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MEPs seek to cut biofuel goal in clash with Commission

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The European Parliament's Environment Committee last night (7 July) voted to scale down the proposed EU-wide 10% biofuels target by 2020 to 4% by 2015. But the Commission immediately insisted that "this is NOT the official opinion of the European Parliament".

Background:

In March 2007, EU leaders committed to raising the share of biofuels in transport from current levels of around 2% to 10% by 2020, amid growing concerns over rising oil prices, energy security and climate change. Indeed, biofuels, which are mainly produced from food crops such as wheat, maize, sugar cane and vegetable oils, were seen as a key means of diversifying energy supply and cutting greenhouse gas emissions.

The pledge was translated into legal proposals, presented on [23 January 2008](#) by the Commission, as part of a broader [Directive on renewable energies](#) .

But critics now say diverting land from food crops to produce biofuels is to blame for mass deforestation, the global hike in food prices and water shortages.

The Commission's draft directive proposes introducing a range of "sustainability criteria" for biofuels to counter these concerns.

The vote confirmed a cross-party and cross-national compromise tabled by Swedish MEP Anders Wijkman in the name of the EPP-ED Group, Dutch MEP Dorette Corbey in the name of the Socialist Group, Danish MEP Johannes Lebech in the name of ALDE, Marie Anne Isler Béguin (FR) and Claude Turmes (LU) in the name of the Greens/EFA, Italian Roberto Musacchio in the name of GUE/NGL and Dutch MEP Johannes Blokland in the name of IND/DEM.

It supports a target of "at least 4%" of "renewable sources" in road transport fuels by 2015, "out of which at least 20% is met by the use of electricity or hydrogen from renewable sources, biogas or transport fuels from ligno-cellulosic biomass and algae".

Major policy shift

Such a target would in fact be even lower than the 5.75% by 2010 goal set out in the EU's original 2003 Directive on the promotion of biofuels, representing a clear attempt to distance the bloc from what has become a somewhat embarrassing commitment to promoting increased biofuel production after numerous studies have shown them to be responsible for intolerable rises in food prices, mass deforestation and water shortages.

The move to include non-biofuel sources into the target also highlights this shift, echoing statements by European energy and environment ministers last Friday ([EurActiv 07/07/08](#)).

Commission holds its corner

But the Commission's energy spokesman Ferran Tarradellas told journalists not to attach too much importance to the Environment Committee's opinion, insisting it "is just one of the EP committees giving an opinion on this" and stressing that "five other committees have voted on the matter [and] all supported the figure of 10%". The five are the Regional Affairs, Agriculture, Transport, Economic Affairs and International Trade committees, although the latter voted to defer the 10% target to 2025.

However, with 36 votes in favour, none against, and just eight abstentions, the Environment Committee's report looks to have fairly strong support. What's more, in an 8 July press release, the Parliament stressed that the lead committee on the issue – the Energy and Industry committee – will vote in September "taking into account (and, in some cases, taking on board) amendments adopted by the Environment Committee".

Tough sustainability criteria

The Environment Committee report also outlines a number of environmental and social sustainability criteria – generally tougher than those outlined by the Commission.

As member states struggle to achieve an agreement on core criteria for biofuels, the text agreed by MEPs could serve as a basis for a compromise, although it is much stronger than standards eyed by the Commission and a number of governments. Parliamentarians have opted for a two-stage approach, under which biofuels that fail to deliver life-cycle CO2 savings of at least 45% compared to fossil fuels would be banned from the start, while those delivering less than 60% savings would be excluded as of 2015.

UK backing down

The British Government also announced plans on Monday (7 July) to slow the introduction of biofuels until more evidence is gathered on their impact on land use, climate change and food prices. The announcement was based on a report it had commissioned from Ed Gallagher, the chair of the Renewable Fuels Agency.

"The Gallagher report [...] concludes that the introduction of biofuels should be slowed until policies are in place to direct biofuel production onto marginal or idle land," UK Transport Secretary Ruth Kelly told Parliament, adding that the aim was for the government to "amend but not abandon its biofuel policy". UK law currently requires 2.5% of road transport fuel to stem from renewable sources, rising to 5% in 2010/11, but the Gallagher report recommends the 5% target be delayed to 2013/14.

Positions:

"It is important that you note that this is NOT the official opinion of the European Parliament," stressed **Commission spokesman for energy Ferran Tarradellas** in an email sent to journalists on 8 July.

However, **Green MEP Claude Turmes**, who is leading discussions on the Renewables Directive in Parliament, said the Environment Committee's proposals represented "a more sophisticated policy".

But **biofuel companies** are angry with the apparent U-turn taking place in Europe, saying it adds to the uncertainty when long-term investments are badly needed in the sector.

The bioethanol industry notably insists that it is wrong to "single out biofuels as the culprit whilst ignoring those factors that have played a much more significant role in driving up the price of food worldwide". Indeed, according to the **European Bioethanol Fuel Association (eBIO)**, biofuel production only uses 2-3% of EU agricultural land and media reports blaming biofuels for the current food crisis are "exaggerated". Instead, the group highlights "the much bigger impact on daily economic life and food prices of strongly increased oil and energy prices during the last 12 months".

The **European Biodiesel Board (EBB)** also highlights the "extremely worrying continuous increase of the EU diesel

deficit," which can only be addressed, in the short term, through the "further development" of the biodiesel sector.

Green groups on the other hand are calling for an even stronger shift in EU policy, insisting that all targets should simply be dropped.

Adrian Bebb, agrofuels coordinator for **Friends of the Earth Europe**, welcomed the fact that "the political tide in Europe is now turning against biofuels". However, "whilst this vote is a welcome move in the right direction, the EU needs to go much further to avert the negative impacts of biofuels. All biofuel targets should be dropped and real solutions such as forcing car manufacturers to produce cleaner cars introduced," he said.

"If the Gallagher review triggers a re-examination of EU and British policy, that's good, but anything less than a complete halt to agrofuel production and government targets, incentives and subsidies which support it, will still have devastating effects on the food crisis, biodiversity and climate change," added Almuth Ernsting from the UK's **Biofuelwatch**. He rebutted suggestions that strict sustainability criteria or a shift towards second generation biofuels could solve the problems linked to biofuel production, saying: "The last thing we need is yet another plea for sustainability standards that are impossible to meet and completely fail to address the many indirect impacts of agrofuel production."

Next steps:

- **Sep. 2008:** Parliament's Industry and Energy committee due to vote on the proposal.
- **23 Sep. 2008:** First reading vote in Parliament's plenary.

Links

EU official documents

- European Parliament: [List of key compromise amendments adopted by Environment Committee](#) (8 July 2008)
- Commission: [Biofuels pages](#)

Industry Federations

- European Bioethanol Fuel Association (eBIO): [Bioethanol fuel producers criticize attacks on biofuels](#)
- European Biodiesel Board (EBB): [Biodiesel is a pragmatic and green solution to rising oil and diesel prices](#)

NGOs

- Friends of the Earth: [MEPs support reduced EU biofuel target](#)
- Friends of the Earth: [EU biofuel targets must go](#)