



**DET KONGELIGE  
MILJØVERNDEPARTEMENT**

*Royal Ministry of the Environment*

European Commission  
DG Energy and DG Climate Action

Your ref

Our ref  
2008/01255

Date  
29. October 2010

## **EU Commission public consultation on biofuels and ILUC**

Re. European Commission public consultation on indirect land use change and biofuels, ending 31. October 2010. Attached please find the Norwegian response to this consultation.

Norway has welcomed the EU "sustainability scheme" for biofuels as an important first step towards an international certification scheme for biofuels, which would cover all the important aspects of sustainability, such as biodiversity, water, air, soil, land rights and food security, as well as greenhouse gas emissions. This is of concern to Norway both as a party to the EEA Agreement and as a buyer and seller of transport fuel in Europe. The EU scheme will most likely serve a market leader role, which will strongly influence international production and trade in biofuels. Norway therefore places great importance in the attainment of an ambitious, fair and targeted sustainability scheme for biofuel within the EU system.

One of the obvious limitations in the current version of the EU sustainability scheme is that it does not address displacement effects - or so-called indirect land use effects (ILUC). Scientific reports and studies in recent years have indicated strongly that displacement effects of increased use of biofuels could offset much of - or even eradicate - the greenhouse gas savings for many biofuels as compared to fossil fuels. Norway has consistently urged that displacement effects must be included in the assessment of net greenhouse gas effects.

Postal address  
PO Box 8013 Dep  
0030 Oslo

Office address  
Myntgt. 2  
postmottak@md.dep.no  
www.miljo.no

Telephone  
+47 22 24 90 90  
Vat no.  
972 417 882

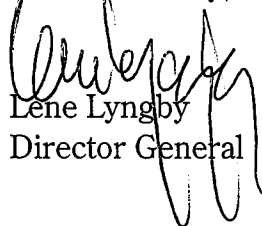
Department for Pollution  
Control  
Telefax  
+47 22 24 95 60

Our officer  
Anne H. Johannessen  
+47 22 24 58 27

We consider that there is now a sufficient basis for internalising the external costs of displacement effects through the introduction of a feedstock-specific ILUC factor. We also recommend introducing a more specialised ILUC bonus for management practices that can demonstrate no or low risk of displacement pressure. A shift in focus of new studies and research towards how to prevent unwanted displacement effects is also recommended. We do, however, consider that now is the time for action. Wait and see is not any longer a viable option. We know enough to move forwards on this issue. We need to avoid putting private investment and government spending into the wrong things.

The Norwegian position on biofuels in general is that this can be one of a set of measures to reduce climate change globally and nationally. But one biofuel is not necessarily as good as the next one. Neither can we accept that other important sustainability issues be sacrificed for the sake of mitigating global warming. We need to find the best practices and the win-win solutions.

Yours sincerely,



Lene Lyngby  
Director General



Ida Juell

Deputy Director General

**Enclosure 1**