



3 November 2004

LOW CARBON VEHICLE PARTNERSHIP NEWS RELEASE

Partnership report brings greater clarity to biofuels debate

The Low Carbon Vehicle Partnership has reached a consensus on the methodology for assessing the full life cycle energy and greenhouse gas balance for a conventional UK biofuel. Renewable or biofuels produced from vegetable matter and used as a gasoline or diesel replacement may be one important route to reducing the greenhouse impacts of the road transport sector. Measuring the full life cycle environment and energy impacts of biofuels is complex and has often provoked controversy.

The Low Carbon Vehicle Partnership is comprised of over 140 members from the motor and fuels industries, environmental and consumer groups, government and academia. The Partnership's Fuels Working Group has forged a consensus approach to analyse the energy and greenhouse gas balances of a potentially significant biofuel.

The study, published today, focuses on a well-to-wheel evaluation for the production of bioethanol from wheat. Previous work on this particular biofuel showed large variations in results. The LowCVP study demonstrates that substantial greenhouse gas savings can be achieved by bioethanol. However, how the fuel is made and how its by-products are used strongly affects the energy and greenhouse gas balance of the final product.

David Rickeard of ExxonMobil said: "This work is a breakthrough because it shows clearly the importance of how the fuel is made, and the factors that maximise the greenhouse gas savings."

Greg Archer, Director of the LowCVP, said: "The Low Carbon Vehicle Partnership was established to deliver just this sort of work which will help the UK to move towards the rational and effective use of biofuels, based on a highly analytical approach. I welcome this report which results from an intensive period of work from Partnership members."

Notes to Editors

1. The LowCVP bioethanol study was developed by a group of experts, led by British Sugar and ExxonMobil, and including Imperial College, Sheffield Hallam University, CONCAWE and the EU Joint Research Council, as part of the Partnership's Fuels Working Group.
2. Key factors that the LowCVP study found to improve the energy and greenhouse gas savings from producing bioethanol are the use of combined heat and power

(CHP), the use of straw as an energy source and the use of Distillers' Dark Grains and Solubles (DDGS) as energy for power generation.

3. HM Treasury recently issued a discussion paper on Enhanced Capital Allowances for Biofuels (October 2004) that sets out plans to incentivise biofuel manufacturing plants and machineries that deliver greenhouse gas savings over and above traditional methods based on a lifecycle assessment (LCA).
4. The recent report by the Environmental Audit Committee highlighted transport as the most significant area of concern in terms of the Government's overall Climate Change Strategy. Road transport now contributes over 20% of total UK greenhouse gas emissions and the sector's share of the total has been rising.
5. The Low Carbon Vehicle Partnership was set up in January 2003. The establishment of a stakeholder partnership was one of the central actions arising out of the Government's 'Powering Future Vehicles' strategy that identified greenhouse gas emissions reduction as a priority of future transport policy. The Partnership already comprises over 140 members representing government, the motor and fuels industries, vehicle users, environmental groups, consumer representatives and others. The Partnership is coordinated by a secretariat based in central London.
6. The main objective of the LowCVP is to contribute to the achievement of UK targets for carbon reduction from the road transport sector by:
 - _ Providing a framework of communications to encourage stakeholders to engage proactively in the move to low carbon fuels and vehicles.
 - Facilitating a forum in which stakeholders can work together to overcome market barriers.
 - Enabling partners to initiate new policy ideas or discuss the feasibility of those already on the agenda.
 - Providing Government with independent feedback on the opportunities and obstacles in the move to new vehicles and fuels and on the progress and effectiveness of current Government programmes.

Through the partnership approach, UK vehicles, fuels and related industries should be better placed to seize market opportunities in a future in which environmental concerns are set to be a major priority.

For further information/to arrange an interview:

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