Chambers Ireland

100 YEARS OF ADVANCING BUSINESS TOGETHER

Submission by Chambers Ireland to the Department of Transport regarding the Draft Renewable Transport Fuel Policy 2023-2025

May 2023

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About Chambers Ireland

Chambers Ireland is an all-island business organisation with a unique geographical reach. Our members are the Chambers of Commerce in the cities and towns throughout the country – active in every constituency. Each of our member Chambers is central to their local business community and all seek to promote thriving local economies that can support sustainable cities and communities.

Our Network has pledged to advocate for and support the advancement of the United Nations Sustainable Development Goals (SDGs). Accordingly, we use the Goals as a framework to identify policy priorities and communicate our recommendations. We have a particular focus on five of the goals encompassing decent work and economic growth (SDG 8), sustainable cities and communities (SDG 11), Gender Equality (SDG 5), Industry, Innovation and Infrastructure (SDG 9) and climate action (SDG 13).[1]

[1] The Chambers Ireland SDGs. Available at: https://www.chambers.ie/policy/sustainable-development-goals/chambers-ireland-sdgs/

Chambers Ireland perspective on the renewable transport fuel policy

General

As an organisation with the SDGs at the heart of our operations, we welcome the opportunity to contribute to the consultation regarding the Department of Transport's the Draft Renewable Transport Fuel Policy 2023-2025. We have consistently argued[2] for greater and better investment in our transport infrastructure not only because of the quality-of-life benefits, but also for the economic competitiveness benefits and environmental benefits.[3] Our Network is united in the vision of an Ireland where localities are connected to become more person-focused.

There is no form of renewable energy capacity that will not be useful when it comes to decarbonising our transport system. The Department's strategy should therefore be technology-neutral and not focus inappositely on one technology over the other. Our approach will hence need to be flexible to ensure that, as we encounter the novel problems that will emerge over the next fifteen years, we have access to *all* the tools required to address those challenges. A public transport system powered by sustainable, renewable resources is central to achieving that vision, and achieving the State's target of a 50% reduction in carbon emissions in the transport sector by 2030 as agreed in July 2022,[4] and a 90% reduction at a minimum - as outlined in the European Green Deal[5] - by 2050.

Integration with the United Nations Sustainable Development Goals

We are of the view that Hydrogen energy should be a core aspect of the State's transition to zero carbon, as planned by the European Green Deal and the United Nations Sustainable

[2] https://www.chambers.ie/wp-content/uploads/2020/03/Chambers-Ireland-Sustainable-Mobility-Consultation.pdf ; https://chambers.ie/wp-content/uploads/2022/01/Chambers-Ireland-Submission-on-the-All-Island-Strategic-Rail-Consultation.pdf; https://chambers.ie/wp-content/uploads/2021/03/Chambers-Ireland-response-to-the-Department-of-Transport-TRL-report-on-escooters.pdf; https://chambers.ie/wp-content/uploads/2019/02/Chambers-Irelands-Submission-to-DTTAS-.pdf; https://chambers.ie/wp-content/uploads/2023/03/CycleConnects-Submission-Nov-2022.pdf

[3] https://chambers.ie/wp-content/uploads/2020/03/Chambers-Ireland-Sustainable-Mobility-Consultation.pdf

[4] https://www.gov.ie/en/press-release/d3341-transport-vision-in-climate-action-plan-will-transform-how-we-travel-over-the-coming-7-years/

[5] https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en

Development Goals. In the context of biofuels, it is critical they are used in the right way; they have the potential to decrease emissions and reduce the dependency of the transport sector on fossil fuel-derived sources. Both Hydrogen and biofuels can play a central role in helping to decarbonise the transport sector, by providing a low-carbon solution for existing technologies, such as light-duty vehicles in the near term, and heavy-duty vehicles, ships, and aircraft in the long term. This is particularly well-aligned with the advancement of our climate action commitments (SDG 13).

