

Department for Transport

Renewable Transport Fuel Obligation statistics: period 11 (2018), report 1

About this release

This quarterly release covers the supply of renewable fuels from 15 April 2018 to 31 December 2018, based on data available as of 17 September 2018.

This is report one of five for period 11 (2018), and therefore contains an incomplete dataset for the period.

Data can be supplied up to 7 months after the end of the obligation period. The final report for period 11 will be published in October 2019.

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Reports and associated tables for period 11 and future periods will now reflect changes to the Renewable Transport Fuel Obligations (RTFO) legislation. As a result, period 11 will cover only 9 months due to moving to calendar year reporting from period 12 onwards.

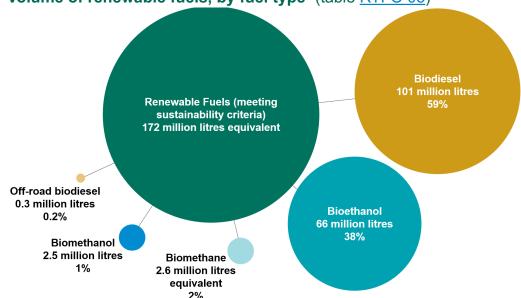
The RTFO Order requires transport fuel suppliers to ensure that a proportion of the fuel they supply comes from renewable sources (biofuels) to deliver reductions in greenhouse gas (GHG) emissions from fuels.

Current returns show 525 million litres equivalent (eq.)¹ of renewable fuel have been supplied in period 11 (2018) so far, which is 4% of total road and non-road mobile machinery fuel.

172 million litres eq. (33%) of this fuel has so far been demonstrated to meet the sustainability requirements.

Of this 172 million litres eq., biodiesel methyl ester (ME) - which we shall refer to as biodiesel for the rest of the report - comprises 59% of the supply, bioethanol 38%, biomethane 2% and biomethanol 1%. There was also a small volume of off-road biodiesel.





1. Biogases (such as biomethane and biopropane) are reported in kg but are converted to equivalent litres using standard multiplication factors (1.9 and 1.75 respectively) as stated in the RTFO Order.

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

We published the results of our user feedback survey and a summary of changes to the publications.

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Renewable Transport Fuel Certificates

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

- In period 11, 320 million RTFCs have been issued for fuel meeting the sustainability requirements.
- This includes 296 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 (RTFO 05)

 Of the 172 million litres of renewable fuels meeting the sustainability criteria, 86% was made from a waste/residue (double counting) feedstock.

Country of Origin (RTFO 05)

- UK feedstock accounted for 26% of the biofuel.
- The most widely reported source for biodiesel (by feedstock and country of origin) was used cooking oil from the UK (22 million litres, 13% of total fuel, 22% of biodiesel).
- The most widely reported source for bioethanol (by feedstock and country of origin) was starch slurry (low grade) from France (32 million litres, 19% of total fuel, 48% of bioethanol).

Contribution to Greenhouse Gas Savings (RTFO 05)

 An aggregate greenhouse gas saving of 83%, compared to fossil fuels, was achieved in this period. Including emissions from indirect land-use change (ILUC) reduces this to 81%.

Schemes for Certification and Traceability (RTFO 06)

- The majority (96%) of biofuel feedstocks so far in this period that have met the sustainability criteria have been supplied via a voluntary scheme
- The International Sustainability and Carbon Certification (ISCC) scheme accounts for 90% of biofuel which has been supplied via a voluntary scheme so far.

Statistical Tables

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

3. The deadline for applying for RTFCs is 15 September 2019 following the obligation period.

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.

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.

What is a voluntary scheme?

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

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 Notes and Definitions.

Next Update

The next publication will be the second report for period 11, based on data up to 15 December 2018. This will be released in February 2019.

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.

Background information (continued)

- 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 RTFO Order 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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Annex A: RTFO statistics reporting timescales and contents

Reports are published quarterly.

The last report for the obligation period (usually number six⁴) 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 – typical content of RTFO reports⁴

			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	Yes		
RTFO 09	Percentage of renewable fuel that was sustainable by supplier		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 Data									
		Publication Date									
		Nov-18	Feb-19	Apr-19	Jul-19	Oct-19	Jan-20	Apr-20	Jul-20	Oct-20	
	Quarter 1	Report 5	Report 6								
Obligation period 10	Quarter 2	Report 5	Report 6								
2017/18	Quarter 3	Report 5	Report 6								
	Quarter 4	Report 5	Report 6								
Obligation	Quarter 1	Report 1	Report 2	Report 3	Report 4	Report 5					
period 11	Quarter 2		Report 2	Report 3	Report 4	Report 5					
2018	Quarter 3			Report 3	Report 4	Report 5					
(short period)	Quarter 4				Report 4	Report 5					
Obligation	Quarter 1				Report 1	Report 2	Report 3	Report 4	Report 5	Report 6	
period 12	Quarter 2					Report 2	Report 3	Report 4	Report 5	Report 6	
2019 (calendar year	Quarter 3						Report 3	Report 4	Report 5	Report 6	
basis)	Quarter 4							Report 4	Report 5	Report 6	

^{4.} Users should note that the proposed publication schedule from period 11 onwards reflects recent legislative changes to the RTFO. Period 11 will only have 5 reports since it covers only 9 months of data.