

## Advanced Biofuels Coalition on Delegated Act amending the Annex IX: Existing investments must be protected and further support mechanisms established to promote the advanced biofuels sector

The Advanced Biofuels Coalition, representing the leading companies in the advanced biofuels industry, welcomes the recent publication of the Delegated Act updating the list of sustainable biofuel feedstocks. Keeping the list in line with technological developments and expanding where suitable is crucial for guiding the EU's biofuels sector and shaping the policy framework. As new feedstocks are proposed for inclusion in Part A, it is essential to strike a balance that encourages production without compromising past investments and that **takes into account the sufficient availability and price development dynamics in of the feedstocks**. As multiple sectors, like aviation and maritime, are subject to increasing regulatory incentives and obligations to use advanced biofuels, it is important to consider market effects of the feedstocks selection. Our focus is primarily on the practical outcomes and implications for the advanced biofuels sector.

Recognising the challenges in processing Part A feedstocks and their reliance on costly novel technologies, it is crucial to implement measures for investment protection in the EU. It is essential to provide a secure and encouraging environment for investors and stakeholders in this sector. **With the expansion of the Annex IX Part A list, the Coalition would be interested in understanding the potential volume these additional feedstocks could introduce to the European market.**

To further incentivise investments, the RED III includes mechanisms such as a combined target of 5.5% for advanced biofuels and RFNBOs. **Member States should use the opportunity to set ambitious sub-targets for advanced biofuels.** By prioritising advanced biofuels, Member States can help diversify energy sources and drive the transition towards more sustainable and low-carbon energy sources, as well as reduce dependence from imported fuels.

Additionally, considering the addition of new feedstocks to Part A, **the next revision of the Renewable Energy Directive should focus on establishing support mechanisms, including a revised the sub-target for advanced biofuels to ensure it reflects the increased potential for biofuel production.** A revised sub-target would not only reflect the potential growth of advanced biofuels but also support achieving the EU's GHG emission reduction targets. Minimum sub-targets for Part A feedstocks, provide a stable and predictable environment for investors. This stability is key in attracting long-term investments and supporting the scaling up of innovative technologies in biofuel production.

To further support the integration of advanced biofuels into the European energy mix, further **specific support mechanisms, such as a sub-target in the aviation sector under the ReFuelEU Regulation is essential.** This would not only diversify the aviation fuel mix but also significantly contribute to the sector's sustainability goals.

However, ensuring consistent transposition across the Member States is vital to prevent market distortions. There is need for increased transparency and guidance concerning national application of the Annex IX feedstocks. When Member States implement the revised Annex IX, the Commission must ensure that the legislation is transposed in a uniform way across the EU. **It is necessary for the Commission to provide guidance to Member States ensure a clear and unified transposition in Member States.** For example, clarifying how classification should be interpreted by Member State authorities is crucial for effective implementation. These measures will ensure a more cohesive and effective approach to feedstock classification and scalability within the EU.

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