TEHA Group and Eni Study on biofuels from renewable feedstocks: an opportunity for Europe

The study highlights that biofuels from renewable feedstocks are a solution to help decarbonise transport, contribute to energy security and maintain industrial competitiveness in Europe.

Cernobbio (Como), 5 September 2026 – The strategic Study "Sustainable biofuels as a strategic lever for industrial competitiveness, energy security and decarbonization", produced by TEHA Group together with Eni, was presented today at the Cernobbio Forum organised by TEHA.

Since the Green Deal was conceived, the global energy scenario has changed radically: the crises of recent years have shown that dependencies on technologies, raw materials and production capacity can have systemic impacts, potentially dangerous for Europe's energy security. This is the starting point of the Study, which identifies biofuels from renewable feedstocks, such as HVO (Hydrogenated Vegetable Oil) and SAF (Sustainable Aviation Fuel), as an already available solution to diversify supplies, reduce GHG emissions along the value chain and preserve the industrial capacity and skills of European countries.

"Europe must avoid repeating the mistakes of the past. A transition that replaces one dependency with another does not strengthen the continent, it merely shifts its vulnerability. Biofuels represent a concrete lever for decarbonising transport, as well as for diversification, security and industrial policy. It is necessary to move beyond a predominantly regulatory approach and adopt a more pragmatic and industrial vision, aware of the new geopolitical risks", said **Valerio De Molli**, Managing Partner and CEO of TEHA Group.

"One of the main challenges for Europe is to combine the energy transition with industrial competitiveness and with economic and social sustainability. In this context, biofuels represent an immediately available solution to reduce emissions from the transport sector along the entire value chain, since they are widely available, can be distributed through existing infrastructure and can be used in most of the diesel engines currently on the road. Biofuels are a solution complementary to other energy carriers, which also makes it possible to strengthen both energy security and European industrial competitiveness. Eni's experience shows how technological innovation, together with the enhancement of industrial and professional skills, can drive transformation processes capable of generating value, employment and sustainable development, while at the same time supporting Europe's competitiveness", said **Stefano Ballista**, CEO of Enilive.

The European context

An approach to the transition that favours only certain technologies risks creating areas of vulnerability for European industry and security: dependence on imports of energy and raw materials, as well as the loss of production capacity, can become structural and difficult to reverse. Some examples are already under way. In the automotive sector, imports of finished vehicles more than tripled between 2015 and 2025, reaching around 166 billion euros, while the potential loss of value added for the sector in the EU is estimated at between 30 and 60 billion euros per year[1]. In the refining sector, Europe has lost 21% of its production capacity since 2009. Europe has a limited capacity to meet demand, particularly for products such as diesel and jet fuel, for which import dependence has increased significantly; it is also estimated that this has resulted in the loss of between 90,000 and 130,000 skilled jobs[2]. To give another example, in critical raw materials, 100% of the refined heavy rare earths used in the Union come from China[3].

It is also estimated that, in the European Union, the development of digital technologies and artificial intelligence will increase electricity demand from data centres from 96 TWh in 2024 to 236 TWh in 2035[4]. It is therefore essential to ease the competition for access to electricity, using each technology in the areas where it delivers the greatest benefit. In mobility, biofuels represent an immediately available solution to reduce emissions also in *hard to abate* sectors (heavy road transport, aviation and maritime) and to diversify sources, technologies and supply geographies. A technology-neutral approach to mobility could therefore make it possible to allocate a greater share of electricity resources to other areas that will be of strategic importance for Europe as well over the next decade, such as digital technologies and artificial intelligence.

Within this framework, biofuels are not an alternative to electric mobility, but a complementary choice.

Biofuels: the common misconceptions to be debunked

TEHA Group has identified, in the European debate on biofuels, ‘false myths’ and information not supported by scientific evidence. The Study has tested several recurring beliefs, in order to provide the public debate with new measurable and verifiable elements.

Three findings are particularly relevant:

- **Biofuels can contribute immediately to reducing GHG emissions from transport.** Biofuels are compatible with a large part of the European vehicle fleet: over 170 million diesel vehicles (Euro 5-V and Euro 6-VI) are already compatible, if validated by the manufacturer, with biofuels from renewable feedstocks such as HVO, which can be used in pure form (i.e. not blended with fossil fuels) and without any need for modifications to engines or to the product distribution infrastructure. Maritime and air transport can benefit from this same advantage: in the former, HVO can be used in pure form, while in the latter SAF is suitable for use blended with conventional jet fuel up to 50%.
- **Investments in biorefineries are an industrial and social opportunity**. The conversions already carried out by Eni at Porto Marghera (Venice) in 2014 and at Gela in 2019 show that it is possible to preserve production sites, skills and employment, regenerating industrial areas and maintaining social cohesion in local communities: an example of how decarbonisation objectives can strengthen, rather than weaken, Europe’s industrial footprint. It is estimated that private investments in the sector in Europe could generate up to 66 billion

euros of GDP, supporting over 33,000 jobs[5]. A result that is even more significant when compared with the approximately 49 billion euros of public resources allocated to electric mobility between 2016 and 2030, of which, given the structure of the value chains, China risks being among the main beneficiaries[6].

- **The new agricultural supply chains for biofuel production can be synergistic with food production**. In addition to waste and residue feedstocks, such as used cooking oils, animal fats and residues from the agri-food industry, biorefineries can process vegetable oils obtained from intermediate crops grown in rotation with food production and from crops on degraded land. Globally, this represents a potential equal to around five times Europe's needs[7], without taking land away from food production. These supply chains for the diversified sourcing of biorefineries can also generate positive impacts beyond Europe's borders. In the early years of the next decade, the projects promoted by Eni, mainly on the African continent, could involve over one million farmers, recovering land that is today heavily degraded, and therefore unproductive, and growing production of agri-feedstock for biofuels together with food production, as well as making feed available for local livestock farming.

Some proposals for changing the approach

The Study puts forward a number of proposals for European policy makers, in the hope of moving from a predominantly restrictive stance to a more pragmatic and informed approach:

- **From a Europe that measures only tailpipe emissions to a Europe that assesses emissions along the entire value chain**, recognising the immediate contribution of biofuels to GHG reduction (including through the introduction of a new class of vehicles that can be considered "low-carbon" because they are powered exclusively by pure biofuels produced from the most environmentally sustainable renewable feedstocks). The transition cannot rely solely on solutions that may only reach maturity in the long term: it is necessary to support technologies that are already available, scalable and capable of delivering measurable results.
- **From a Europe that closes refineries to a Europe that transforms its industrial base**, supporting the conversion of existing plants into biorefineries and preserving production capacity, skills and employment.
- **From a Europe that presumes competition between agriculture and energy to a Europe that verifies the sustainability levels of biofuels through real data**, using field measurements, traceability and digital technologies to recognise genuinely additional and more sustainable production. The rules should guarantee flexibility for farmers to make the most of the land and increase economic resilience, on the basis of the additionality principle and therefore without taking anything away from food production. Within this framework, biofuels take on an important role as a lever for cooperation with producer countries, ensure the diversification of supplies and contribute to energy security.

[1] *TEHA Group elaboration based on Eurostat data, 2026.*
[2] *TEHA Group elaboration based on FuelsEurope data, 2026.*
[3] *TEHA Group elaboration based on European Commission data, 2026.*
[4] *TEHA Group estimate.*
[5] *TEHA Group estimate.*
[6] *TEHA Group elaboration based on analysis of TEHA, EIB and European Commission data, 2026.*
[7] *TEHA Group estimate based on Eni, European Commission (DG ENER), IRENA, Transport & Environment/Cerulogy data, 2026.*

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