

## RED II revision is EU's chance to tackle transport decarbonisation

By 2030 the EU aims to reduce CO<sub>2</sub> by 55%, with the objective of keeping global warming well below two degrees. To achieve these targets, the European Commission has opened a public consultation on its Renewable Energy Directive, as foreseen by the European Green Deal.

The EU's transport matrix is still heavily reliant on fossil fuels. It is time to seriously increase the share of renewables, particularly by lifting the 7% cap on crop-based biofuels and eliminating the recourse to artificial multipliers. Ethanol high blends such as E20 and E85 should also be widely promoted. It is a scalable option, which requires minimal investments in infrastructure, is less costly than other technologies, can be applied with the existing car fleet and reduces local pollutants compared to diesel and gasoline. Brazil successfully introduced high blends by setting mandatory targets for fuel suppliers, quickly reducing CO<sub>2</sub> emissions in transport. Investment in technological advances is also resulting in some noteworthy innovations, particularly the recent market launch of hybrid electric-biofuel flex models and upcoming fuel cell vehicles that run on hydrogen extracted from liquid cells.

Sustainable biofuels play a huge role in both decarbonising transport and improving air quality. Brazil's own energy transition started almost 50 years ago, with ethanol-run vehicles supporting a reduction in carbon emissions. In Brazil, sugarcane ethanol has helped avoid the release of 515 million tonnes of CO<sub>2</sub> since 2003 as compared to fossil fuels. This has had a significant impact on public health. São Paulo managed to significantly reduce the amount of particulate matter in the air by increasing the use of ethanol. According to IQ Air, in 2019, the world's fourth largest populated megapolis ranked 1210<sup>th</sup> in air pollution with 15.3 µg / m<sup>3</sup> yearly average.

Sugarcane ethanol is a low-ILUC risk biofuel. Around 90% of sugarcane production takes place in South-Central Brazil, with the remainder grown along the coast of Northeastern Brazil. Both these regions are situated over 2,000 km away from the Amazon rainforest, the equivalent distance of London to Cairo. The low impact of sugarcane on land use is sustained through careful land management and the expansion of sugarcane production in Brazil, driven by converting degraded livestock pastures in the Central-South region of the country. The European Joint Research Center (JRC) confirmed in its 2019 study on the [impacts of the bioeconomy on third countries](#) that the impact on land use arising from sugarcane expansion in Brazil are extremely limited.

Brazil's own market-driven carbon contract scheme, RenovaBio, has also shown we can decarbonise the transport and wider energy system without impacting land use and biodiversity. The Brazilian initiative promotes substituting fossil fuels by increasing the use of renewable fuels, aiming to reduce carbon emission in transport by 10% and hence avoiding 700 million tons of CO<sub>2</sub> into the atmosphere over the next decade. To date, 85% of ethanol produced in Brazil is certified under RenovaBio, an uptake which UNICA expects to see increase throughout 2021.

The revision of RED II is a great opportunity to achieve the decarbonisation of transport that is long overdue. An ambitious renewable target is an essential step and, to ensure it can be reached within the next ten years, the EU needs to make use of all sustainable solutions that are available. The Brazilian experience proves how sustainable biofuels can make a critical contribution to the decarbonisation of transport and public health while ensuring high environmental standards.