However, their role should not be understood as being strictly limited to decarbonising the transport sector. In line with our focus on decent work and economic growth (SDG 8), we envisage great potential for the use of innovative renewable energy technologies in creating employment in rural areas. In a broader sense, this also relates to creating sustainable cities and communities (SDG 11) in those areas where such projects can provide both direct and indirect employment opportunities for employees across a wide range of skillsets.

Similarly, the efficient market roll-out of biofuels is closely related to affordable and clean energy (SDG 7). Generally, biofuels have higher production costs[6] than their fossil fuel counterparts. Having the appropriate economic policy instruments in place to ensure an efficient roll-out will increase the share of renewable energy and the proportion of population on clean fuels. Similarly, co-locating any existing biorefineries will upgrade the infrastructure to make them sustainable. This will also increase efficient use of resources and ultimately encourage the adoption of these technologies. This would be in keeping with the State's commitment in terms of industry, innovation and infrastructure (SDG 9).

[6] https://www.sciencedirect.com/science/article/abs/pii/S0016236112009052; https://www.sciencedirect.com/science/article/pii/S1389934119301364; https://www.sciencedirect.com/science/article/pii/S1364032118300492

The State's planning system requires urgent reform

Despite the obvious advantages of renewable energy projects, they are still not without challenges. For example, in recent years there has been a notable movement against windfarms, and the supply of biogas in certain rural areas.

Central to making sure renewable energy projects are successful is making sure they are not needlessly impacted by questionable planning disputes which prolong the process and increase costs. As we have seen in the context of our offshore renewable sector, regulatory certainty is key for investor confidence and ergo ensuring the cashflows are available.

We hold the concern that if the status quo is maintained and our planning laws are not meaningfully reformed, renewable energy projects will become subject to numerous concurrent appeals and postponed indefinitely. As of January 2023, 2,197 applications were submitted to the planning authority, with a decision overdue in 1,356 (62%) of cases. The Courts system and An Bord Pleanála urgently require substantially increased financial and administrative resourcing to handle the pandemic-related backlog of cases which have prolonged the hearing of planning appeals.[7] It is also of utmost importance that the Planning and Environmental Court will be implemented without delay. Both points are pivotal to ensure that any appeals to infrastructural projects of national importance – especially those which are central to the State's transition to zero carbon - can be processed within reasonable timeframes.

Consultation with communities

Related to the supply of renewable energy is the role of the Department in engaging with communities where projects are planned. Granted, the Department of Transport has a public awareness campaign in place for an E10 public information campaign, however it appears to have

[7] https://www.irishexaminer.com/news/arid-41096947.html

overlooked the necessity of consulting with communities on proposed projects in their areas. This is critical in terms of guaranteeing the supply of renewable energy, not least biofuels alone.

In this context, communities need to be made aware that they benefit from the advancement of biofuel facilities in their area. It cannot be guaranteed that every community will align with a project and acknowledge its worth in terms of the State's obligations under the Renewable Energy Directive II,[8] the EU's new targets under Fit for 55,[9] or our national decarbonisation strategies. A clear communications strategy will be key to ensuring this. Via consultation with communities, the Department should communicate adequately the advantages of renewable energy production facilities for their area. Any disinformation relating to fears as to safety, odours, emissions or pollution risk relating to the projects should be clarified and addressed accordingly. This will help not only in getting projects off the ground, but in ultimately aiding those communities realise the wider benefits such as increasing local employment, which we have alluded to elsewhere in our submission. Otherwise, projects will be subject to oppositional campaigns by communities living near those projects, which ultimately affects supply.

