Department for Transport

Renewable Transport Fuel Obligation statistics: period 9 2016/17, report 5

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 15th September 2017.

This is the fifth report for period 9 (2016/17) covering all four quarters (provisional annual data).

Data can be supplied up to 7 months after the end of the obligation period. The final report for period 9 will be published in February 2018.

In this publication

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).

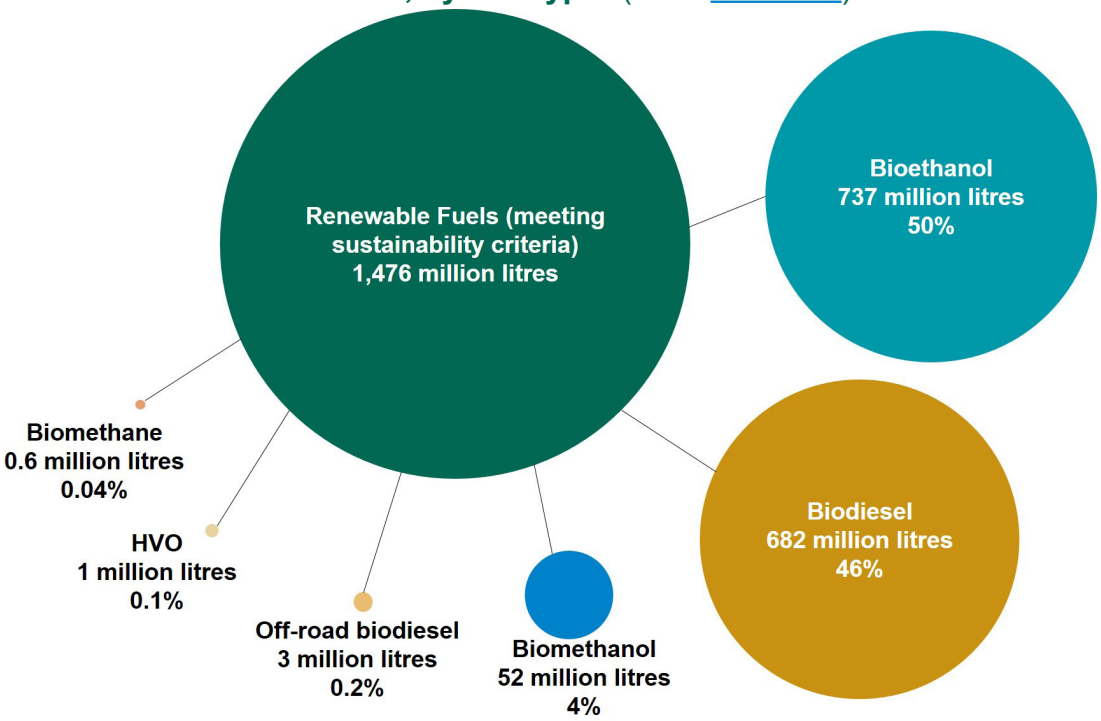
The legislation is of key importance in our efforts to deliver reductions in carbon dioxide emissions from fuels used for transport purposes and non-road mobile machinery.

Current returns show 1,541 million litres of renewable fuel have been supplied in period 9 (2016/17), which is 3% of total road and non-road mobile machinery fuel.

1,476 million litres (**96%**) of this fuel has so far been demonstrated to meet the sustainability requirements.

Of this 1,476 million litres, **bioethanol** comprises **50%** of the supply, **biodiesel 46%** and **biomethanol 4%**. There was also a small volume of off-road biodiesel, HVO and biomethane.

Volume of renewable fuels, by fuel type* (table RTFO 05)



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

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Renewable Transport Fuel Certificates

Renewable Transport Fuel Certificates[1] (RTFCs) are awarded to transport fuel suppliers that meet sustainability criteria.

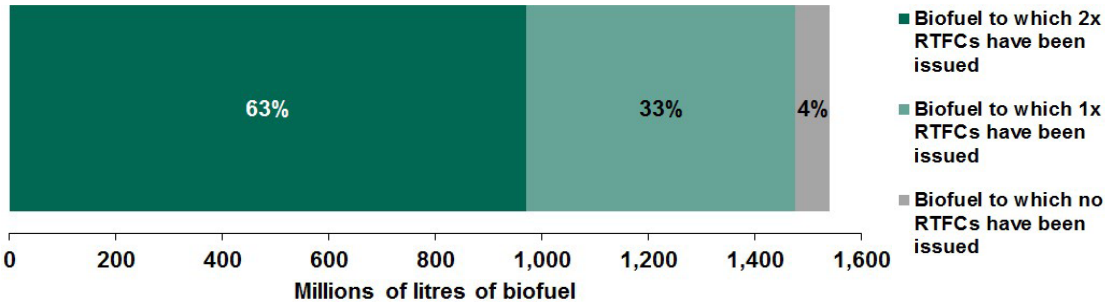
- In period 9, **2,445 million** RTFCs have so far been issued for fuel meeting the sustainability requirements.
- This includes **1,940 million certificates** which have been issued to "double counting" feedstocks.

