



EuropaBio answer to the European Environment Agency proposal to drop the 10% target for biofuels in the Renewable Energy Directive

Brussels, 17 April 2008

In response to the European Environment Agency (EEA) statement recommending that biofuels targets be dropped from the Renewable Energy Directive, the biotech industry notes that the EEA's scientific committee has not come up with any new scientific evidence that underpins its strong warnings against dropping the 10% target.

The European biotech industry strongly supports EU initiatives to promote the use of biofuels to mitigate greenhouse gas emissions. EuropaBio shares the concern of European leaders that the high use of energy stemming from fossil resources is irresponsible in the long term. It is the opinion of EuropaBio that the only feasible alternatives today to fossil-based energy for the transport sector are liquid biofuels. Biofuels will not replace fossil fuels, but are part of the solution to external dependency for energy and to green house gas emissions.

Urgent solutions are necessary to address GHG emissions from road transport sector. The Biofuels Directives' previous targets (2% in 2005 and 5.75% in 2010) were not met and run the risk of not being achieved because ineffectual non-binding targets hinder a consistent engagement. Setting ambitious and compulsory targets is necessary to make things move faster. Recent calculations of green house gas (GHG) emission savings made by the Commission (1) show that various forms of biofuels offer a considerable advantage in GHG emission reduction compared to fossil fuels, and most of them already meet the requirements provided under the EC's proposal for sustainability criteria. These criteria are also intended for biofuels in developing countries, and aim to minimise any unsustainable production of biofuels that destroy protected biodiversity. Europe has taken a global lead in proposing mandatory sustainability requirements as a part of its biofuel policy. These sustainability requirements can ensure the attainment of the 10% biofuel target with sustainable biofuels delivering an environmental benefit.

The biotech industry believes that dropping the biofuels target of 10% from the Renewable Energy Directive could shift the EU away from biofuel production and use, while countries like the US and Brazil, continue their production and receive the economic and environmental benefits that biofuels can provide. It would also mean giving away the EU's intended leadership in creating international standards for economic, environmental and social sustainability of biofuels, and by extension an important part of our agricultural production. By turning away from it now, it would ignore the fact that current efforts for GHG savings represent only the first stage of a promising learning curve. It would also be a rebound in dedicated efforts by producers and policy makers to put climate change in the forefront of crop management improvement. There is every reason to believe that agriculture will continue to make rapid progress along this line, in fact it is already doing so.

EuropaBio has recently published a series of factsheets showing that increased biofuels production itself have minimal impact on food prices compared to 'food' uses of the crops (2). They also showed that the current raw material price increases are rather due to bad harvests in 2007 in key agricultural regions such as Australia and Ukraine, as well as to increased demands for animal feed since more meat is being eaten by hundreds of millions of people in China and other emerging economies (3). These factsheets show that hunger is not caused by a lack of

food, but rather by the inability to access food due to poverty. On the opposite biofuels provides farmers with tools they can use to serve new markets and increase their income potential. It can also foster the development of infrastructures which can in turn benefit agricultural production of food. (4)

EuropaBio recently developed four pillars of its sustainability principles, :

- 1) The development of a credible and robust certification scheme on an EU or global basis to guarantee that biofuels are produced in an environmentally sustainable way.
- 2) The development of sustainability criteria for the biomass used for biofuel production as well as for all (energy) applications
- 3) The insistence that the use of biomass for fuel purposes should not jeopardize European and third countries' ability to secure its people's food supply, nor should it prevent protecting forests, preventing soil degradation and keeping a good ecological status of waters.
- 4) The support of a threshold value for greenhouse gas (GHG) savings, restrictions on land use to avoid major reduction in carbon stocks and biodiversity loss from land use change.

EuropaBio acknowledges the complexity of the challenges in developing sustainable biofuels globally, and we feel that where we can contribute to solving this is by developing technological solutions for converting biomass efficiently into biofuels. Today, first generation biofuels are seen as a stepping stone and paving the way for second generation biofuels, which have a bigger value proposition for the environment. Second generation biofuels will start becoming commercially available around 2011-2012, and could contribute a significant proportion of biofuels in 2020 with appropriate support. This is not a minor contribution, since it could alleviate the currently high and growing emissions from the transportation sector.

Although the objective is the development and introduction of advanced generation more sustainable biofuels, the biofuel sector needs to be developed now to provide a bridge to second generation technologies. Abandoning the biofuels target now would bring the development of such technologies to a halt in Europe, and would exclude Europe in any future involvement both in the development of such technologies and setting high standards for environmental wider societal benefits.

As a conclusion, we understand that the sustainable use of forests is of particular concern for EEA, and that the sustainable production of biomass and biofuel outside Europe, according to the opinion of the EEA Scientific Committee, is difficult to achieve and to monitor. It is obvious to everybody that fire clearing of tropical and subtropical forests for gaining agricultural land is contradictory to any sustainability issue, whether CO2 savings or the protection of undisturbed ecosystems and natural diversity. However, it is EuropaBio's conviction that the monitoring problems stipulated by EEA shall stimulate the development of a credible and robust certification system. Stopping biofuels development will not put a halt to deforestation or pressure on biodiversity, but developing and enforcing criteria for biomass production can ensure sustainable use of land and renewable resources.

REFERENCES:

(1) Renewable Energy Directive, Annex VII (p. 50)

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0019:FIN:EN:PD>

(2)(3) EuropaBio factsheet on Biofuels and Food

(4) EuropaBio factsheet on Biofuels and Developing Countries

NOTES TO EDITORS

EuropaBio Biofuels factsheets can be found at:

http://www.europabio.org/Biofuels/Biofuels_about.htm

EuropaBio's biofuels brochure and factsheets cover the following topics:

- 1) EuropaBio Biofuels brochure: Biotechnology: Making biofuels sustainable
- 2) EuropaBio Factsheet: Biofuels and land use
- 3) EuropaBio Factsheet: Biofuels and developing countries
- 4) EuropaBio Factsheet: Biofuels and food
- 5) EuropaBio Factsheet: Biofuels: Environmental sustainability criteria

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About EuropaBio

EuropaBio's mission is to promote an innovative and dynamic biotechnology-based industry in Europe. EuropaBio, (the European Association for Bioindustries), has 81 corporate and 5 associate members operating worldwide, 6 Bioregions and 25 national biotechnology associations representing some 1800 small and medium sized enterprises. More information on: www.europabio.org