

## Plenary, 11<sup>th</sup> September 2013 - Vote for sustainable biofuels

The World Bank, OECD, WTO, IFPRI, IMF, UN agencies and companies such as Unilever, Nestle, and Carrefour have all expressed concerns over the sustainability of biofuels, declaring that 'biofuels mandates should be evaluated regarding their impact on global food security priorities'<sup>1</sup>. We also know that while biofuels policy mandates were adopted with the best of intentions, a few years into their implementation has shown that many first generation biofuels produce more Greenhouse Gas (GHG) emissions than fossil fuels. This is why the European Union is now reviewing its Directive 2009/28/EC (Renewable Energy Directive) and Directive 1998/70/EC (Food Quality Directive) on the promotion of the use of energy from renewables and biofuels.

At a time where food insecurity is increasing for all, with one in eight people going to bed hungry every day, we urge you to adopt sustainable biofuels policies at the plenary vote on September 11<sup>th</sup>, supporting:

- A 5% or lower cap on land based biofuels in the RED and FQD
- The inclusion of Indirect Land Use Change reporting and accounting

This would be a first step towards:

1. Food security for all
2. Less Green House Gas emissions
3. More certainty for investors, more sustainable jobs, truly sustainable renewable energies
4. Real energy independence

### Reason 1 – The current model of biofuels production increases food insecurity

**Land based biofuels (or first generation biofuels) production diverts food from the food system to fuel cars:** Some 65% of domestic EU vegetable oils (mainly rapeseed), 40% of US maize and 50% of Brazilian sugar cane now goes towards biofuels.<sup>2</sup> The amount of food consumed as fuel by G8 countries annually could have fed more than 441 million people for a year, more than seven times the population of the UK.<sup>3</sup>

**This leads to increased global food prices:** The competition between crops for food and crops for fuel will inevitably lead to food price rises. In the poorest countries families spend as much as 80% of their income on food. The EU's biofuels targets could by 2020 increase oilseed prices by up to 20%, vegetable oil prices as much as 36%, maize by as much as 22%, sugar by as much as 21% and wheat by as much as 13%.<sup>4</sup> The World Bank, OECD, WTO, IFPRI, IMF, and five other UN agencies all told G20 governments that 'prices are substantially higher than they would be if no biofuels were produced.'<sup>5</sup>

**And land grabs:** Many of the recent large-scale land acquisitions in Africa and worldwide have taken place for biofuels<sup>6</sup>. A report from the World Economic Forum also showed that Africa will become a very significant exporter of biofuels to the EU by 2020<sup>7</sup>. ActionAid research documents European biofuels activities in African between 2009 and 2013: 98 biofuels projects so far, cover 6 million hectares of land.<sup>8</sup>

**The Commission does not establish an accurate picture of the impact of EU policy on developing countries:** The recent report from the European Commission based on a background study by consultancy Ecofys on the social impacts of the Renewable Energy Directive (RED)<sup>9</sup> features a seriously limited scope, timeframe, set of references, questionable assumptions, methodological flaws and inconsistencies such that it is impossible to even begin to establish a clear picture of the reality on the ground. The obligation to

<sup>1</sup> B20 Taskforce recommendations on food security, released early 2012 ahead of the G20 meeting in Mexico.

<sup>2</sup> OECD-FAO, 2012. Agricultural Outlook 2012-2021. Page 90.

<sup>3</sup> ActionAid UK (2013) *Fuelling Hunger*. Available at: [http://www.actionaid.org.uk/sites/default/files/publications/if\\_media\\_report.pdf](http://www.actionaid.org.uk/sites/default/files/publications/if_media_report.pdf)

<sup>4</sup> OECD-FAO, 2011, Agricultural Outlook 2011-2020 [http://www.fao.org/fileadmin/user\\_upload/newsroom/docs/Outlookflyer.pdf](http://www.fao.org/fileadmin/user_upload/newsroom/docs/Outlookflyer.pdf)

<sup>5</sup> World Bank et al, 2011. Price Volatility in Food and Agriculture Markets: Policy Responses. <http://www.oecd.org/agriculture/pricevolatilityinfoodandagriculturemarketspolicyresponses.htm>

<sup>6</sup> Due to lack of transparency the exact share is unknown but most research indicates that biofuels constitute one of the biggest drivers of large-scale land-acquisitions, in particular in Africa. (Schoneveld, G. 2011; Anseeuw W. et al. 2012; HLPE CFS 2013 p 84/5).

