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## PRESS STATEMENT

### **FEDIOL Reaction to the European Parliament vote on the Renewable Energy Directive III**

**Brussels, 14 September 2022 - FEDIOL welcomes the European Parliament's decision to maintain the role of crop-based biofuels in meeting the EU's transport renewable energy target. However, it regrets the EP approach on high ILUC feedstocks, which departs from the European Commission's position and could lead to further instability on the EU energy market.**

Following the vote on the revision of the Renewable Energy Directive (RED III), **FEDIOL is pleased that the European Parliament is aligned with the Commission and Council on maintaining the 7% cap on crop-based biofuels.** Crop-based biofuels are an immediate and cost-effective tool to reduce emissions in the transport sector and will help reduce the EU's dependence on fossil fuel imports. Overall, maintaining crop-based biofuels will support the EU's energy security as well as its higher target for the use of renewable energy by 2030.

However, **the European Parliament has taken a different approach to the Commission and Council on the measures regarding high ILUC-risk feedstocks.** While economic operators in the EU have been preparing for a phaseout of high ILUC-risk feedstocks by 2030 as well as low ILUC-risk certification, the European Parliament proposes to exclude them as of entry into force of the Directive. Furthermore, it has changed part of the criteria adopted by the Commission on the determination of high ILUC-risk feedstocks. **Changing the criteria and shortening the transition time will be disruptive and damaging to industries with negative repercussions on the production of high protein feed. An appropriate interim period should be maintained, in line with the RED II,** to allow industries to adapt to the new provisions, search for new raw material, and develop appropriate technologies.

It should be reminded that all soy and palm oil currently contributing to the EU renewable energy targets comply with the strict sustainability requirements of RED II. Changing the criteria of the Commission's delegated act on high ILUC-risk feedstocks (i.e. lowering the threshold for the average annual expansion of the global production area in high carbon stocks to 7,9%) will also have a negative impact on soy production in the EU, including Austria, Belgium, Italy, France, the Netherlands, Spain, and Greece.

**FEDIOL calls on the Council to stick to its decision to maintain the Commission's approach on high ILUC-risk provisions to avoid further disruptions to the EU's energy security and to EU industry.**