Other challenges

Ensuring the new transport Policy is technology-neutral, and not reliant on one technology only is critical. If the State's transport Policy is to be dependent in a large capacity on battery-powered vehicles in future, then all power used needs to be renewable. There will be considerable demand for electricity in future the more battery-powered vehicles are used. Principally, public transport works best in those areas of dense populations, however where it is financially viable for rural road-users, electric vehicles will likely increasingly be relied upon as *one* of the most sustainable (and not *the* most) transport options available in rural areas. Globally, the consequent increased demand will therefore translate into constraints on the supply of rare earth metals, which will likely increase the cost of electric vehicles. Recently, this has been recognised at EU-level through

[8] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.328.01.0082.01.ENG&toc=OJ:L:2018:328:TOC

[9] https://data.consilium.europa.eu/doc/document/ST-10488-2022-INIT/en/pdf

the Critical Raw Materials Act and acknowledged through dialogue with the USA via the Trade and Technology Council.

Biofuels require significant innovation, technological development and scale-up. Consequently, if the Department is committed to using this range of innovative technologies in its decarbonisation strategy, then it needs to ensure that investors have regulatory certainty. The Department has a responsibility to give them the assurance that projects they invest in will not fall by the wayside, especially where the State has the power vested in it to do so. While the Department stipulated last November that funding would be available for research in the aviation sector,[10] funding for research and development in these technologies should be increased in general, to encourage an indigenous industry to develop.

[10] https://www.oireachtas.ie/en/debates/question/2022-11-29/196/?highlight%5B0%5D=fit&highlight%5B1%5D=55

Key Points

- The Policy should be technology neutral and not focus on one form of technology over others.
- The Department needs to prioritise the use of Hydrogen and Green Hydrogen where appropriate in its renewable transport Policy.
- A communications and consultation plan are required for communicating to communities the benefits of renewable energy projects in their area, which not only focuses on Ireland's climate action commitments.
- We are concerned about the future access to batteries for the transport sector due to supply chain constraints.
- The National Hydrogen Strategy needs to align with a renewable transport fuel Policy which accounts for the increased use of green hydrogen energy as a result of a widened RTFO scope.
- The State should encourage an indigenous renewable energy industry by increasing the funding for research and development for innovative Hydrogen and – where appropriate - biofuel technologies.
- Suppliers to the aviation sector ought to be required to supply renewable fuels which is equal in terms of proportion to their current supply of road and aviation fuels.
- If biofuels are to be used in the Policy, then producers should be required to source feedstocks produced on degraded land or from crops planted on previously fallow land.
- The voluntary vulnerability assessment for biofuel production may fail unless the relevant economic operators are equipped with all the necessary tools – including digital tools- to ensure they are compliant.
- Any planned decrease in high ILUC-risk biofuels supply to 2030 is meaningless unless verifying land use changes as sustainable is possible.

Questions

Section 1: Review of the Renewable Transport Fuel Obligation (RTFO) Scope.

Rail transport

What do you think are the key considerations to be considered within this review? Do you agree or disagree with the proposed review timeline, and reasons why?

Chambers Ireland strongly supports the consideration of Hydrogen as a key consideration in the review. Chambers Ireland has consistently advocated for the appropriate use of Hydrogen in the State's transport policy, most recently in our submission to the Department of Environment and Climate Change regarding the National Hydrogen Strategy.[11] We highlighted the immediate need for Ireland to utilise REPowerEU regarding 'overriding public interest' to fast track the grid upgrades that are needed to make our electricity networks more resilient and effective. We believe that the focus needs to be on delivering the infrastructure that will be required to service EU demand for large volumes of Green Hydrogen in particular. Our electricity networks will need to be developed to facilitate this, and so will our shipping and port infrastructure. Relatedly, Hydrogen storage is the fundamental element to a national Green Hydrogen industry. Storage is the only reason why we should be considering the development of Green Hydrogen; Hydrogen is a storage medium, it allows us to take unused electricity and bring it to that place and point in time when it is useful. It will therefore be the foundation that Ireland's post-carbon economy will be founded on. If the draft renewable transport fuel policy is to utilise Hydrogen technology as a core aspect of the policy, these points will need to be considered.

