

# RTFO - A Greenergy perspective



The UK Government's Renewable Transport Fuel Obligation (RTFO), introduced in April 2008, obliges fuel suppliers to include a percentage of biofuel in their fuel mix or pay a penalty. This Perspective explains the workings of the RTFO and sets out Greenergy's views on its structure and content. It is one of a series of Greenergy Perspectives on a variety of issues around biofuels.

## Summary

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Biofuels have an important role to play today as one of a number of initiatives to help cut transport related greenhouse gas emissions. Government policy measures that encourage the use of biofuels are therefore to be welcomed, as long as the biofuels offer a genuine carbon benefit and are derived from sustainable sources.

- The stated objective of the RTFO is to deliver carbon savings.
- Greenergy welcomes the Government's announcement that it aims to reward biofuels under the RTFO in accordance with the carbon savings that they offer from April 2010, and to reward biofuels under the RTFO only if the feedstocks from which they are produced meet appropriate sustainability standards from April 2011<sup>1</sup>.
- The assessment of carbon savings needs to be based on a review of scientific evidence and not on a methodology or selected data that has been influenced by political considerations. It should be technology neutral.
- The introduction of credible and practical minimum sustainability reporting standards is essential. They should be introduced at EU level to ensure consistency.
- The EU Renewable Energy Directive (RED), January 2008, proposes a binding minimum target of 10% for biofuels in transport for each Member State by 2020. The RTFO needs to ensure it is not left behind by developments in the market.

<sup>1</sup> Moving towards a carbon-linked RTFO and removing support for unsustainable biofuels: DfT, September 2007.