



FOR IMMEDIATE RELEASE

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### **Anti-Biofuels Report Skewed, Flawed**

OTTAWA – Canada’s Ecofiscal Commission released a skewed, flawed and unacceptable report today calling on policymakers to rethink biofuels policies.

The report, *Course Correction – It’s Time to Rethink Canadian Biofuels Policies* uses information that ignores independent biofuels cost benefit analyses and omits current government data and reports as the basis of its recommendations – including the ill-advised suggestion to phase out renewable fuel mandates.

“Ecofiscal’s recommendation to phase out renewable fuel mandates shows how little appreciation it has for how the fuel market functions, what it takes to successfully lower greenhouse gas emissions from our transportation sector and meet Canada’s climate change objectives,” said RICanada President Andrea Kent.

Biofuels reduce GHG emissions by up to 99% compared to fossil fuels and can help consumers pay less for fuel. In many cases, Canada’s 26 biofuels production facilities are the greatest supporters, developers and users of emerging low-carbon technology. If anything, now is the time to double-down on the success of renewable fuels mandates, not abandon the single largest guaranteed source of emissions reductions from our transportation sector.

“The Ecofiscal Commission claims biofuels in Canada are uneconomic, while Canada’s biofuels industry has returned over \$5 billion to the Canadian economy and created over 14,000 jobs since 2007,” said RICanada Board Chair Jim Grey. “As a result of Canada’s strong biofuels policies and mandates, our industry will provide a \$3.7 billion net return on investment to the federal government.”

RICanada supports the federal government’s announcement of a national price on carbon but there is no “one size fits all” approach to reducing GHG emissions. Transportation needs a variety of policies, including low carbon fuel standards and biofuels mandates to work together – not be either or. This is widely recognized in other jurisdictions around the world.

#### **Quick Facts**

- The Ecofiscal Commission presents bad economics and inflates the costs of biofuels by not taking into account biofuels’ unique properties, like higher octane.



- In stating that the federal government's cost-benefit analysis for its renewable fuel mandate shows economic costs exceed benefits, Ecofiscal used only one report – from 2010. Farm income has actually tripled since biofuels became a significant part of the Canadian economy.
- The report also recommends transitioning away from subsidies, while federal support for most biofuels producers ended in March 2015. Meanwhile the report is silent on Canada's \$3.3 Billion in fossil fuel subsidies, which have existed for decades
- The latest Environment Canada report on the aromatic content of gasoline shows an obvious drop in aromatics in 2011 and 2012 coinciding with the implementation of the federal biofuels mandates. In Ontario, the Province's Ethanol Growth Fund reduced annual smog days from 15-20 to two to three. Despite this, Ecofiscal claims the effect of biofuels mandates on improving air pollution are negligible.
- A national carbon price sets the stage for further measures, such as increased renewable fuels mandates, that are critical to ensure transportation emission reductions in the near and longer term.

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### **About Renewable Industries Canada**

Founded in 1984, Renewable Industries Canada (RICanada) is a non-profit organization with a mission to promote the use of value-added products made from renewable resources through consumer awareness and government liaison activities.

### **For more information**

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