<sup>7</sup> [http://www3.weforum.org/docs/WEF\\_FutureIndustrialBiorefineries\\_Report\\_2010.pdf](http://www3.weforum.org/docs/WEF_FutureIndustrialBiorefineries_Report_2010.pdf)

<sup>8</sup> Adding Fuel to the Flame, ActionAid, 2013, [http://www.actionaid.org/sites/files/actionaid/adding\\_fuel\\_to\\_the\\_flame\\_actionaid\\_2013\\_final\\_0.pdf](http://www.actionaid.org/sites/files/actionaid/adding_fuel_to_the_flame_actionaid_2013_final_0.pdf)

<sup>9</sup> In the March 2013 EC Renewable Energy Progress and Biofuels Sustainability Report [http://ec.europa.eu/energy/renewables/reports/doc/2013\\_renewable\\_energy\\_progress.pdf](http://ec.europa.eu/energy/renewables/reports/doc/2013_renewable_energy_progress.pdf)

ensure Policy Coherence for Development requires sufficient analysis to be carried out to establish whether EU policies are having an effect on developing countries and to ensure that any such effects do not harm development countries or contradict EU development objectives.

**No policy coherence:** DG Energy of the European Commission effectively ignores and violates the Lisbon Treaty in relation to its obligation to ensure Policy Coherence for Development. This leads to situations such as in Senegal, where more than a million people received assistance from the World Food Programme (WFP) in 2012 due to food insecurity. Yet the amount of land being taken out of food production in Senegal alone to produce biofuels is just under half the size of Northern Ireland. Please read our [expose on the issue](#) for further details.

### **Reason 2 – The current model of biofuels production goes against our climate change mitigation efforts**

The creation of vast tracts of land to grow food crops for use as transportation fuel inevitably means that other areas will need to be cleared and used to grow crops for food. This leads to increased greenhouse gas emissions. Many types of biofuels currently in use are not actually better for the environment than the fossil fuels they were meant to replace. The total net GHG emissions from biofuels could be as much as 56 million tonnes of extra CO<sub>2</sub> per year, the equivalent of putting an extra 12 to 26 million cars on Europe's roads by 2020.<sup>10</sup>

### **Reason 3 – There is no sound economic case to continue using harmful biofuels**

With an increasing number of people on the planet and less resources day by day, encouraging the use of food for fuel seems incredibly short-termist. The cap on the use of crops for transport fuel would send a strong and rational message, providing certainty to investors that they need to invest in alternatives. Indeed, most biofuels will be imported in order to reach the current targets, thus limiting their potential to create jobs in the EU.

Please read our [paper addressing industry concerns](#).

### **Reason 4 – The use of biofuels based on land crops does not increase our independence to energy supplies**

A recent report from the GSI and IISD estimated that 'At present biofuels produced in the EU meet about 4% of the demand for motor fuels (5% if imported biofuels are included). Thus the EU's current biofuels production effectively replaces the output of 2 or 3 large fossil-fuel refineries'. Furthermore, on the basis that most biofuels will have to be produced abroad, we are replacing our dependency on foreign fossil fuels with a new dependency on foreign biofuels imports.

#### **What you can do as Member of the European Parliament:**

- Speak to colleagues in your party and ask them to support a 5% cap on land based biofuels
- Support amendments that propose caps of lower than 5% and a phase out to 0% by 2020.
- Please ensure that the ENVI position of a 5.5% cap is maintained as an absolute minimum
- Speak up at the debate on the day of the vote in support of sustainable development

**What is the position of the leading committee on this issue?** ENVI committee, led by Corinne Lepage has voted for:

- A 5.5% cap on biofuels produced from food and energy based crops in both the RED and the FQD
- The inclusion of Indirect Land Use Change reporting and accounting

<sup>10</sup> 'Driving to Destruction', ActionAid, on our website.