Statistical Release



Department for Transport

Renewable Transport Fuel Obligation statistics: period 10 (2017/18), report 5

About this release

This quarterly release covers the supply of renewable fuels from 15 April 2017 to 14 April 2018, based on data available as of 17 September 2018.

This is report five of six for period 10 (2017/18) and therefore contains an incomplete dataset for the entire period.

Data can be supplied up to 7 months after the end of the obligation period. The final report for period 10 will be published in February 2019.

In this publication

Renewable Transport Fuel Certificates p2 Carbon & Sustainability (C&S) characteristics p3 Background information p6 Annex A: RTFO

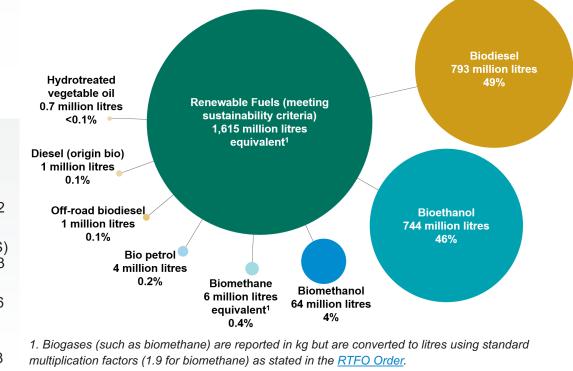
reporting statistics and timetable p8 The Renewable Transport Fuel Obligations (RTFO) Order requires transport fuel suppliers to ensure that a proportion of the fuel they supply comes from renewable sources (biofuels). This is to deliver reductions in greenhouse gas (GHG) emissions from fuels used for transport purposes and non-road mobile machinery.

Current returns show 1,624 million litres equivalent (eq.)¹ of renewable fuel have been supplied in period 10 (2017/18) so far, which is 3% of total road and non-road mobile machinery fuel.

1,615 million litres eq. (99%) of this fuel has so far been demonstrated to meet the sustainability requirements.

Of this 1,615 million litres eq., **biodiesel methyl ester (ME)** - which we shall refer to as **biodiesel** for the rest of the report - comprises **49%** of the supply, **bioethanol 46%** and **biomethanol 4%**. There was also a small volume of biomethane, bio petrol, off-road biodiesel, diesel with bio origin and hydrotreated vegetable oil (HVO).

Volume of renewable fuels, by fuel type² (table <u>RTFO 05</u>)



2. Figures may not add up to 100% due to rounding.

RESPONSIBLE STATISTICIA	N: Lisa Eyers	07977 426326		
RESPONSIBLE DATA OWNE	R: Carly Whittaker	07773 072991	RTFO-compliance@dft.gov.uk	Follow @DfTStats
FURTHER INFORMATION:	Media:	020 7944 4833		

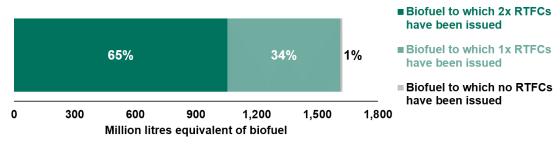
Renewable Transport Fuel Certificates

Renewable Transport Fuel Certificates³ (RTFCs) are awarded to transport fuel suppliers that meet sustainability criteria.

- In period 10, 2,670 million RTFCs have been issued for fuel meeting the sustainability requirements.
- This includes 2,111 million certificates which have been issued to "double counting" feedstocks.

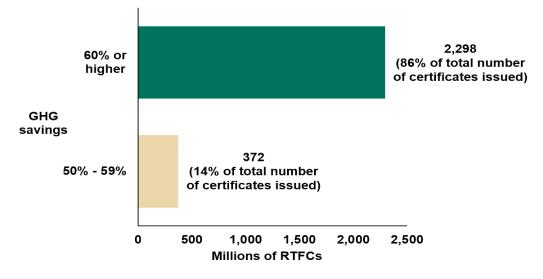
Of the 1,624 million litres eq. of renewable fuel supplied into the UK in period 10 so far, **99%** has been demonstrated to be sustainable, and **65%** was eligible for double counted certificates.

Figure 1: Biofuel to which Renewable Transport Fuel Certificates have been issued (table <u>RTFO 02</u>)



Sustainability criteria ensure that biofuels deliver minimum GHG savings of 50% compared to fossil fuels and that their production does not adversely impact on biodiversity.

Figure 2: Renewable Transport Fuel Certificates issued by greenhouse gas savings category (table <u>RTFO 02</u>)



Sustainability Criteria

To receive Renewable Transport Fuel Certificates, fuels supplied must meet the sustainability criteria set out in the <u>Renewable</u> <u>Energy Directive</u> and the <u>Renewable</u> <u>Transport Fuel</u> <u>Obligations Order</u> <u>2007</u>.