Large transport vehicles, HGVs, and Aviation are all likely to need Green Hydrogen. Because of this, we are pleased that Irish Rail is examining the future potential of hydrogen energy use for particular services, and the consideration that together with the potential for Hydrogen buses in the short-term, this could be a future means to meet a separate RFNBO (Renewable Fuels of

[11] https://chambers.ie/wp-content/uploads/2022/09/Chambers-Ireland-submission-on-National-Hydrogen-Strategy-Consultation_September-2022.pdf

Non-Biological Origin) sub-target longer term. At a high level, it could play an important role in helping the State meet its climate targets, notably our Climate Action plan commitment to halve the transport sector's Greenhouse Gas emissions by 2030. If published subsequently, the State will need to ensure its National Hydrogen Strategy is updated, if it does not account for the increased use of Green Hydrogen as a result of a widened RTFO scope.

Unfortunately, the fact is that the current ambition for decarbonising our public transport system using Hydrogen – not just our rail transport - lags far behind our European counterparts. Scotland has encouraged the use of Hydrogen-powered vehicles in its public transport system, with plans afoot to potentially facilitate the future-use of certain rail routes powered by the technology.[12] In 2020, Belfast launched fuel cell buses powered by hydrogen from local on-shore wind energy.[13] In Germany there has been an increasing acceptance by both the public and private sector that, along with battery hybrid trains,[14] Hydrogen technology should play a key role in decarbonising its rail services.[15] Regional service Landesnahverkehrsgesellschaft in Lower-Saxony notably commissioned fourteen hydrogen trains powered by fuel cell propulsion to run on a local route, which will replace 15 diesel trains.[16] Similarly, Deutsche Bahn – in conjunction with Siemens Mobility - also has the H2goesRail project in place, which plans to build more refuelling stations, hydrogen trains, with the aim to replace diesel trains along specified regional routes. As referenced elsewhere in our submission, this underlines the need to remain technology-neutral and not be too dependent on one technology in relation to the new Policy.

The proposed review timeline appears reasonable to account for the operational changes by the CIE (Coras Iompair Eireann), and also a future amendment to the 2007 Act which would allow for the scope of the RTFO to be extended to rail transport fuels.

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[12] https://www.sdi.co.uk/invest-in-scotland/invest-in-projects/aberdeen-hydrogen-development-programme; https://www.aberdeenlive.news/news/aberdeen-news/scotrail-trial-new-hydrogen-service-7552204

[13] https://smartbelfast.city/story/translink-hydrogen-buses/

[14] https://www.hydrogeninsight.com/transport/will-no-longer-be-considered-hydrogen-trains-up-to-80-more-expensive-than-electric-options-german-state-finds/2-1-1338438

[15] https://www.dw.com/en/german-train-line-switching-fully-to-hydrogen/a-62907198; https://www.dw.com/en/german-train-line-switching-fully-to-hydrogen/a-62907198

[16] https://www.dw.com/en/german-train-line-switching-fully-to-hydrogen/a-62907198

Renewable electricity – In road and rail transport

Do you agree that existing supports for cross-sector renewable electricity supply are sufficient to incentivise renewable electricity in transport consumption? If you agree, do you think that there is merit in reviewing this position again in 2025 or a later date? Do you think that models such as in the Netherlands should be explored further for the benefits for electrification of transport?

The approach suggested by the Department regarding supports for incentivising renewable electricity in transport consumption appears reasonable. However, in terms of the cross-sectoral deployment of hydrogen, the Government could take the role of a customer with guaranteed demand through offering future contracts to Hydrogen production firms. The State is often the largest single customer in many areas, and so is therefore in a position to guarantee demand for hydrogen by, for example, converting the bus fleet from diesel to Hydrogen, by mandating that all state bodies will have converted from diesel backup generators to Hydrogen fueled ones by 2030. Ultimately, if there is insufficient demand, the excess Green Hydrogen can be used to reduce our CO2 emissions if it is fired in thermals plants.

