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## **Biodiesel industry rejects EU land use impact study**

Europe's biodiesel industry rejected the findings of a draft EU study showing that the cultivation of rapeseed to make road transport fuels is worse for the climate than using conventional diesel.

The European Biodiesel Board (EBB) said on Friday the study's central finding -- that the effects of indirect land use to produce most types of biodiesel cancel out any theoretical emissions savings -- was "highly debatable and unscientific."

"Can an industry like the biodiesel industry -- the number one renewable fuel industry in Europe -- be at risk of closing its production plants because of something that is not validated?" said EBB Secretary General Raffaello Garofalo at a news conference in Brussels.

On the same day, a coalition of more than 150 international scientists warned that the indirect land impact of biofuels was significant and that current scientific understanding justified immediate action by EU policymakers.

"All the studies of land use change indicate that the emissions related to biofuels expansion are significant and can be quite large," the scientists said in a letter to the EU's executive, the European Commission.

The controversy centers on indirect land use change (ILUC), a relatively new concept that the rapid expansion of biofuel production in recent years is driving up the overall demand for agricultural land.

If that increased demand is met by clearing rainforest or draining peat lands, this can release enough stored carbon into the atmosphere to cancel out any theoretical emissions savings from biofuels.

### **NEW EU RULES**

The Commission is currently drawing up proposals on how to account for ILUC in European renewable energy legislation, which sets a mandatory EU-wide goal for increasing the share of biofuels in road transport to about 10 percent by 2020.

A series of leaked EU studies showed that biodiesel from European rapeseed, South American soy beans and Asian palm oil all have a greater overall climate impact than normal diesel.

If the Commission follows the advice contained in the studies and penalizes individual biofuel crops on the basis of their estimated ILUC emissions, it could wipe out the bloc's 13 billion euro (\$17.5 billion) biodiesel industry overnight.

It would also give a boost to ethanol producers such as Spain's Abengoa and increase the market for fuels derived from Brazilian sugar cane as the EU seeks to fill the 80 percent gap in its biofuel market currently occupied by biodiesel.

EBB said it had commissioned two scientific reports of its own, which showed that the main EU study had greatly overestimated the impact of ILUC.

"EBB encourages the Commission and the legislative institutions to refrain from adopting any regulations inspired by such theoretical and unverified scientific concepts," it said in a statement.

A panel of 19 independent scientists from the EU's own environment watchdog -- the European Environment Agency -- recently warned the Commission against any delay in addressing the indirect land use change impact of biofuels.

(\$1 = 0.741 Euros)

(Editing by Jane Baird)