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## EC Land Use Change Biofuels Consultation Document Response

1. Do you consider that the analytical frame 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?

We do not believe the analytical framework established by the commission provides a good basis for discussing this important topic. The studies conducted by the commission are meant to calculate the externalities related to biofuels, namely the impact related to changes in land use for crop production. It is not clear what those calculated costs should be compared to since the commission does not apply the same standards for calculating the costs of fossil fuels – the very products that biofuels are meant to substitute.

Therefore we maintain that any analysis based on the results of these studies will be inherently skewed and biased towards fossil fuels. Ironically, future production of fossil fuels will almost certainly result in even greater externalities than in the past given the harder to reach nature of more recently found deposits (oil sands in Alberta, deep sea salt deposits in Brazil). We believe that biofuel externalities must be calculated and weighed but compared against relevant and accurate benchmarks.

We also believe that there are fundamental flaws within the studies resulting in inaccurate calculations of the ILUC externalities. In particular:

- The models do not properly account for the positive effects related to the recovery of byproducts, in particular with the use of new technologies such as the production of bio-methanol from glycerol.
  - Forecasting future crop yields is highly uncertain and cannot take into account the effect of higher oil yielding varieties being developed due to the increased focus on biofuels.
  - Incomplete land use databases and old data (2000).
2. On the basis of the available evidence, do you think that EU action is needed to address the indirect land use change?

Based on the studies commissioned we believe that EU action is at best premature. Since the studies do not take into account the negative effects of increased fossil fuel production (without biofuel substitution) they do not present a realistic representation of future risks. There is no way to compare possible future outcomes using the commission's studies and therefore taking action based on those studies would be irresponsible and potentially counterproductive.

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:
  - A. Feedstock type?
  - B. Geographical location?
  - C. Land management?

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

We do not believe any action should be taken at this time.

4. Based on your response 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.

A – we believe no action should be taken until a better understanding of fossil fuel externalities can be established as a relevant comparison benchmark for biofuel externalities.