

FRIEND OR FOE? Increased cultivation of biofuel crops could actually result in more greenhouse gases. REUTERS



# Second thoughts on biofuel

**Biofuel was supposed to be an environment-friendly saviour for transport fuel, but concerns over land use have prompted a dramatic reassessment, writes Dave Keating**

It appeared to be an about-face from the European Commission. Five years ago, biofuel was being heralded as a way for Europe to alleviate its dependence on fossil fuel, and the EU set itself the binding target of sourcing 10% of its transport fuel from renewable sources (mostly biofuel) by 2020, up from 4.5% today. But this month a leaked draft showed that the Commission is shortly to adjust that policy, limiting the amount of biofuel that can come from food crops.

For years campaigners and academics have been warning that quotas for biofuel around the world – most notably in the EU and the United States – were threatening to cause food prices to rise by siphoning certain crops away from production. Now addi-

tional evidence suggests that changes in land use as a result of increased cultivation of biofuel crops could actually result in more greenhouse gases in the atmosphere than would be saved by using the biofuel instead of fossil fuel. That is because the loss of natural forest cover takes away carbon-absorbing trees.

This renewable fuel thus went from being the darling of environmental campaigners to being an enemy. "Bio-fuel is wreaking havoc on tight food markets and our forests, increasing hunger and accelerating climate change, just so Europe can fuel its cars," says Robbie Blake, a biofuel campaigner with Friends of the Earth Europe.

But though studies on the indirect land-use change (ILUC) of biofuel have been

mounting, many see the science as inconclusive. For this reason, the proposal to take ILUC into account has been stalled within the Commission for months. The climate-action department wanted to insert weightings into the fuel-quality directive and the renewable-energy directive that would identify types of biofuel causing less land-use change than others. But the energy department argued that there was insufficient scientific evidence to support such a move.

**Compromise**  
A draft compromise text finally agreed by the two departments would insert the weightings into the fuel-quality law but not into the renewable-energy law. In the latter, a cap would be set on the use of 'first-generation'

biofuel, limiting its share of the market to 5% of transport fuel. Production of such biofuel is held to consume more land than later technology, when indirect land-use change is taken into account. In a joint statement released after the draft was leaked, the climate commissioner, Connie Hedegaard, and energy commissioner, Günther Oettinger, said: "Our clear preference is bio-fuel produced from non-food feedstocks, like waste or agricultural residues such as straw. This new type of bio-fuel is not in competition with food, nor does it require additional land."

But the biofuel industry, particularly the biodiesel and vegetable oil sector, has reacted furiously to the proposal. A reaction co-signed by a number of groups including the European Biodiesel Board (EBB), vegetable oils and protein-meal industry group Fediol and farmers union Copa-Cogeca, termed the proposal "a masterpiece of irresponsible

policy-making". It said: "The European biofuel industry has made investments that amount to €14 billion and is estimated to provide direct jobs to 100,000 European citizens. ILUC factors included in the fuel quality directive would cause the immediate death of the overall EU biodiesel and biofuel sector."

**Threats to the industry**  
The industry is particularly incensed that, though the proposal would allow the use of first-generation biofuel to meet the quota until 2020, it effectively rules out its use after 2020. This will, it says, destroy existing investments that have been made in response to the original EU policy. "The Commission's current proposal threatens an industry that arose as a response to its policies and has invested massively in the next generation of biofuel technologies," said Jean-Philippe Puig, CEO of biofuel company Sofiproteol. "This proposal is, in fact, a

U-turn from the EU's ambition to reach 10% of renewable energy in transport by 2020."

Campaigners say there are new types of biofuel in existence and in development that will not have the same ILUC impact, and can still meet the 10% target. The industry claims in response that this is an accounting trick, because non-land-using biofuel would count for four times as much as first-generation biofuel. This "will shrink the target to only 25% of the real target", says the EBB. "All the remaining quota will in reality be absorbed by fossil fuels."

There is still a possibility that the agreement reached between the energy and climate departments will be rejected by the Commission's agriculture department, though Commission sources say this is unlikely. The real test may come from member states, fearful of projecting an image of uncertainty to potential investors in renewables.