



## Department for Transport

# Renewable Transport Fuel Obligation statistics: period 9 2016/17, report 1

### About this release

This quarterly release covers the supply of renewable fuels from 15 April 2016 to 14 April 2017, based on data available as of 16th October 2016.

Six reports are published for each annual obligation period as Renewable Transport Fuel Certificates (RTFCs) can be issued up to seven months following the close of an obligation period.

Each report will update the previous report for that obligation period with the latest data.

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The Renewable Transport Fuels Obligation Order (RTFO Order) requires transport fuel suppliers to ensure that a proportion of the fuel they supply comes from renewable sources (biofuels).

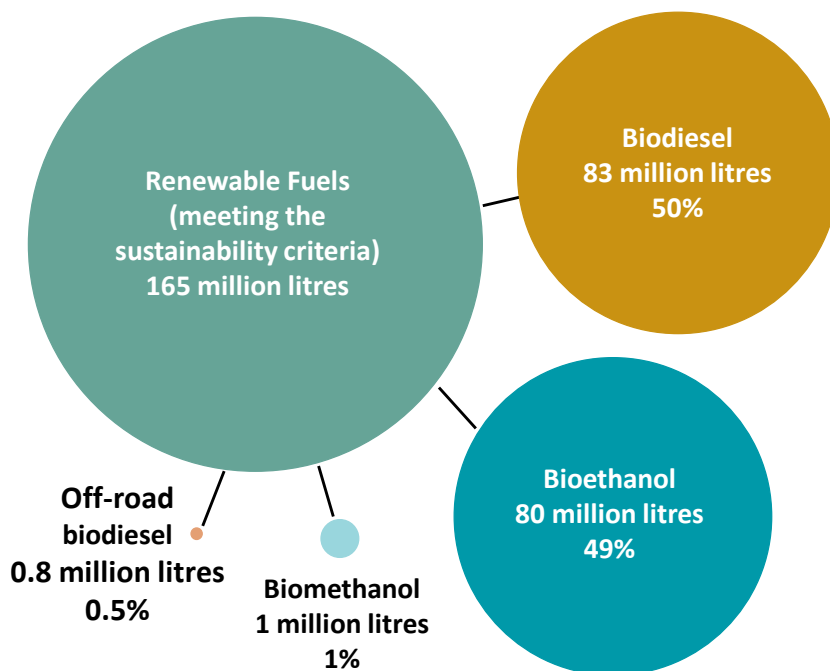
The legislation is of key importance in our efforts to deliver reductions in carbon dioxide emissions from fuels used for transport purposes and non-road mobile machinery (NRMM)<sup>1</sup>.

**Current returns show 423 million litres of renewable fuel have been supplied in period 9, which is 3% of total road and non-road mobile machinery fuel.**

**165 million litres (39%)** of this renewable fuel has so far been demonstrated to meet the sustainability requirements.

Of the 165 million litres so far meeting the sustainability requirements, **biodiesel** comprised **50%** of supply, **bioethanol** **49%** and **biomethanol** **1%**. There was also a small volume of off road biodiesel.

### Volume of renewable fuels, by fuel type



\*figures may not add up to 100% due to rounding

<sup>1</sup> Non-road mobile machinery (NRMM) includes, but is not limited to vehicles used for construction purposes.

## Renewable Transport Fuel Certificates

Renewable Transport Fuel Certificates<sup>2</sup> (RTFCs) are awarded to transport fuel suppliers that meet sustainability criteria.

- In Period 9, **292 million** RTFCs have been issued for fuel meeting the sustainability requirements.
- This includes **254 million certificates** which have been issued to “double counting” feedstocks.

## Carbon and Sustainability Characteristics

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

### Double - counted feedstock

- Of the 165 million litres renewable fuels meeting the sustainability criteria, 77% of biofuel was made from a waste/non - agricultural-residue (double- counting) feedstock.

### Country of origin



- UK feedstocks account for 35% of the biofuel.
- The most widely reported source for biodiesel (by feedstock and country of origin) was used cooking oil from the UK (35 million litres, 21% of total fuel, 42% of biodiesel).



- The most widely reported source for bioethanol (by feedstock and country of origin) was starch slurry from France (28 million litres, 17% of total fuel, 34% of bioethanol).

### Contribution to Greenhouse Gas Emissions

- An aggregate greenhouse gas saving of 83% compared to fossil fuels was achieved so far in this period. Including emissions from indirect land-use change (ILUC) reduces this to 75%.

### Schemes for certification and traceability

- The majority (99%) of the biofuel so far this year has met the sustainability criteria and been supplied using a voluntary scheme.
- From the current voluntary schemes listed, the International Sustainability and Carbon Certification scheme (ISCC) accounts for 95% of biofuel.

#### What is a voluntary scheme?

Voluntary schemes verify compliance with EU's biofuel sustainability criteria based on which RTFCs can be issued.

<sup>2</sup>The deadline for applying for RTFCs is 12 August following the obligation period.

#### What is double counting?

To encourage the use of fuels that represent environmental advantages some biofuels, such as waste-based biofuels and residues, are double counted and issued with two RTFCs instead of one.

#### Feedstock

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

#### Biofuel legislation

Renewable Transport Fuel Certificates, fuels supplied must meet the sustainability criteria set out in the [Renewable Energy Directive](#) and the [Renewable Transport Fuel Obligations Order 2007](#).

#### Statistical Tables

Tables for this [release](#) are available online.

### Sources of data in this report

Data on volumes of fuel, Renewable Transport Fuel Certificate (RTFCs) (issues, redemptions, surrenders, transfers) and Carbon & Sustainability (C&S) data is 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 (15 November following the obligation period). The final report for an obligation period will show the final position.

Data on RTFCs (issues, redemptions, surrenders, transfers) are 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 HMRCs Hydrocarbon Oils bulletin. Reasons for this include:

### Further Details

Further information on the data can be found in the [Notes and Definitions](#).

### Next Update

The next publication will be on 2nd February 2017.

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-for-transport/series/biofuels-statistics>.

The publication timetable can be found at Annex A.

- 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;
- 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.

## Annex A: RTFO statistics reporting timescales and contents

Reports are published quarterly.

The last report for the obligation period (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>

Table 1 – content of RTFO reports

Table	Description	Report					
		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 2 – Publication dates and contents of each report

		Publication date									
		06-Nov-14	05-Feb-15	07-May-15	06-Aug-15	05-Nov-15	04-Feb-16	05-May-16	04-Aug-16	03-Nov-16	02-Feb-17
Obligation period 7 2014/15	Quarter 1	Report 1	Report 2	Report 3	Report 4	Report 5	Report 6				
	Quarter 2		Report 2	Report 3	Report 4	Report 5	Report 6				
	Quarter 3			Report 3	Report 4	Report 5	Report 6				
	Quarter 4				Report 4	Report 5	Report 6				
Obligation period 8 2015/16	Quarter 1					Report 1	Report 2	Report 3	Report 4	Report 5	Report 6
	Quarter 2						Report 2	Report 3	Report 4	Report 5	Report 6
	Quarter 3							Report 3	Report 4	Report 5	Report 6
	Quarter 4							Report 4	Report 4	Report 5	Report 6
Obligation period 9 2016/17	Quarter 1									Report 1	Report 2
	Quarter 2										Report 2
	Quarter 3										
	Quarter 4										