















Ref: 010/290/AB

Brussels, 1 December 2010

To: Commissioner Günther Oettinger

CC: Michael Koehler, Jasmin Battista, Philip Lowe

Subject: Addressing Indirect land use change in the framework of the EU biofuels policy

Dear Commissioner Oettinger,

We are writing to present a groundbreaking report by the Institute for European Environmental Policy (IEEP) on the anticipated impacts of current EU biofuel policies with respect to indirect landuse change (ILUC).<sup>1</sup> The conclusions of the IEEP report underscore the need for the Commission to act on its legal obligations as specified in the Renewable Energy and Fuel Quality Directives.<sup>2</sup>

The IEEP report is based on the information provided in the National Renewable Energy Action Plans (NREAPs) and on the best available science produced to date under the auspices of the Commission. It can therefore be seen as the most accurate illustration of likely impacts of EU biofuel policies on land-use change and associated greenhouse-gas (GHG) emissions.

The main conclusions from the analysis of the 23 NREAPs submitted at the time of publication of the IEEP report reveal that:

- Europe is set to significantly increase biofuel use by 2020 by which time biofuels will provide 9.5% of transport fuel with 92% coming from food crops;
- An area over twice the size of Belgium will likely be converted into fields and plantations as a result of the anticipated increase in biofuel consumption;
- When land-use change is taken into account, biofuels will cause an extra 27-56
  million tonnes of GHG emissions per year the equivalent of an extra 12-26 million
  cars on Europe's roads by 2020; and
- Unless EU policy changes, the extra biofuels that Europe will use over the next decade will cause on average 81-167% more climate damage than fossil fuels.

<sup>&</sup>lt;sup>1</sup> IEEP (2010), Anticipated Indirect Land Use Change Associated with Expanded Use of Biofuels and Bioliquids in the EU, available at: http://www.transportenvironment.org/Publications/prep\_hand\_out/lid/611

<sup>&</sup>lt;sup>2</sup> Directive 2009/28/EC, Article 19(6); Directive 2009/30/EC, Article 7d(6).

These GHG emissions from ILUC are currently unaccounted in the existing methodologies for calculating GHG emissions from biofuels, presenting a misleading picture of their actual impact. It is critical that the Commission act on its legal obligations.

The Renewable Energy and Fuel Quality Directives set out clear reporting and proposal obligations on the Commission to address ILUC resulting from EU biofuel policies.<sup>3</sup> The first obligation is to submit a report by 31 December 2010 "reviewing the impact of indirect land-use change on greenhouse gas emissions and addressing ways to minimise that impact." Anything less than a full report is inadequate.

The second obligation requires the Commission to determine whether an accompanying proposal is appropriate. The recent IEEP report is the latest addition to a long list of scientific studies pointing out that EU biofuel policies, if left unchanged, will increase GHG emissions from the transport sector. It reaffirms the need for the Commission to submit a meaningful proposal that will address and minimise emissions from ILUC in line with its legal obligations. It is imperative that the proposal is based on the best available scientific evidence and contains a concrete methodology for tackling emissions from ILUC.

Failure to act will have significant and ongoing implications for our climate system and forests and biodiversity worldwide. Immediate action is required to prevent deforestation, destruction of natural areas, and loss of biodiversity from EU biofuel policies. In addition, any delay by the Commission in complying with its legal obligations will undermine investment certainty and create a domino effect of further delays for completing several related provisions.<sup>5</sup>

We therefore call upon the Commission to comply with its reporting and proposal obligations. <sup>6</sup> We urge the Commission to put forward legislation introducing separate ILUC factors for the different categories of biofuel feedstocks. The United States has already taken a first step in addressing ILUC with feedstock-specific ILUC factors. Such a proposal in the European Union would send the right signals to global markets and international investors while also stimulating biofuels that do not increase GHG emissions, trigger deforestation and biodiversity loss, threaten land rights, and contribute to food insecurity.

We would appreciate an opportunity to meet with you to discuss this matter further.

Sincerely,

Ariel Brunner, Head of EU Policy, BirdLife Europe

And Bolley

<sup>&</sup>lt;sup>3</sup> *Id*.

<sup>4</sup> Id

<sup>&</sup>lt;sup>5</sup> See, e.g., Directive 2009/28/EC, Article 19(6) (the European Parliament and the Council shall endeavour to decide, by 31 December 2012, on any proposal on ILUC submitted by the Commission).

<sup>&</sup>lt;sup>6</sup> Article 11 TEU; Article 265 TFEU; see also Case T-167/04; Case 15/70; Case T-395/04; Case No C-170/02 P; Case No. T-420/05; Joined Cases C-15/91 and C-108/91; Case T-26/01; Case C-25/91; Case C-44/00.

## On behalf of:

James Thornton, Chief Executive Officer, ClientEarth John Hontelez, Secretary General, European Environmental Bureau Jos Dings, Director, Transport & Environment Laura Sullivan, Head of Europe Policy and Campaigns, ActionAid Jorgo Riss, Director, Greenpeace European Unit Saskia Ozinga, Campaigns coordinator, FERN Magda Stoczkiewicz, Director, Friends of the Earth Europe Jane Madgwick, Chief Executive Officer, Wetlands International

- Enclosures: Institute for European Environmental Policy, Anticipated Indirect Land Use Change Associated with Expanded Use of Biofuels and Bioliquids in the EU (November 2010)
  - Briefing: The impacts of Europe's biofuels plans on carbon emissions and land (November 2010)
  - ClientEarth, Legal Briefing: Legislative Mandate to the Commission on Indirect Land-*Use Change* (October 2010)
  - EU Civil Society Statement, EU Climate Policy in Transport Must Not Cause Irreversible Environmental and Social Damage (October 2010)