Feedstock

Any renewable, biological material that can be used directly as a fuel, or converted to another form of fuel or energy product is defined as feedstock.

What is double counting?

To encourage the use of fuels that represent environmental advantages, some biofuels, such as wastebased biofuels and residues, are double counted and issued with double the number of RTFCs per litre.

All of the RTFCs issued so far for period 10 have been to biofuel that delivered 50% or more greenhouse gas savings.

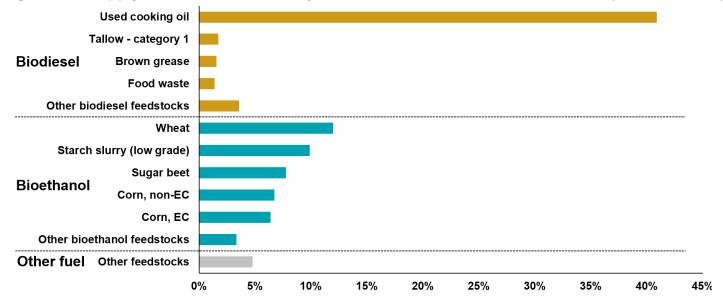
^{3.} The deadline for applying for RTFCs is 12 August following the obligation period.

Carbon and Sustainability Characteristics

Certain carbon and sustainability characteristics have to be met by suppliers in order to receive RTFCs.

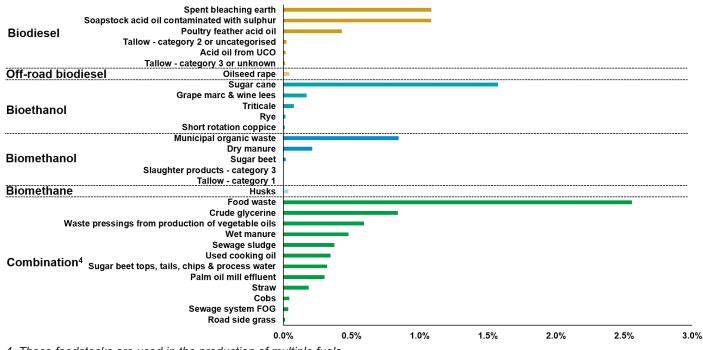
Of the 1,615 million litres eq. of biofuel meeting sustainability requirements, waste feedstocks continue to make up a large proportion of the overall feedstock mix, with used cooking oil having the largest share at **41%**.

Figure 3.1: Supply of biofuel to the UK by feedstock: main fuels and feedstocks (table RTFO 05)



"Other fuel" includes feedstocks from sources other than biodiesel or bioethanol, which make up **5% (77 million litres eq.)** of total biofuel meeting sustainability criteria. The chart below shows the detailed breakdown of feedstocks under "Other biodiesel", "Other bioethanol" and "Other feedstocks":

Figure 3.2: Supply of "other" biofuel to the UK by feedstock (table RTFO 05)



4. These feedstocks are used in the production of multiple fuels.

Carbon and Sustainability Characteristics (continued)

Double Counted Feedstock

 Of the 1,615 million litres eq. of renewable fuels meeting the sustainability criteria, 65% was made from a waste/residue (double counting) feedstock.

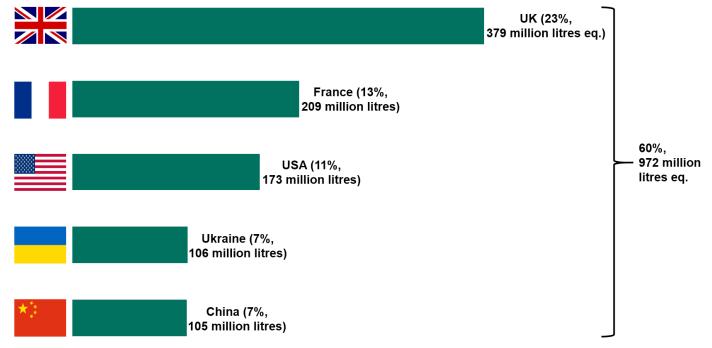
Statistical Tables

Tables for this <u>release</u> are available online.

Country of Origin

• The top 5 countries supplying feedstocks to the UK (including the UK) make up **60%** of total sustainable supply, with UK feedstocks accounting for **23%** of the sustainable biofuel.