Of the biofuel supplied into the UK in period 9, **96%** has been demonstrated to be sustainable, and **63%** was eligible for double counted certificates.

Sustainability Criteria

To receive 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.

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

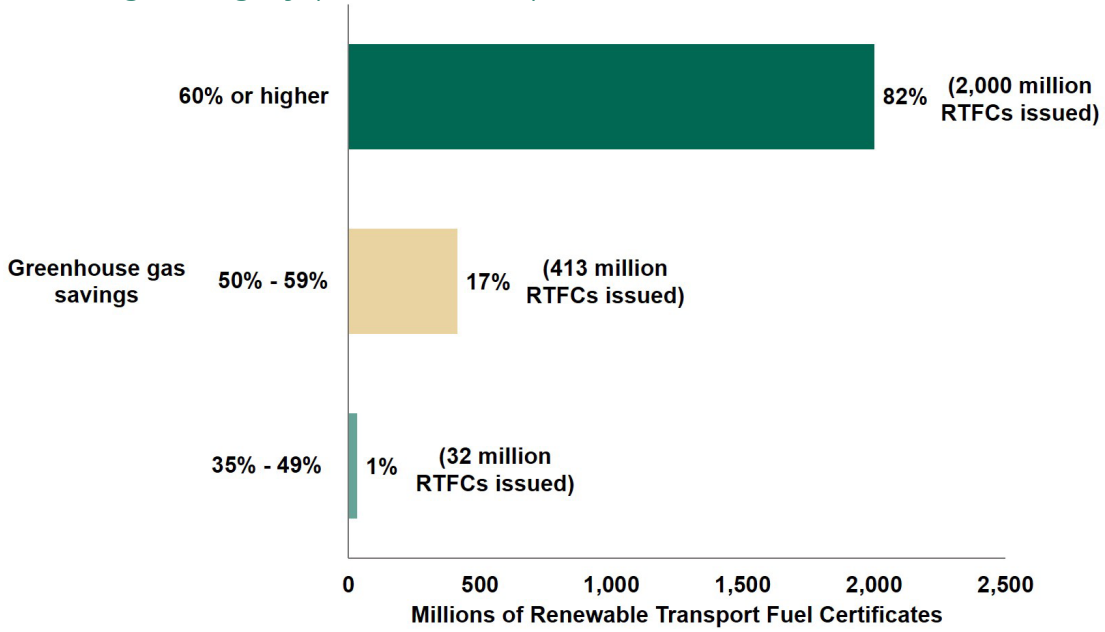


Sustainability criteria ensure that biofuels deliver maximum greenhouse gas savings (GHG) compared to fossil fuels and that their production does not adversely impact on biodiversity.

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.

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



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.

Nearly all (**98.7%**) of the RTFCs issued so far for 2016/17 have been to biofuel that delivered 50% or more greenhouse gas savings.

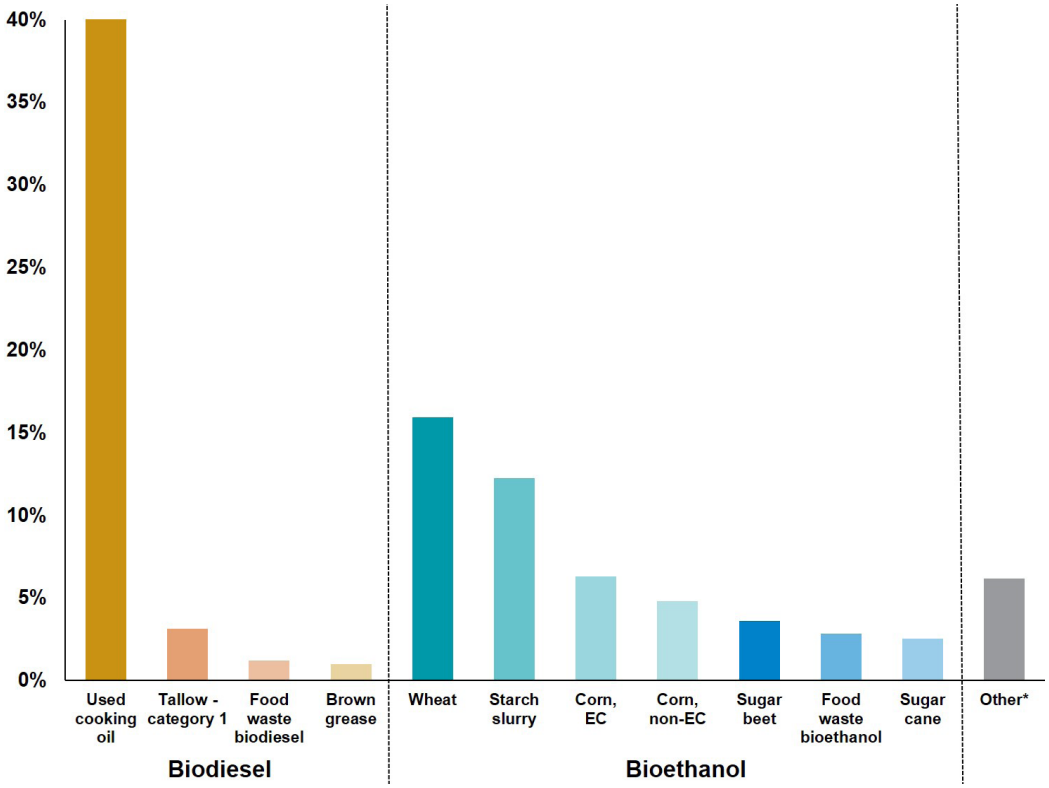
[1]The deadline for applying for RTFCs is 12 August following the obligation period.

