

Dear Sir/Madam,

Please find below the INEOS response in respect to the public consultation on biofuels Indirect Land Use Change. INEOS are directly involved in the manufacture of Biofuels (biodiesel from rapeseed) in France.

1. There have been numerous studies completed on assessing the potential impact of land changes as a result of agricultural production, with the focus purely centered upon biofuels. However, ILUC is far from clear, and it is inconceivable that EU policies could be based upon current levels of understanding, particularly when only the biofuel sector is considered.

Following a review of the reports, there appear to be a number of areas that are of concern in relation to the modeling, including.

- The majority of the models only look at the agricultural sector developments;
- There is no scenario where biofuels are not considered;
- Some of the land use databases have limited data or are out of date;
- Improvements in crop yields following improved varieties and crop rotations are not taken into account;
- There is no comparative analysis of fossil fuels, both in terms of direct and indirect impacts. This leads to a situation whereby biofuels (as a replacement of fossil fuels) are not being judged on the same basis.

Through the work already conducted, there is an opportunity to extend the analysis, enabling a global view on land displacement opposite all agricultural production and its end sector use (food, feed, clothing etc).

2. No action is necessary due to the points made previously, particularly as the evidence is uncertain and could severely impact economic operators who are currently delivering GHG benefits against fossil fuel alternatives.

3. As previously indicated, due to the uncertainty and the lack of comparison with fossil fuels/other agricultural sectors then NO ACTION can or should be taken at this stage.

4. Option A is the most appropriate position to take with the current level of understanding.

Option B is being managed through the RED, which is a regulation that is leading the world on looking at the sustainability and GHG benefits of biofuels.

Option C would be a dangerous path to take due to the uncertainty of the science, and in any case, the RED sets specific improvements on biofuels in terms of GHG for the years 2017/18.

Overall ILUC is an evolving science, and one that needs to be expanded to take into account fossil fuels and other agricultural sectors (e.g. food). Through this greater examination of all agricultural land impacts then a more solid basis can be developed ensuring that any future legislation is based upon sound scientific evidence. Until this happens, it is a mistake to make decisions that could severely impact and jeopardise an industry that is already making great steps to meet sustainability requirements and GHG benefits for EU citizens.

Regards

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INEOS