Figure 4: Top 5 countries supplying biofuel feedstocks to the UK (table RTFO 05)

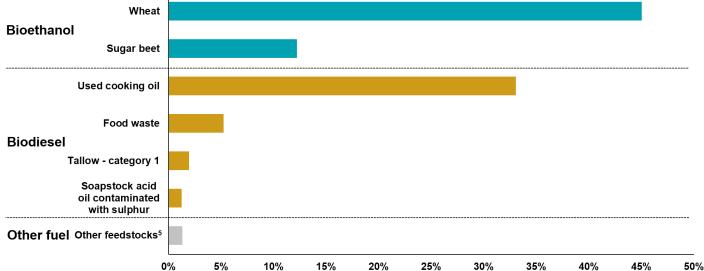


- The most widely reported source for biodiesel (by feedstock and country of origin) was used cooking oil from the USA (146 million litres, 9% of total fuel, 18% of biodiesel).
- The most widely reported source for bioethanol (by feedstock and country of origin) was wheat from the UK (171 million litres, 11% of total fuel, 23% of bioethanol).

Carbon and Sustainability Characteristics (continued)

Of all feedstock reported with UK origin, **wheat** makes up the largest share (**45%**) whilst **used cooking oil** makes up **33%**.

Figure 5: Main UK origin biofuel feedstocks (table RTFO 05)



5. Includes **bio petrol** (used cooking oil), **biodiesel** (brown grease, crude glycerine and sewage system FOG), **biomethane** (sewage sludge), **off-road biodiesel** (food waste, oilseed rape and used cooking oil) and **diesel with bio origin** (used cooking oil).

Contribution to Greenhouse Gas Savings

 An aggregate greenhouse gas saving of 76%, compared to fossil fuels, was achieved in this period. Including emissions from indirect land-use change (ILUC) reduces this to 71%.

Schemes for Certification and Traceability

- The majority (98%) of biofuel feedstocks so far in this period that have met the sustainability criteria have been supplied via a voluntary scheme.
- From the current voluntary schemes listed, the International Sustainability and Carbon Certification (ISCC) scheme accounts for 95% of biofuel which has been supplied via a voluntary scheme.
- 24 million litres eq. of biofuel feedstocks that have met the sustainability criteria were not supplied via a voluntary scheme.

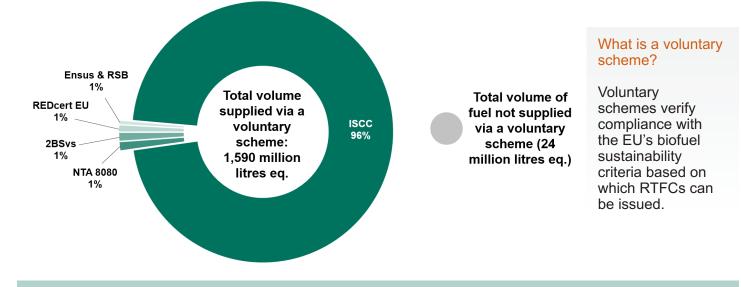


Figure 6: Supply of biofuel to the UK meeting a voluntary scheme (table <u>RTFO 06</u>)

Background information

Sources of data in this report

Data on volumes of fuel, Renewable Transport Fuel Certificates (RTFCs) (issues, redemptions, surrenders, transfers) and Carbon & Sustainability (C&S) are held by the Renewable Transport Fuel Obligation (RTFO) Administrator on the RTFO Operating System (ROS).

Fuel volume data is submitted on a monthly basis by fuel suppliers to the RTFO Administrator and validated against HMRC duty payment data.

C&S data is submitted as part of a supplier's RTFC application. As suppliers may choose when to apply for RTFCs, and if the application is not approved the renewable fuel is not regarded as sustainable, C&S data is only reported on once RTFCs have been issued. There will therefore be a difference between the volume of biofuel supplied and the number of RTFCs issued/C&S data available. This difference will decrease over time until the final deadline for issuing RTFCs has passed (7 months after the obligation period). The final report for an obligation period will show the final position.

Data on RTFCs (issues, redemptions, surrenders, transfers) is recorded in ROS as all are issued, traded and tracked electronically.

Strengths and weaknesses of the data

The Administrator validates volume data submitted by fuel suppliers against that held by HMRC regarding fuel duty liabilities. This data may change over time even after validation against HMRC data as suppliers make amendments to the volumes of fuel they have supplied (and duty liabilities).

C&S data is verified by independent verifiers and is also checked against the RTFO Guidance by the Administrator.

Whilst the Administrator validates volume data against HMRC data at a company level, there is not an exact match between the volume of fuel reported in this report and the volume of fuel reported in HMRC's Hydrocarbon Oils bulletin. Reasons for this include:

- Road duty is paid on fuel that is later proven to be for non-road use;
- Differences between how fuel is categorised under the RTFO and by HMRC, in particular, the RTFO requires recording of fuels on the basis of their renewability but this is different than the categories HMRC use for duty coding (e.g. petrol used as denaturant in ethanol is recorded as ethanol by HMRC and petrol under the RTFO);
- Accidental recording of fuel against the incorrect duty codes by suppliers;

Further Details

Further information on the data can be found in the <u>Notes</u> and Definitions.