Aviation and maritime fuels

What incentives would you like to see for supply of renewable transport fuels in aviation and maritime fuels? What do you see as the key challenges or enablers to incentivise the supply of renewable transport fuels in aviation and maritime sectors?

Among other policies, the European Union has the Emissions Trading Scheme in place, to complement fuel taxes and aircraft standards. These are vital to lower aviation emissions and support the sector in decarbonising, however there ought to be a greater emphasis on advanced low carbon fuels. Low carbon alternatives to kerosene such as biojet are produced from residues and are subject to strict sustainability criteria, and their climate impact is significantly less than

commonly-used fossil fuels.[17] This is notwithstanding the fact that sourcing such fuels, and making them economically-viable is not without challenge; globally, biojet fuel development is restricted by factors such as economy and availability of raw materials. For as long as kerosene is exempt from VAT and excise duty, more sustainable alternatives will remain significantly more expensive. Logically, the cost of providing alternative fuels for aviation should fall on those providing the services and those who fly. This is especially the case given that the sector is exempt from most taxes (e.g VAT) and therefore should not be further subsidised.

Overcoming this could entail a mandate to encourage supply in the aviation sector, however, a mandate would likely not increase the total volumes of renewable fuels supplied through RED II as the European Commission target is already relatively stretching. To that end, suppliers to the aviation sector ought to be required to supply renewable fuels which is equal in terms of proportion to their current supply of road and aviation fuels. To ensure no additional demand is created, aviation fuels should not count towards the denominator of the total volume of fuel to be supplied.

Non-road mobile machinery

Do you agree with the inclusion of non-road mobile machinery (NRMM) within the RTFO? If this were introduced as a reduced RTFO rate initially what contribution would be appropriate – 75%, 50%, 25% or other? In your view what should be the key considerations for this policy proposal? What is the appropriate balance of impacts including social, economic, and environmental considerations?

Chambers Ireland does not have a position on the inclusion of non-road mobile machinery (NRMM) within the RTFO.

[17] https://link.springer.com/article/10.1007/s43979-022-00026-4#:~:text=Compared%20with%20fossil%20jet%20fuels,reforming%20has%20minimal%20environmental%20impact.

Section 2: RTFO rate, targets, and limits

The RTFO Rate

Given the proposed trajectory of increase in the RTFO to meet ambitious biofuel blending targets in the climate action plan, what steps can be taken within this policy to avoid future biofuel lock-in? What safeguards and mitigation could be included, within this policy or related Government policy, against possible socio-economic and distributional impacts, to ensure just transition?

In order for the RTFO to be a success, it needs to ensure it is not an incentive for non-sustainable behaviour. The UK requires suppliers to publicly report on the carbon savings and sustainable production of biofuels supplied. This seems to be a reasonable approach, however for reasons relating to fraud and land-use change detailed in our submission, it will be essential that the relevant authority(ies) will be equipped to verify the sustainability of the biofuels used for blending purposes. State policy should not be a tool used to incentivise a practice which while on the face of it is sustainable but in reality is not.

E10 Mandate

To ensure achievement of the climate action plan target of E10 by 2025, it is proposed to keep under review the supply of ethanol, with a view to a possible increase in the minimum percentage ethanol in petrol by regulation in 2025: Do you agree or disagree with this approach? And why?

This approach seems reasonable. Incremental increases would make the most sense in order to achieve compliance with RED II requirements in 2030.

Advanced biofuel obligation

Do you agree with the proposal for a higher national advanced biofuel obligation rate, beyond EU requirements? What should the Department consider in setting the advanced biofuel obligation rate, including social, economic, and environmental impacts?

