those bringing biomethane in via the EU network have clarity and confidence in their long-term ability to earn RTFCs via this route. This necessitates a move away from aggregate mass balance, but industry is proposing that traded physical location swaps should be allowed. We have engaged the services of an international gas trading specialist. Our work is referred to in the [RTFO stakeholder communication 2a 2021](#).

Higher blends of biofuels. Although a long-term aim, we would like to see the retail blend of diesel switch from B7 to B10. We also want to encourage more HDV fleet operators to adopt B20, B30, B100 (and HVO). There may be targeted policy approaches or financial incentives that could drive this without distorting the market, but we are pushing hard for the RTFO obligation to be increased to a level which would require the market to overcome current blend walls.

Building confidence in the use of renewable fuels. Many of the RTFA members have been involved in the development of Zemo's [Renewable Fuel Assurance Scheme](#). The RFAS aims to give fleet operators independent assurance of purchasing sustainable, low carbon fuels approved under the RTFO, and customer supply chain specific GHG emission performance data.

Reinstatement of the Greenhouse Gas Saving Obligation. This had been successful in driving companies to achieve greater GHG savings than the threshold levels to be eligible for the RTFO. EU Member States are required to retain the 6% target beyond 2020 as indicated in [this letter](#). DfT had intended to retain the obligation, but ran into an unforeseen Brexit-devolution issue and abandoned it. RTFA will continue to lobby for it.

Recognition of the role of fuels in target setting relating to decarbonisation. The Government's ambition on electrification needs to be replicated for fuel to deal with the legacy fleet, plus heavier duty vehicles. It is not hydrocarbons that are the problem, but fossil hydrocarbons.

- WRT the proposal to end the sale of new **cars and vans with ICEs**, our stance on decarbonising cars and vans is encapsulated [in this report](#) (message: tailpipe emissions are not the whole story. The decarbonisation of both vehicle and fuel is required in order to have any real hope of meeting climate reduction ambitions. By accepting that a range of technologies will play a role in meeting our road transport decarbonisation ambitions, the industry will be able to decarbonise in a shorter time frame than mandating one particular technology, which may not be suitable for all applications).
- WRT the proposal to consult on phasing out the sale of new diesel vehicles, we point out that HGVs can run on 100% renewable liquids, and given the challenges of decarbonising heavy duty trucks a simple end date is not a sensible approach.

Policies for decarbonising non-road transport

Overall we see a long term transition in surface (road) transport to electrification for most vehicles, although we think there is likely to be an enduring role for fuels in some duty cycles. As renewable fuel demand declines in this sector, it will grow in marine and aviation.

- **Aviation:** The RTFA is on the Jet Zero delivery group and is actively working on proposals for aviation fuel (CfDs to precede a mandate, to enable First-Of-A-Kind (FOAK) SAF production facilities to be funded).
- **Marine:** We have yet to engage with other stakeholders in the marine sector but have aspirations to contribute to the debate.
- **Rail:** Where electrification is not possible, we advocate diesel to be replaced with renewable fuels.

Regulatory change to facilitate wider use of biomass and recycled carbon feedstocks. Taking a couple of examples:

- **Fats oils and greases** that typically go down into sewer, where they may coagulate to form fatbergs. RTFA is part of group of stakeholders, working to make building regulations more stringent so that new food service establishments (FSEs) *must* rather than *should* fit grease traps and in order to address existing FSEs, we are producing a good practice guide – the aim is to replicate the situation with air extraction:- Restaurants can't get insured for fire without proper installation of extractor fans, which are maintained by certified operators. The same should be true of insurance for blocked sewers and effective grease management.
- **Recycled tyres.** Used tyres comprise around 42% biogenic content. Turning them into part-renewable, part-recycled carbon fuel is an environmentally sound option which chimes with the principles of the circular economy. We want pragmatism on regulatory aspects (relating to transit of materials and products) including reaching end of waste status for Tyre Pyrolysis Oil; and would like to see Extended Producer Responsibility cover end of life tyres.

Carbon taxation. Ultimately a carbon tax, *provided the societal cost of carbon is fully-accounted for*, can be expected to bring forward the necessary technologies for economy-wide decarbonisation. At the moment the EU ETS (and the UK replacement for it) exempts energy from waste plants. This means there is no incentive via carbon trading / taxation to produce transport fuel from MSW over and above using it as a fuel for power production. Producing fuel from MSW saves more carbon than generating electricity with it. EfW capacity is set to increase dramatically over the next few years, and this anomaly needs to be rectified.

Trade remedies. The RTFA seeks to promote and protect the jobs of UK-based renewable fuel producers and those within the supply chain, and supports a level playing field with respect to imports, through a trade remedy policy which is not protectionist but prevents UK manufacturers from being exposed to unfair trade practices.

The RTFA is a member of the [Manufacturing Trade Remedies Alliance](#), and is an interested party in relation to the TD0004 Transition anti-dumping review and TS0005 Transition anti-subsidy reviews of Biodiesel from United States and Canada.