

## **AOB**

### **Preventing fraud with biofuels (biodiesel)**

#### **The Netherlands, 10-06-2021**

Information from the Dutch delegation

In recent years, various fraud cases with biofuels (biodiesel) came to light, which led to criminal investigations. Based on current data from the ongoing criminal investigations combined with the current set-up of the biofuel supply chain, there is no reason to rule out that more irregularities can occur in the sector. These cases seriously harm the confidence that the consumers and the market need to have in the sustainability of biofuels. Renewable fuels, if sustainable, play an important role in the transition to zero-emission transport. Due to these cases, the Netherlands has conducted an *integrated analysis to the sustainable biofuel chain*.

One of the conclusions is that the Renewable Energy Directive II (RED II) implementation already provides tools to improve supervision and to increase transparency in the supply chain. Such tools are for instance the introduction of a Union database and the fact that competent authorities of the Member States shall supervise the operation of certification bodies that are conducting independent auditing under a voluntary scheme. However, the analysis also shows that further improvements are necessary, especially when higher targets for renewable energy in transport are needed for the *fit for 55 package* in 2030.

The role of public supervision should be extended to all involved actors in the supply chain within the Member State. This standard should be translated in the revision of the RED II (art 29). However, the RED II already offers the freedom to adopt this measure with the national RED II implementation, but it would be helpful if this measure would be mandatory. It is the intention of the Netherlands to adopt this measure already. In addition to this, private supervision should be strengthened, for instance via a stricter sanction policy and minimum requirements for training of auditors. Furthermore, European collaboration between supervisors, public and private, should be promoted in order to share signals and best practices.

I am working on a joint statement together with like-minded Member States to call upon the European Commission to put the prevention of fraud high on the agenda in the revision of the

RED II Directive with a focus on stronger public supervision and a quick and ambitious deployment of the Union database. Other Member States are invited to support this joint statement and consider measures during the RED II implementation.