We agree with the stipulation in the consultation document that targets and demand incentives may move too quickly ahead of the available production and supply of advanced biofuels and feedstocks. Increasing the advanced biofuel obligation rate beyond EU requirements would be unwise, especially when globally there has been a notable concern regarding feedstock supply.[18]

Renewable fuels of non-biological origin (RFNBO)

What should be the key considerations –social, economic, and environmental, in establishing in 2025 a sub-target for renewable fuels of non-biological origin (RFNBO) and associated buy-out?

It is increasingly likely that additional targets will be set down at EU level via amendments to RED II over the coming years. This makes it difficult to establish a sub-target. Nonetheless, the Policy should consider a range of RFNBOs – such as Hydrogen - where appropriate. This is in line with the point made elsewhere in our submission, that it ought not to be too reliant on one technology.

Additional certificates to incentivise certain RTF supply

What considerations should be included in this review –including possible social, economic, and environmental impacts?

[18] https://www.iea.org/reports/renewables-2022/executive-summary

We do not have anything to add to this point.

Section 3: Supporting Compliance

EU Greenhouse gas reduction target

Would overall compliance be better achieved if the renewable transport fuel obligation were solely based upon a greenhouse gas intensity reduction rather than the current renewable energy obligation? Would you agree with introduction of a greenhouse gas intensity reduction basis for the 2025 obligation period?

In the past year, volatile energy price increases affected circa 80% of Irish road users,[19] thereby adding considerable costs and uncertainty to businesses. Accordingly, our preferred option is to apply the current gradual process of RTFO rate increases instead of the mooted increase in penalties and fines. In our view, any proposed penalty increase would entail a particularly difficult balancing act to ensure the resulting burden on businesses is not disproportionately impactful. We agree with the Department's statement that any proposed penalty increase – however necessary - would need to be introduced on a graduated basis and over a period of time. More broadly, this is important to avoid any consequent sharp cost impact on consumers through increased prices. We agree with the introduction of a greenhouse gas intensity reduction basis.

Sustainability and GHG criteria compliance – EU database and supervision of CBS

From your perspective, where does the focus need to be over the next two years concerning the implementation of the EU measures for oversight of sustainability and GHG reduction for renewable energy in transport?

At the very least, the scope and requirements of supervision by the competent authorities on the competent bodies will need to be set out clearly, and it is critical that the competent body(ies)

[19] https://www.irishtimes.com/motors/2022/08/03/surging-fuel-prices-adversely-affecting-80-of-irish-drivers/

are adequately resourced in order to perform the oversight duties assign to them, particularly as the Implementing Regulation requires the competent bodies to submit *'all relevant information necessary'* to aid audits or information requests by the competent authority. This is a broad definition which applies to any documentation the competent authority may wish to request. Accordingly, standardised processes are essential to efficiency. At a minimum, a list of the types of requested documents could be used to lessen uncertainty and the administrative burden on the competent body(ies).

Safeguarding against risk of fraud and other indirect effects

Concerning the proposal to establish a working group and a voluntary vulnerability assessment concerning biofuel fraud risk: Do you agree with this approach in addressing the recommendations of the biofuel study? If so, what are your views concerning the scope of the assessment?

A working group is appropriate but of itself not enough to safeguard against the risk of fraud. In this context, the effectiveness of a voluntary vulnerability assessment will be dependent on its ability to be extensive enough to mitigate fraudulent behaviour. Concerns exist and have been raised by other Member States regarding fraud along the supply chains of biofuels, in particular where used cooking oil is sourced from outside the European Union. In this context, traceability is a key issue and any voluntary scheme used will need to be stringent enough to adequately verify the product at all stages of the supply chain.

It is clear that while numerous voluntary schemes are recognised by the European Commission for biofuels, the concerns raised about the likelihood of fraudulent palm oil infiltrating the market are well-founded and substantiated by the data discussed in the Byrne Ó Cléirigh Report. It is critical that the sustainability of the biofuels involved is ensured. It should not be the case that biofuels are sourced and produced in such a way which negatively impacts biodiversity or takes place on land with a high carbon content, which is converted purely for that purpose. There is always the risk that diverting these crops to biofuels may lead to more land area devoted to agriculture, increased use of polluting inputs, and higher food prices.