Carbon and Sustainability Characteristics

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

Of the 1,476 million litres 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 **40%**.

Figure 3: Supply of biofuel to the UK by feedstock (table RTFO 05)



** Includes **biodiesel** (palm oil mill effluent, spent bleaching earth, soapstock acid oil contaminated with sulphur, poultry feather acid oil, rapeseed residue, waste pressings from production of vegetable oils), **bioethanol** (grape marc & wine lees, rye, triticale, barley, bagasse, short rotation coppice, straw, waste wood), **off-road biodiesel** (used cooking oil, oilseed rape, food waste), **biomethanol** (food waste, municipal organic waste, road side grass, sewage sludge, slaughter products - category 3, sugar beet tops, tails, chips & process water, tallow - category 1, wet manure, dry manure), **HVO** (spent bleaching earth, used cooking oil) and **biomethane** (food waste, sugar beet tops, tails, chips & process water).*
Most used cooking oil and food waste goes into the production of biodiesel, but small amounts are used in the production of other fuels, including off-road biodiesel.

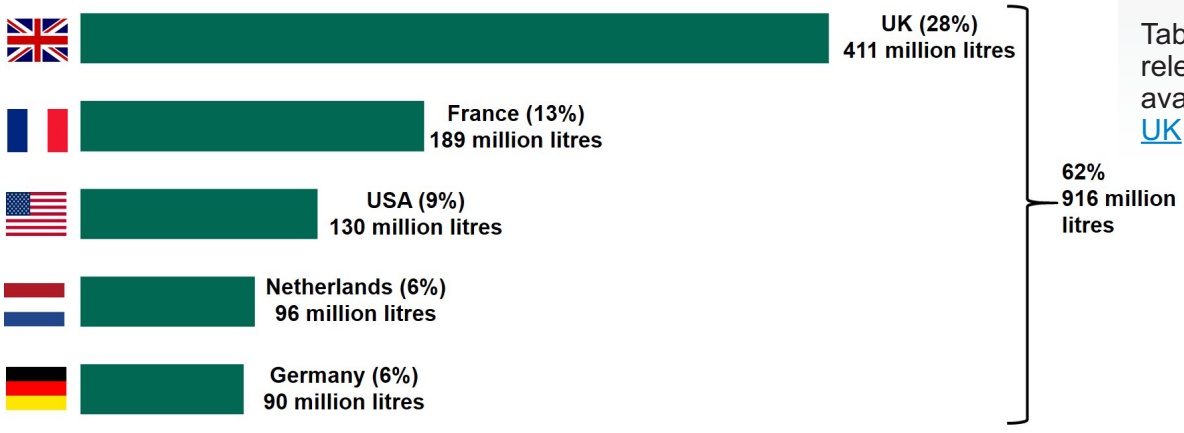
Doubled - counted feedstock

- Of the 1,476 million litres of renewable fuels meeting the sustainability criteria, **66%** was made from a waste/non-agricultural residue (double counting) feedstock.

Country of origin

- The top 5 countries supplying biofuel to the UK (including the UK) make up **62%** of total sustainable supply, with UK feedstocks accounting for **28%** of the sustainable biofuel.

