



# RED AND YOUR RED TRACTOR MEMBERSHIP — A VALUABLE PARTNERSHIP



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Since I took the Chair of the Red Tractor Cereals, Oilseeds and Sugar Beet Board in January earlier this year I've spent quite a bit of time talking to arable farmers about Red Tractor and listening to their comments. One of the more curious questions has been along the lines of 'Why does Red Tractor get involved with assuring crops that go into biofuel?'. It's a good question because clearly this isn't about food assurance and you will never see the Red Tractor logo on fuel station forecourts.

The answer is to be found in the Renewable Energy Directive in the EU – as mirrored by the Renewable Transport fuel Obligation (RTFO) in the UK under Brexit rules. These are the directives and obligations that largely drive the demand for biofuel that in turn farmers will benefit from by selling crops into this new and expanding market soon to be supercharged by the E10 initiative. The reality is that on its own biofuel made from farm-grown crops would struggle to compete against fossil fuels because the latter are cheaper to

produce. So the RED is the instrument by which the government insists by law that a proportion of the country's fuels come from renewable sources. But there is a catch. Concerns have been expressed that this government-backed encouragement of the use of biofuels could have a negative effect on the environment if too much land of a high ecological status is converted for biofuel production. This has led to the government insisting that on-farm checks are made to ensure biofuels are not produced at the expense of

**“NO FARMER LIKES EXTRA RED TAPE BUT, AT THE SAME TIME, FARMERS RECOGNISE THE IMPORTANCE OF NEW MARKETS SUCH AS BIOFUELS FOR THEIR CROPS TO HELP STRENGTHEN PRICES”**

this land. So for crops such as wheat or oilseed rape to be allowed to go into the biofuels market they must be certified as eligible through an approved scheme. This is true for all crops that go into our biofuel refineries, whether they are produced domestically from UK farms or imported from abroad. To provide these checks the RED/RTFO recognises a number of schemes. Red Tractor is one of them.

To date this level of necessary compliance has been achieved through a fairly straightforward verification by the farmer that they haven't started producing grain for the biofuel market at the expense of ecologically sensitive areas on their farm. Unfortunately the government has now decided this isn't enough and they want to see further evidence proving that grain or oilseed being loaded out of a farm grain store actually came from the assured farm. This will mean some more record-keeping and further questions and checks in the Red Tractor audit.

As someone who grows wheat in the South East, which is a long way from the biofuel refineries in the North East, I'm conscious that I am unlikely to sell directly into these markets. But I'm also aware that if the biofuel market is going to use a significant proportion of UK wheat production then this will help strengthen the wheat price which, in turn, will benefit me as a wheat producer. It may also be the case that occasionally my wheat will find its way into a domestic biofuel home or that an export market for crops to the EU for biofuel may open up which will also give me important new markets for my produce. So it makes sense for as much of the UK crop as possible to be RED/RTFO compliant.