In addition, the voluntary vulnerability assessment will be an overwhelming failure if relevant economic operators are not given enough time to adapt to the voluntary scheme. The Department will need to equip them with all the necessary tools – including digital tools- to ensure they are compliant. To that end, the Working Group should be useful in tracking compliance issues where they arise and raising them accordingly.

High ILUC risk

Do you agree with the proposed trajectory of decrease in high ILUC-risk biofuels supply to 2030, as set out in the policy statement? Should this be reduced annually, or every 2 or 3 years? Should the reduction to 0% be accelerated, e.g., by 2025 or earlier?

Though the principal aims and purpose of the decrease are well-intended, we have the reservation that quantifying and verifying land use changes themselves will be challenging. Making a decision on the proposed decrease in high ILUC-risk biofuels is hence superficial until an extensive, robust sustainability governance structure exists at EU level. Until this happens, the ability of the State to accelerate any reduction appears fruitless. Primarily this relates to the two reasons set out in the Byrne Ó Cléirigh Report which relate to the: 1) sustainability and 2) traceability of certain biofuels.

As an example, although Regulation (EU) 2019/807[20] encourages the production of biomass raw materials, stark limitations exist in estimating and monitoring the effects of direct and indirect land use change. This is an acute challenge when one considers the cases where the feedstock used may derive from the organic fraction of wastes from agriculture or forestry. In this context, ensuring the raw materials are sourced sustainably is key, but if the governance structure does not exist to verify same, quantifying the ILUC-risk is incredibly difficult. There is also the

[20] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2019.133.01.0001.01.ENG

environmental risk to biodiversity loss, soil carbon and soil erosion which arise from over-harvesting feedstocks, be they agricultural or forestry.

If biofuels are to be used in any context, then producers should be required to source feedstocks produced on degraded land or from crops planted on previously fallow land. This would increase acreage without appropriating land that would otherwise be used for food and feed production. This has been successful in Brazil, where 75% of corn ethanol production comes from second-crop production in existing fields.[21]

This is connected to our point detailed elsewhere in our submission; that in over-facilitating the supply of biofuels and being unable to verify the high ILUC-risk, environmental effects may be overlooked. An example of where this has been a challenge is the Renewable Fuel Standard in the USA, which promised to subsidise farmers to grow corn for biofuel production and boost energy independence in the U.S. Per an extensive empirical assessment on its impact on land use,[22] it instead led to increased fertiliser use, water pollution, and at a minimum 24% more emissions than petrol. This is a scenario which the Department should seek to avoid.

[21] https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Corn%20Ethanol%20Production%20Booms%20in%20Brazil%20_Brasilia_Brazil_10-04-2020

[22] https://www.pnas.org/doi/10.1073/pnas.2101084119

Section 4: Ongoing review of evidence and research supporting the policy

Concerning the proposal for a working group to progress further examination and research, addressing the policy challenge of EU obligations and domestic targets: Do you agree with this approach in addressing the conclusion in the Biofuel study? If so, what are your views concerning the scope of the examination and research needed?

The tension between EU obligation and the State's targets is best captured by the Byrne Ó Cléirigh report; ensuring that neither are viewed as incompatible is critical. We agree with the assertion that the State should increase the share of renewable electricity in transport and incentivise the supply of advanced biofuels, to ensure the State meets the requirements set out under EU law and its national targets for biofuels. However, where biofuels are used, it will be necessary to take into account the concerns regarding traceability and sustainability, which we have detailed in our submission.

In addition to the policy indicators, evidence and research identified in this policy statement, are there other evidence-based inputs which need to be considered to support future policy development and implementation?

We do not have anything to add to this point.