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



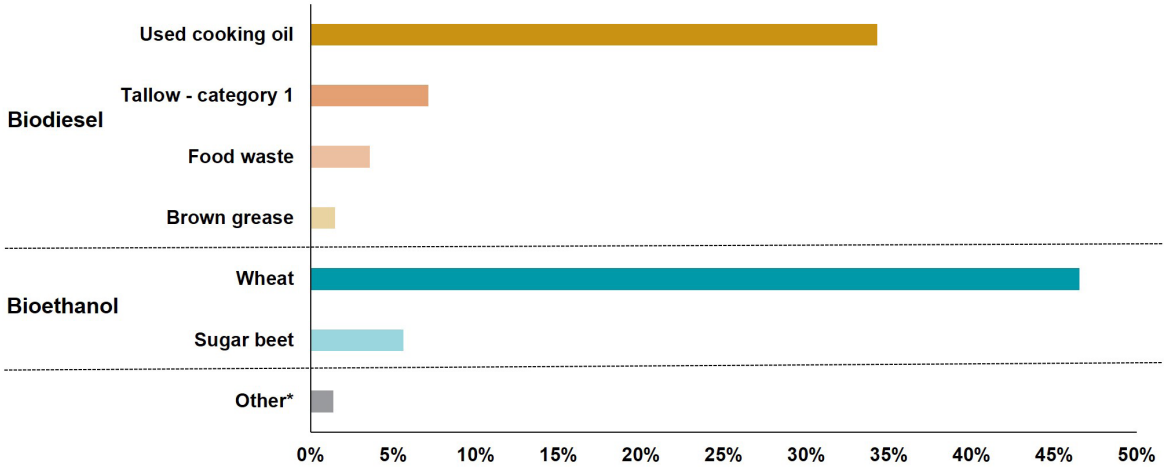
Statistical Tables

Tables for this release are available on GOV.UK.

- The most widely reported source for **biodiesel** (by feedstock and country of origin) was **used cooking oil** from the UK (141 million litres, 10% of total fuel, 21% of biodiesel. This increases to 143 million litres if off-road biodiesel is included).
- The most widely reported source for **bioethanol** (by feedstock and country of origin) was **wheat** from the UK (191 million litres, 13% of total fuel, 26% of bioethanol).

Wheat was the most common UK origin feedstock at **47%**, followed by used cooking oil at **35%**.

Figure 5: Biofuel by main UK origin feedstocks (table RTFO 05)



** Includes **biodiesel** (rapeseed residue, soapstock acid oil contaminated with sulphur), **bioethanol** (corn, EC) and **off-road biodiesel** (food waste and used cooking oil).*

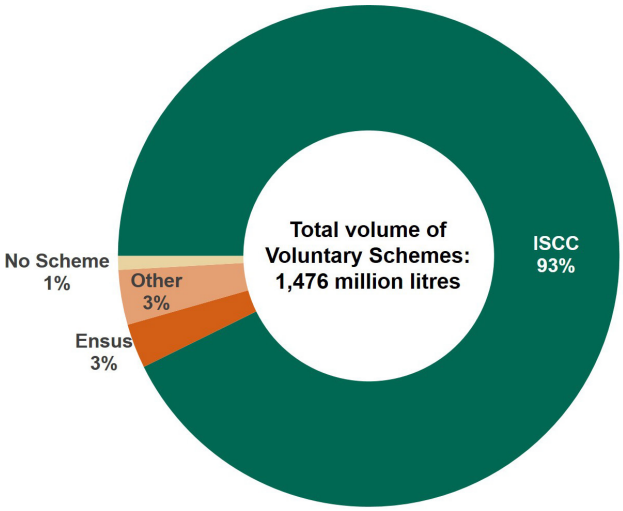
Contribution to greenhouse gas savings

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

Schemes for certification and traceability

- The majority (**99%**) of biofuel feedstocks meeting the sustainability criteria has been supplied by a voluntary scheme.
- From the current voluntary schemes listed, the International Sustainability and Carbon Certification (ISCC) scheme accounts for **93%** of biofuel.

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



What is a voluntary scheme?

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

Voluntary schemes used in period 9 so far include ISCC (93%), Ensus (3%) and NTA 8080 (2%), 2BSVS (1%), Abengoa (<1%), RSB (<1%), Bonsucro (<1%), Red Tractor (<1%) and REDcert EU (<1%).

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 (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) 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 Notes and Definitions.

Next Update

The next publication will be final annual figures on 1st February 2018.

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.

- 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.

Official Statistics

Official Statistics are produced to high professional standards set out in the Code of Practice for Official 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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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

		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 2 – Publication dates and contents of each report

		Publication Date									
		2-Feb-17	4-May-17	3-Aug-17	2-Nov-17	1-Feb-18	3-May-18	2-Aug-18	1-Nov-18	7-Feb-19	7-May-19
Obligation period 9 2016/17	Quarter 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 10 2017/18	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 11 2018/19	Quarter 1								Report 1	Report 2	Report 3
	Quarter 2									Report 2	Report 3
	Quarter 3										Report 3
	Quarter 4										