

Department for Transport

Renewable Transport Fuel Obligation statistics: period 11 (2018), report 3

About this release

This quarterly release covers the supply of renewable fuels from 15th April 2018 to 31st December 2018, based on data available as of 9th April 2019.

This is report 3 of 5 for period 11 (2018), and therefore contains an incomplete dataset for the period.

Data can be supplied up to seven months after the end of the obligation period. The final report for period 11 is scheduled for release in November 2019.

The Renewable Transport Fuel Obligation (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.

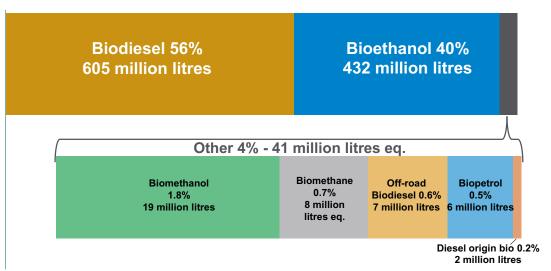
Current returns show 1,506 million litres eq. of renewable fuels have been supplied in period 11 (2018) so far, which is 4% of total road and non-road mobile machinery fuel.

1,078 million litres eq. (72%) of this fuel has so far been demonstrated to meet the sustainability requirements.

Of this 1,078 million litres eq., biodiesel comprised 56% of supply, bioethanol 40% and biomethanol 2%. There were also small volumes of other biofuels, including biomethane, off-road biodiesel, and biopetrol.

This certified biofuel achieved an aggregate greenhouse gas saving of 78%. Accounting for emissions from Indirect Land-Use Change (ILUC) reduces this to 73%.

Figure 1: Volume of renewable fuels meeting the sustainability requirements by fuel type* (table RTFO 05).



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

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^{*} Biogases (such as biomethane) are reported in kg but are converted to equivalent litres using standard multiplication factors (1.9 for biomethane) as stated in the RTFO order.

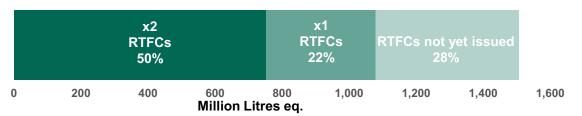
Renewable Transport Fuel Certificates (RTFCs)

RTFCs are awarded to transport fuel suppliers whose biofuels meet the sustainability criteria. In period 11, 1,830 million RTFCs have so far been issued to 1,078 million litres eq. of biofuel. This is out of a total 1,506 million litres eq. supplied in this period.¹

Double Counting Feedstock

 Of the 1,078 million litres eq. of renewable fuels meeting the sustainability criteria, 70% was made from a waste/residue or "Double Counting" feedstock.

Figure 2: Biofuel to which Renewable Transport Fuel Certificates have been issued (table RTFO 02).



Country of Origin

- UK origin feedstocks account for 19% of biofuel which has been certified in this period so far.
- The most common source for certified biodiesel (by feedstock and country of origin) is **used cooking oil from China** (93 million litres, 9% of certified fuel, 15% of certified biodiesel).
- The most common source for certified bioethanol (by feedstock and country of origin) was non-EC corn from Ukraine (70 million litres, 6% of certified fuel, 16% of certified bioethanol).

Greenhouse Gas Savings

Of the 1,078 million litres eq. of renewable fuels meeting the sustainability criteria, an aggregated GHG saving of 78% compared to fossil fuels was achieved in this period. Accounting for emissions from Indirect Land-Use Change (ILUC) reduces this to 73%.

Schemes for Certification and Traceability

- Almost all biofuel (98%) that has met the sustainability criteria has been supplied by a voluntary scheme.
- From the current voluntary schemes listed, the International Sustainability and Carbon Certification Scheme (ISCC) accounts for 93% of biofuel receiving RTFCs.

What is a voluntary scheme?

Voluntary schemes verify compliance with the EU's biofuel sustainability criteria, which is a prerequisite for RTFCs to be issued.

¹The deadline for applying for RTFCs is 14th May 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 twice the number of RTFCs per litre/kg.

Statistical Tables

Tables for this release are available on GOV. UK.

Background Information

Note on Reporting Timetable

Reports and associated tables for period 11 and future periods will reflect changes to the Renewable Transport Fuel Obligations (RTFO) legislation. Period 11 will cover only 9 months as the reporting schedule moves to a calendar year from period 12 onwards.

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 (15th May 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.

Biofuel Mix Reporting

The data reported by fuel suppliers under the RTFO is in line with EU rules on mass balance. A mass balance system requires suppliers throughout the supply chain to account for their product on a units in - units out basis, but does not require physical separation of certified feedstock or fuel from uncertified material. It ensures that for every unit of sustainable biofuel sold, the corresponding sustainable feedstock has been produced. This can mean the actual feedstock mix might differ from that reported. Nonetheless, the feedstocks and biofuels reported in this document represent those that are incentivised and rewarded under the RTFO.

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.

Further Details

Further information on the data can be found in the Notes and Definitions.

Next Update

The next publication is scheduled for release in August 2019.

Data is 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)

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;
- 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 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 each obligation period will report on the carbon and sustainability performance of individual suppliers. Past reports are available online at:

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

Table 1 – Typical 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 | |

NOTE: Period 11 covers only 9 months, moving the schedule for reporting to align with the calendar year from period 12 onwards. As a result, there will be no Report 6 for period 11 while Report 5 will be the summary report for period 11 and will contain RTFO tables 07 - 13.

Annex A: RTFO Statistics Reporting Timescales and Contents (continued)

Table 2 – Publication dates and contents of each report

| | | Nov 18 | Mar 19 | May 19 | Sug 19 | Nov 19 | Feb 20 | May 20 | Aug 20 | Nov 20 |
|------------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| 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 | | | | |
| 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 | Quarter 3 | | | | | | Report 3 | Report 4 | Report 5 | Report 6 |
| | Quarter 4 | | | | | | | Report 4 | Report 5 | Report 6 |
| Obligation | Quarter 1 | | | | | | | | Report 1 | Report 2 |
| Period 13 | Quarter 2 | | | | | | | | | Report 2 |
| 2020 | Quarter 3 | | | | | | | | | |
| | Quarter 4 | | | | | | | | | |

^{*} Highlighted reports indicate summary report for the period.