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## EU deal on biofuels remains distant

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Environment ministers from the EU's 27 member states are unlikely to reach an agreement on core criteria for the sustainability of biofuels, according to a document circulated by the Slovenian Presidency.

"There remain important differences of opinion on certain issues," the report said.

The Slovenian Presidency has been pushing for a compromise around a two-stage target to ensure that the EU's goal of achieving a 10% biofuel share in transport fuels by 2020 does not provoke major negative environmental side-effects, such as deforestation, food price hikes and water shortages.

Under this approach, only biofuels delivering life-cycle CO<sub>2</sub> savings of at least 35% compared to fossil fuels would count towards the 10% target. This figure would then be scaled up to 50% as of 2015 ([EurActiv 01/04/08](#)).

But, despite the establishment of a dedicated [working group](#) on the subject and three months of intense discussions, member states remain divided as to the timing and the size of the final savings that should apply, with some countries demanding final cuts of as much as 60% and others much less.

There are also big differences of opinion as to how and by which authorities the respect of these principles should be ensured, according to diplomatic sources.

What's more, the extent to which the EU should apply social and environmental sustainability conditions to third countries is also disputed. Some countries, such as the UK and the Netherlands, fear this could be interpreted as constituting illegal trade barriers by Europe's major trading partners, leading to litigation within the World Trade Organisation.

In the meantime, a UN Summit in Rome, gathering world leaders and food and agriculture experts, lambasted the EU's biofuel promotion policy.

UN Food and Agriculture Organisation (FAO) Director General Jacques Diouf said it was "incomprehensible" that, in 2006, subsidies worth €7-8 billion were used "to divert 100 million tonnes of cereals from human consumption mostly to satisfy a thirst for fuels for vehicles".

NGOs are accusing biofuels for being at the source of around 30% of food price increases, pointing out that "the Commission's conservative estimate that the EU 10% target will lead to a 3-6% price increase in cereals could result in up to 100 million extra people in hunger by 2020".

However, Brazil, the world's largest ethanol producer, defended biofuels. "It is frightening to see attempts to draw a cause-and-effect relationship between biofuels and the rise of food prices. It offends me to see fingers pointed against clean energy from biofuels, fingers soiled with oil and coal," said President Luiz Inacio Lula da Silva.

## Links

EU official documents

- Commission: [Biofuels page](#)
- Council: [Background briefing on Environment Council](#) (2 June 2008)

NGOs

- Friends of the Earth Europe & Oxfam International: [Europe urged to scrap biofuel targets to ease food crisis](#) (2 June 2008)

Press articles

- Reuters: [EU still split on biofuels, decision seen delayed](#)
- Associated Press: [Biofuel Battle Highlights U.N. Food Summit](#)