

## PUBLIC CONSULTATION ON INDIRECT LAND USE CHANGE

### ELIN BIOFUELS FEEDBACK

#### Introductory Remarks

Elin Biofuels S.A. is a biodiesel producer located in Greece, in the industrial area of Volos and started its operation in 2007. Raw materials used are: rapeseed, sunflower, cottonseed and other vegetable oils (~60%), as well as used cooking oils and animal fat (~40%). The company's objective is to sustainably produce fuels from energy sources alternative to fossil. Following our commitment to sustainability we are mainly focusing on waste and locally produced oils.

The present document illustrates Elin Biofuels' feedback on the public consultation organized by the European Commission (EC) on Indirect Land Use Change (ILUC), for the purpose of Directive 2009/28 implementation.

#### Feedback

- 1) Do you consider that the analytical work referred to above, and/or other analytical work in this field, provides a good basis for determining how significant indirect land use change resulting from the production of biofuels is?*

The EC's report on the ILUC impact of biofuels should be "based on the best available scientific evidence, containing a concrete methodology for emissions from carbon stock changes caused by indirect land use changes" (Directive 2009/28/EC, Article 19/6).

The four completed studies conducted on behalf of the EC on the purpose of assessing the indirect land use change caused by agriculture, including agriculture devoted to biofuels production, which is the main issue of this consultation, do certainly offer a contribution to the issue, however there is no definite and unquestionable outcome resulting from these studies, which would support the aforementioned article of EC's Directive.

ELIN BIOFUELS strongly believes that according to the analytical work published for the time being, there is **no sufficient validated data for the assessment of the magnitude, if any, of the ILUC impact of biofuels** and thus **no public policy can be applied on such a basis**.

Defending this thesis ELIN BIOFUELS illustrates the main weaknesses of the analytical work presented by the EC:

a) Partiality against biofuels

The EC's approach on the ILUC issues totally disregards the negative impacts of the fossil fuels use. Any fuel policy (including biofuels policy) should equally consider the adverse effects on the environment and land use of all types of fuels. In such a case any comparison of biofuels with fossil fuels should take into account of the fossil fuels IDOUC (Indirect and Direct Oil Use Consequences). The latter is not considered in the analytical work by EC, resulting in assessment of two types of fuels, namely fossil fuels and biofuels, under a different basis, questioning the scientific approach used.

b) Shortcomings in the models, assumptions and data presented in the analytical work

Naming some of the shortcomings of the models, assumptions and data used:

- The absolute impact of the biofuels on ILUC has not been assessed by studying a case without the biofuels.
- Majority of the models are not “tailor-made” for biofuels with a subsequent result not being able to address the issue of different pathways among biofuels
- In some of the models the positive impact of biofuels' by-products (e.g. production of energy, use as animal feed, use as fertilizer etc) are not included. Such issues should be taken into account in the life cycle analysis (LCA) of biofuels
- The dynamic nature of the econometric models is highly questionable. Member States' policies and EU biofuels sustainability criteria have been omitted

It is in general believed that in order the ILUC to be more efficiently addressed a **more detailed and sophisticated approach needs to be followed.**

2) *On the basis of the available evidence, do you think that EU action is needed to address indirect land use change?*

**ELIN BIOFUELS shares the opinion that no action should be taken by EU**, considering the lack of reliable and scientifically proven evidence on the impact of agriculture and biofuels on ILUC. Specifically about biofuels and future action to be taken by EU on the ILUC issue, it is believed that also the negative effects of the use of fossil fuels (a well-to-wheel analysis) should be considered in order to set a comparative basis of the two types of fuels. Last but not least, any decision on addressing the ILUC issue should not be restricted to any borders (i.e. EU) but on contrary it should be considered as a worldwide issue and thus an international policy would be required.

3) *If action is to be taken, and if it is to have the effect of encouraging greater use of some categories of biofuel and/or less use of other categories of biofuel than would otherwise be the case, it would be necessary to identify these categories of biofuel on the basis of the analytical work. As such, do you think it is possible to draw sufficiently reliable conclusions on whether indirect land use change impacts of biofuels vary according to:*

*- feedstock type?*

*- geographical location?*

*- land management?*

*If so, please say which, and indicate the evidence used to reach your conclusion.*

As mentioned above, in question 2, ELIN BIOFUELS believes that no action should be taken by EU. Moreover, the issue of land displacement and improper use cannot only be connected to biofuels but also to fossil fuels (oil spills, transportation, exploration, extraction etc) as well as other sectors (such as food/fibre sectors etc). Thus any EU action at the moment would be regarded as **biased against biofuels**.

Additionally, under the basis of the analytical work presented so far, any discrimination of biofuels, whether it is geographically or feedstock based, it would be unwarranted. Land management could be used in the long term as a medium for sustainable use of land, however currently any distinctions on such a basis are not possible.

4) *Based on your responses to the above questions, what course of action do you think appropriate?*

*A. Take no action for the time being, while monitoring impacts including trends in certain key parameters and, if appropriate, proposing corrective action at a later date.*

*B. Take action by encouraging greater use of some categories of biofuels.*

*C. Take action by discouraging the use of some categories of biofuel.*

*D. Take some other form of action.*

**ELIN BIOFUELS clearly supports action A**, based on the currently available evidence on ILUC impact of biofuels. It has to be pointed out that action B has already been addressed by the EU Directive 2009/28/EC, by the double-counting mechanism.

## Conclusions

ELIN BIOFUELS would like to outline the following statements regarding the consultation of the indirect land use change:

- The four studies presented for consultation cannot be regarded as solid scientific evidence on which EU policy for ILUC can be based
- There is an absence of comparison approach of biofuels and fossil fuels
- Any **ILUC factor is being rejected**, on this basis
- No distinction of biofuels which will be related to feedstock or/and location can be accepted
- Negative impacts on ILUC of other fuels and other sectors (e.g. food, fibre etc) should also be taken into account
- ILUC issue is a worldwide issue, thus needing an international approach/policy
- **Motivation for a more sustainable biofuel production** (including the whole process of production, from land exploitation to fuel production and utilization) should be developed, as supported in the Renewable Energy Directive, rather than inhibiting the production of a specific biofuel