



PRESS RELEASE – For Immediate Releaseⁱ

Ministers place biofuels in a policy vacuum

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Energy Ministers today failed to agree reforms to the EU lawsⁱⁱ that promote the use of biofuels for transport. Most actors now agree that current EU legislation is flawed and unfit for the purpose of delivering verifiable greenhouse gas emission reductions from the transport sector. Only Poland and Hungary considered that the proposal went too far; the great majority of Member States either supported a compromise or argued for more ambitious reforms.

'The Council's failure on biofuels follows other disappointing outcomes including the watering down of efforts to green Europe's transport infrastructure and the Commission's failure even to adopt proposals to ensure that solid biomass used for energy is produced sustainably and properly accounts for carbon emissions. Together these underline the confusion that has descended on policy for biofuels and bioenergy in Europe' commented IEEP Director David Baldock.

Following the vote Member States were divided. The majority of those who rejected the compromise text, put forward by the Lithuanian Presidency, considered it too weakⁱⁱⁱ. IEEP Senior Researcher Bettina Kretschmer commented that: *'As a consequence of this, and the imminent institutional changes in the Parliament and Commission, there is a risk that policy will remain unchanged for years to come. The Commission, Parliament and Council must find the political will to act swiftly to take biofuels greenhouse gas emissions properly into account'*.

EU law should account properly for GHG emissions by incorporating indirect land use change emissions^{iv}; capping the use of land-based biofuels^v; and setting a clear trajectory to support a more sustainable evolution of the sector by promoting more sustainable biofuels^{vi}.

Fuller analysis by IEEP of the outcome of the Council vote and what it means for future EU biofuel policy will follow on Tuesday 17 December.

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Notes to the Editor

ⁱ IEEP (the Institute for European Environmental Policy) is an independent research organisation concerned with policies affecting the environment in Europe and beyond. Visit our website: www.ieep.eu; or our Biofuel ExChange website for more information on biofuels: <http://www.ieep.eu/minisites/pursuing-change-in-biofuels-policy-developing-alternatives/news-and-events/>

ⁱⁱ In the EU two laws effectively promote and regulate the use of biofuels with the intent of delivering GHG reductions from transport. These are Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC, OJ L140/16, 05/06/09 and Directive 2009/30/EC of the European Parliament and of the Council of 23 April 2009 amending Directive 98/70/EC as regards the specification of petrol, diesel and gas-oil and introducing a mechanism to monitor and reduce greenhouse gas emissions and amending Council Directive 1999/32/EC as regards the specification of fuel used by inland waterway vessels and repealing Directive 93/12/EEC, OJ L140/88, 05/06/09.

ⁱⁱⁱ Of the Member States Belgium, Denmark, the Netherlands, Italy and Luxembourg were most progressive, rejecting the Lithuanian text as too weak. Poland and Hungary objected on the basis of the proposals being too restrictive particularly with regard to limiting the use of conventional biofuels.

^{iv} Within current EU law there is no mechanism that can take into account the indirect emissions associated with land uses changing due to the expanded crop demands associated with biofuel production. This represents a significant hole in the assessment of whether biofuels reduce emissions from transport compared to fossil fuels; work including by IEEP has identified that if ILUC is not controlled biofuels will release greater quantities of CO₂ compared to the use of fossil fuels by 2020. The Council compromise proposed limited accounting for ILUC based on ILUC factors, however, the Parliament position would have required ILUCs full consideration in lifecycle assessment for biofuels post 2020.

^v Without a cap on the proportion of land-based biofuels, there will be higher ILUC risk and associated impacts on global agricultural markets. The Commission proposed a 5% cap on conventional biofuels from food crops, ie not including energy crops in that cap; the Parliament subsequently adopted a position including a 6% cap which is proposed to cover also (non-food) energy crops; the Council's compromise text proposed that the cap should be raised to 7% cap and cover only biofuels from food crops.

^{vi} Under the current policy framework, around 90% of the growing volume of biofuels that Europe will consume in 2020 is projected to come from food and animal feed crops. Without significant policy changes, EU policy will continue to drive ILUC. There is a need to promote those biofuels that do not rely on land, such

as advanced biofuels from wastes and residues. Their promotion would need to be accompanied by strict sustainability safeguards.