

Script - live webchat on biofuels

Hello. I am Dr Graeme Sweeney.

I am Executive Vice President of Future Fuels and CO₂ at Shell.

I would like to invite you to take part in a live webchat on the topic of biofuels.

The webchat will take place on Tuesday the 7th April and I hope you will register.

Why biofuels?

At Shell, we see the energy challenge through the lens of the Three Hard Truths.

First, the demand for energy will continue to surge.

Today's period of economic slowdown may moderate demand growth for a while, but the longer-term trend is still upwards.

That's because 3 billion energy consumers will be added to the world's population during the first half of this century. And those people would like access to electricity and personal transport.

The second hard truth is that energy supplies – from all sources – will struggle to keep up with demand.

So we will need rapid growth in renewables and nuclear alongside continued dependence on fossil fuels such as oil, gas and coal

And third, the environmental stresses from producing and using all this energy are increasing.

Chief among those stresses is climate change. There is an urgent need to reduce green house gas emissions.

When I talk with people about how to meet this challenge, we usually cover topics like....

How to increase energy efficiency

Markets and government regulation

The role of fossil fuels versus nuclear and renewables

And the cost of capturing CO₂ and storing it underground....

Often, the discussion turns to transport and how we can contain the growth of emissions in the transport sector. This touches on...

Improved vehicle efficiency

Changing our attitudes to transport and driving

And the prospects for electric cars, hydrogen-fuel cells and biofuels

Shell believes that a mixture of transport fuel options will be required. That means electricity and hydrogen and biofuels, rather than one or another. And we think that mixture will vary by market.

We see biofuels as particularly important because they are here today.

You may already know that Shell buys and distributes a lot of biofuels today – to meet specific government requirements in a number of countries where we operate.

But I note, from conversations, that people have concerns about whether biofuels really help at all...

That instead of genuinely reducing emissions, they cause other, unintended problems.

At Shell, we too ask ourselves the question about the CO₂ performance of biofuels - and we observe that today's bioethanols and biodiesels are certainly not all the same. Some have a very good CO₂ footprint, as compared to conventional fuel - sugar cane ethanol produced in Brazil for example while others are not so good.

We also ask ourselves the question about sustainability. That's why we are an active participant in developing industry sustainability standards for the supply chain. And why we are researching and developing "next generation" biofuels made from new materials, like straw or plant residue.

We believe industry and governments should work together both on sustainability safeguards and on moving next generation biofuels through the demonstration phase.

But how did we arrive at this conclusion and do you agree?

Or do you think there are issues or opportunities being missed?

By logging on to the live webchat on Tuesday 7th April, you can have your say.

I hope you can join us and I look forward to your questions.