



(Biofuels Research & Industry Development)

25 March 2009

Committee Secretary
Senate Standing Committee on Economics
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Chairman

Renewable Fuels Australia (formerly the National Industry Association for Biofuels in Australia) has been transformed into a Biofuels research and Industry Development organisation to support the Australian biofuels sector (Ethanol and Biodiesel) in its dual future role of:

- Contributing significantly to reducing greenhouse gas emissions in the Australian transport sector under a workable Carbon Pollution Reduction Scheme (CPRS), and
- Over the same time cycle support the unavoidable transition from Australian and global dependence on oil-based petrol and diesel as domestic and world oil supply declines in its capability to support transport and industry – including agriculture over the next 20 to 30 years.

Ethanol and biodiesel have demonstrated the capability to secure net carbon (CO₂) reductions ranging from 30% using dedicated feed corn in the U.S., to between 50% to 87% in net reductions in Australia based on industry and CSIRO life cycle analysis (LCAs) in Australia. No other demonstrated alternative fuels can offer proven carbon reduction benefits of this magnitude at this time.

Recognition of the importance and urgency of stimulating early deployment of renewable fuels such as biofuels and alternative gaseous fuels in the transport and industry sectors has been overlooked in the current CPRS model. In this respect Australia is going in one direction and the world another.

The treatment of biofuels and other cleaner burning alternative fuels as “neutral” under the current CPRS, while providing direct comfort transition support for a large carbon polluter such petrol reflects the barriers posed by ongoing strong client relationships between big polluters and bureaucracy in Australia over decades past.

We would be grateful to have the opportunity of presenting to the Committee the positive and forward role that renewable and alternative fuels can play by immediate advance deployment in Australia – especially at a time when Australia is only slowly

acknowledging the approaching global fuel energy threat in the form of declining oil supply.

Devoid of forward national and global planning and preparation, the impact of such a crisis would outstrip that of the current global financial crisis.

We would propose providing a more detail Brief for Committee members in advance of the Committee Hearing.

A signed version of this letter has also been sent to you via Fax.

Yours faithfully,

Bog Gordon
Executive Director