Next Update

The next publication will be final annual (report 6) figures in February 2019 for period 10.

Data are published quarterly.

Carbon and Sustainability data on biofuel supplied by fuel suppliers are published annually.

Related Information

Previously published reports can be found on the DfT website:

https://www.gov. uk/government/ organisations/ department-fortransport/series/ biofuels-statistics.

The publication timetable can be found at Annex A.

- Calendar month and quarterly duty payments being recorded against different supply periods under the RTFO and by HMRC (these are typically a month different);
- Differences in when adjustments in duty payments are recorded. HMRC record these in the month the adjustment occurs: whilst this practice is usually followed under the RTFO there are exceptions around the change in obligation period.

Changes to measuring biogases

In previous reports biogases (including biomethane and biopropane) have been reported as litres whereas the correct unit of measurement is kilograms. The values in kilograms have now been converted to equivalent litres using standard conversion factors (1.9 for biomethane and 1.75 for biopropane), which are set out in the <u>RTFO Order</u> as multipliers to be used when calculating fuel supply thresholds and the number of certificates to be issued. All reports and tables beginning with Obligation Year 10 report 5 and Obligation Year 11 report 1 will report equivalent litres, and biogases figures in previous reports will be revised where necessary, in due course.

Official Statistics

Official Statistics are produced to high professional standards set out in the Code of Practice for Statistics. They undergo regular quality assurance reviews to ensure they meet customer needs.

Details of ministers and officials who received pre-release access to these statistics up to 24 hours before release can be found in the pre-release access list.

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Reports are published quarterly.

The last report for the obligation period (usually number six) will report on the carbon and sustainability performance of individual suppliers. These reports are available online at:

https://www.gov.uk/government/organisations/department-for-transport/series/biofuels-statistics

	Report						
Table	Description	One	Two	Three	Four	Five	Six
RTFO 01	Volume of fuel supplied	Yes	Yes	Yes	Yes	Yes	Yes
RTFO 02	Volume of fuel to which RTFCs issued and number of RTFCs issued	Yes	Yes	Yes	Yes	Yes	Yes
RTFO 03	RTFC balances by obligation period	Yes	Yes	Yes	Yes	Yes	Yes
RTFO 04	RTFC trades to date by company type	Yes	Yes	Yes	Yes	Yes	Yes
RTFO 05	RTFO wide carbon and sustainability data	Yes	Yes	Yes	Yes	Yes	Yes
RTFO 06	RTFO wide voluntary scheme data	Yes	Yes	Yes	Yes	Yes	Yes
RTFO 07	Performance against obligation by supplier	No	No	No	No	No	Yes
RTFO 08a	Feedstock by supplier as a percentage of their supply	No	No	No	No	No	Yes
RTFO 08b	Country of origin by supplier as a percentage of their supply	No	No	No	No	No	Yes
RTFO 09	Percentage of renewable fuel that was sustainable by supplier	No	No	No	No	No	Yes
RTFO 10	Carbon and sustainability data by supplier	No	No	No	No	No	Yes
RTFO 11	RTFO wide fuel supply by volume and energy	No	No	No	No	No	Yes
RTFO 12	Civil penalties and other non-compliance	No	No	No	No	No	Yes
RTFO 13	Performance against GHG reporting requirements	No	No	No	No	No	Yes

Table 1 – typical content of RTFO reports

Table 2 – Publication dates and contents of each report

		Publication Date								
		Nov-18	Feb-19	Apr-19	Jul-19	Oct-19	Jan-20	Apr-20	Jul-20	Oct-20
Obligation period 10 2017/18	Quarter 1	Report 5	Report 6							
	Quarter 2	Report 5	Report 6							
	Quarter 3	Report 5	Report 6							
	Quarter 4	Report 5	Report 6							
Obligation period 11 2018 (short period)	Quarter 1	Report 1	Report 2	Report 3	Report 4	Report 5				
	Quarter 2		Report 2	Report 3	Report 4	Report 5				
	Quarter 3			Report 3	Report 4	Report 5				
	Quarter 4				Report 4	Report 5				
Obligation	Quarter 1				Report 1	Report 2	Report 3	Report 4	Report 5	Report 6
period 12 2019 (calendar year	Quarter 2					Report 2	Report 3	Report 4	Report 5	Report 6
	Quarter 3						Report 3	Report 4	Report 5	Report 6
basis)	Quarter 4							Report 4	Report 5	Report 6

Users should note that the proposed publication schedule from period 11 onwards reflects recent legislative changes to the RTFO.

Statistical Release - RTFO statistics, obligation period 10 (2017/18), report 5 - Page 8