

IEAGHG Information Paper; 2013-IP16: Developments on EU Biofuels Policy

In an earlier Information Paper (IP1-2013) I referred to a paper by D.J Ward and O.R Inderwildi, Oxford University on the Global and Local impacts of renewable energy policy; D.J Ward and O.R Inderwildi, Oxford University. In the paper, the authors suggest that policy measures in one country can have unforeseen global impacts if considered in isolation. One case example that the authors referred to was the EU biofuels Directive (2003/03/EC) The biofuel required to meet the targets set under the Directive meant that the EU had to rely on imports. This has led to a global market for biofuels and as a consequence has contributed to land use change e.g. deforestation in south East Asia for palm oil farming. The EU Directive they argued increased global emissions and counteracted a UN Initiative on Reducing Emissions from Deforestation and Degradation.

It now seems that the EU is reconsidering its biofuels policy. A recent article in Nature entitled; EU-reversal-on-biofuels-policy-kicks-off-fresh-battle.

It seems that Environmental groups, development non-governmental organizations (NGOs) and the biofuels sector were surprised in September when a leak of a long-delayed European Commission legislative proposal suggested that Brussels now wants to halve targets and shift support to more advanced fuels that it says do not displace food farming.

The draft report suggests that "Biofuels that do not lead to substantial greenhouse gas savings (when emissions from indirect land-use change are included) and are produced from crops used for food and feed should not be subsidised [after 2020],"

The two departments in the commission responsible for drafting the policy adjustment now want to cap the amount coming from food crops at 5% and shift the emphasis from land-derived feedstocks entirely to 'second-generation' biofuels coming from municipal waste, algae and agricultural residues (such as stalks, nut shells, husks and cobs).

The proposals must still be approved by the EU Council of Minsters and the European Parliament, a process unlikely to be completed before 2015. But biofuels firms may already have lost out in the long run as a result of the leaks, as investors exit the sector owing to regulatory uncertainty.

Once hailed as a hero in the battle against climate change, the sector is now viewed as a villain by greens after a series of reports showing that some biofuels may produce greater greenhouse-gas emissions than fossil fuels, once land-use changes are taken into account. Development NGOs, human-rights organizations and indigenous groups have also mounted sharp criticisms of biofuels policies, saying that they push food prices up and result in internecine violence as a product of land disputes.

Food prices are also a sensitive domestic topic in many EU states. As a result, even those agricultureintensive countries with significant biodiesel production that historically were the major supporters of EU biofuels policies — France, Spain, Italy and Germany — have toned down or reversed their backing.

See full article at: <u>http://blogs.nature.com/news/2012/10/eu-reversal-on-biofuels-policy-kicks-off-fresh-battle.html</u>

One of the key reports the article refers to is:

Use of U.S. Croplands for Biofuels Increases Greenhouse Gases through Emissions from Land-Use Change by Timothy Searchinger et al, Published in Science 29 February 2008: Vol. 319 no. 5867 pp. 1238-1240



Abstract

Most prior studies have found that substituting biofuels for gasoline will reduce greenhouse gases because biofuels sequester carbon through the growth of the feedstock. These analyses have failed to count the carbon emissions that occur as farmers worldwide respond to higher prices and convert forest and grassland to new cropland to replace the grain (or cropland) diverted to biofuels. By using a worldwide agricultural model to estimate emissions from land-use change, we found that cornbased ethanol, instead of producing a 20% savings, nearly doubles greenhouse emissions over 30 years and increases greenhouse gases for 167 years. Biofuels from switchgrass, if grown on U.S. corn lands, increase emissions by 50%. This result raises concerns about large biofuel mandates and highlights the value of using waste products.

See the following link to find the article: <u>http://www.sciencemag.org/content/319/5867/1238.abstract</u>

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