Biofuture Principles for Post-Covid Recovery and Acceleration – Calling for Urgent Action

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GBEP mini-webinar: The Impacts of COVID-19 on the advanced liquid biofuels sector, 27 October 2020
About the Biofuture Platform

- A government-led, multi-stakeholder initiative designed to take action on climate change and support the SDGs by promoting international coordination on the sustainable low-carbon bioeconomy.
- Established in November 2016, at the COP 22 climate talks in Marrakesh. Since 2019, the IEA has been the Facilitator. Biofuture Platform Initiative launched under the Clean Energy Ministerial (CEM) in September 2020.

MEMBER COUNTRIES
Argentina • Brazil • Canada • China • Denmark • Egypt • Finland • France • India • Indonesia • Italy • Morocco • Mozambique • Netherlands • Paraguay • Philippines • Sweden • United Kingdom • United States • Uruguay

SUPPORTING ORGANIZATIONS

PRIVATE SECTOR PARTNERS

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Modern bioenergy is key to meet climate change goals

Global annual energy sector CO₂ emissions reductions by measure in the SDS relative to the Stated Policies Scenario

The use of modern bioenergy triples from today’s levels. It is used to directly replace fossil fuels or to offset emissions indirectly through its combined use with CCUS, accounting for 1/5 of annual emission reductions

IEA (2020), Energy Technology Perspectives 2020, IEA, Paris
https://www.iea.org/reports/energy-technology-perspectives-2020
Covid-19: Biofuels production declines for the first time in two decades

Biofuel production in 2020 falls as Covid-19 reduces transport activity, shrinking demand from mandate policies. Low gasoline and diesel prices also challenge the business case for biofuels.


Sustainable recovery opportunities

- IEA’s *Sustainable Recovery Plan* (prepared in cooperation with the IMF) includes a set of cost-effective measures in the energy sector. Implementing them in 2021-2023 could:
  - Boost global economic growth by an average of 1.1 percentage points a year
  - Save or create roughly 9 million jobs a year
  - Make 2019 the definitive peak in global emissions

- Bioenergy:
  - One of the most labour-intensive energy industries
  - Employing globally around 3 million people
  - Has the second-largest number of jobs (15-30) created per million dollars of spending

https://www.iea.org/reports/sustainable-recovery
Biofuture Platform Five Principles for Post-COVID Bioeconomy Recovery and Acceleration

1. **Do not backtrack**: Ensure continuity and long-term predictability of bioenergy, biofuels, and bio-based material targets and existing policy mechanisms that have proved successful

2. **Consider short-term COVID support for producers**: Where appropriate, address short-term challenges for bioenergy and bio-based materials industries in the context of relief packages related to COVID-driven economic losses

3. **Reassess fossil fuel subsidies**: Take advantage of a low oil price environment to reassess fossil fuel subsidies for a fairer playing field
4. **Build Back Better with Bio**: Where appropriate, integrate the bioeconomy sector as part of broader recovery programmes, e.g. by requiring bioeconomy investments/targets as part of aid and recovery packages for specific sectors such as transport and chemicals.

5. **Reward sustainability**: Integrate sustainability rewarding mechanisms into policy frameworks, promoting positive externalities in the production and use of bio-based fuels, chemicals and materials.
Biofuture Principles: Development and implementation

• The five Principles have the support of the 20 Biofuture Platform member countries, and were developed following consultations with policymakers, industry experts and international organizations such as IEA, IRENA and GBEP.

• The Principles are non-binding and non-prescriptive, with member countries encouraged to implement them in accordance with broader sustainability initiatives and economic recovery programmes.
Biofuture Principles: Inspired by and inspiring policy design and implementation

A number of countries have already implemented or are considering new policies and targets in line with the Principles, e.g.:

• Brazil’s RenovaBio and Canada’s Clean Fuels Standard, which incorporate positive externalities of biofuels into market-based mechanisms
• The US recently revealed plans for a Higher Blends Infrastructure Incentive Program, to reinforce biofuel distribution infrastructure
• India plans to scale up bioenergy use including 20% sustainable ethanol in gasoline by 2030

Some countries have included sustainable fuels in their economic recovery measures, e.g. France announced an important support package to the airline industry, which incorporates sustainable aviation fuel targets.
Mini Policy Forum
“The Single Most Important Policy Tool for Accelerating the Bioeconomy”
Monday 30 November, 17:00 – 18:30 CET

- The Biofuture Platform Policy Blueprint (Paolo Frankl / Adam Brown, IEA)
- Comparing policies for promoting renewable carbon (Matt Herman, Policy Director, BIO)
- Canada’s Clean Fuels Standard policy (Paola Mellow, Clean Fuels Standard Executive Director, Canada)
- Brazil’s RenovaBio Policy (Danielle Silva, Biofuels Superintendent, ANP regulatory agency)
- Making the biomass available to refining (Rittesh Mittal, Biorefineries Director, MPNG, India)
- The bioenergy policy landscape and debate in Europe (Bernd Kuiper, DG-ENER)