

INDIRECT LAND USE CHANGE IMPACTS OF BIOFUELS - CONSULTATION

We also responded to the pre-consultation on ILUC in July 2009.

We do not consider the measures implied by the questions posed in this consultation will address the problems of ILUC. We consider that ILUC is an extremely serious issue that cannot be solved by developing criteria. This is particularly the case now the EU as a whole is beginning to look to very large imports of biomass (woodchip and pellets) for biomass heat and electricity plants. Such biomass production also has a serious ILUC effect that compounds the impacts of biofuels. We therefore confine ourselves to responding to:

Question D. Take some other form of action Please say what action and why

We will make brief response to the two major issues of the current consultation:

- reviewing the impact of indirect land use change on greenhouse gas emissions of biofuels

The impact is clearly serious and, we believe that if taken fully into account, it would invalidate the import of biofuels altogether in almost all cases. Others have mentioned to us that sugarcane ethanol might be the only candidate remaining on the list. However, a further stimulus to the production of sugarcane globally would have impacts that have not been properly considered or understood, let alone adequately examined. For example, land and water, food production and communities in Africa could be particularly severely affected by such action. In view of other pressures and political interests, we seriously doubt whether an ILUC factor could in any way prevent such impacts. The only scenario under which an ILUC factor could have a real impact would be if it were set at what we would consider a correct level when all other issues are taken into account. Our research suggests that a real ILUC factor would have to be so high that it would have a chilling effect on biofuel production that in turn would reduce the potential to a tiny fraction of that required to fulfill the target. However, we would still argue that the issues of transparency, monitoring and evaluation would be insuperable and finally, that the target would still provide a destructive incentive.

- addressing ways to minimise that impact

The best way to minimize the impact would be to remove all incentives for biofuel production and use. These include the EU target, which we questioned from before its adoption. A major reason is this: we do not believe that large-scale production of biofuels for export is genuinely sustainable. This means that biofuels are not, properly speaking, a renewable source of energy. The argument that the production of biomass is carbon neutral has been challenged in a number of reports. However, as long as the target is in place, safeguards are unlikely to work effectively, since the impacts of damage once done (land conversion, forest and pasture clearance, monoculture cropping, application of chemical fertilizers and agrottoxins, expulsion of local communities and indigenous peoples) are extremely difficult if not impossible to reverse.

We therefore do not accept the idea of developing an ILUC factor, even though ILUC is clearly a major concern, because such a factor would simply attempt to build a safeguard into a fundamentally flawed scenario. However, we greatly sympathise with those NGOs who feel that an ILUC factor is the only action they can propose at this point in time that might have some mitigating impact.

The problem is that we doubt if it would. How would monitoring and evaluation of any claims made under any ILUC factor that might be developed actually be carried out, for example? How would baselines for such evaluation be established? There is very little

information available to create such baselines. Displacement may extend across nations, regions and worldwide. There may also be chains of displacement that could extend globally.

In view of the fact that biofuels development has the capacity to have a devastating impact on land-use globally, the precautionary approach would indicate that we should begin by remove incentives from biofuel production and use. The word devastation is not used lightly here.

A question for the EC

In the preliminary consultation, a key question was asked about bonuses. This question has not been repeated in the current consultation, but it is one of the incentives that we think should be dropped for degraded land and certainly not considered for so-called idle land:

Policy element E *Extending the use of bonuses from severely degraded or heavily contaminatedto biofuels from idle land.*

We refer you to our reply to the pre-consultation, of which the first paragraphs are below:

This proposal is extraordinarily dangerous. We oppose the existing bonus scheme for a number of reasons. How do we obtain reliable proof that the land actually was degraded or contaminated? How is degraded land to be defined? Any attempt at proof or a definition risks owing more to the relative power of the players than to the real state of the land. Furthermore, it risks providing a perverse incentive to degrade land by eg: logging and/or clearing it in order to gain future benefits from bonuses.

To add biofuels from “idle” land to such a scheme would be to compound the problem. Once again, who defines idle land and how? Who monitors and verifies its idle status?

Both classifications could be used against local people who may be using such land without ever having been granted any formal land title. They frequently depend on such land particularly during hard times and may keep it in reserve against, eg: crop failures and other emergencies. They may have invaluable knowledge about how best to use such land on a slow rotation basis that is suited to the land itself and the conditions of climate, rainfall etc. However, this could enable outsiders to define such land as “idle” when in fact it has been left fallow for good reason. Women are particularly vulnerable as they often do not have property rights or even rights of access to the best land but are consigned to “marginal” or ‘degraded’ land, even though women are often the key providers of household food security. Pastoralists also risk having pasture that they use on a seasonal basis defined as idle (or degraded) and turned over to crops for short term profit with long term impacts on local ecosystems and climate patterns.

In this context it is important to note that 70% of Africa's land is communally owned and does not have formal land titles. Thus communities are highly vulnerable to classification of their land as “idle” or “degraded”.

We would also submit that ILUC cannot be looked at in isolation

Responsible Cultivation Areas (RCA)

Recently there have been proposals for Responsible Cultivation Areas (RCA) by Ecofys, WWF and Conservation International, supported with funding from Neste, Packard and Shell and targeting both “degraded” and “idle” or “unused” land.

“To close this Sustainability Gap, the RCA-methodology recommends three options to supply the additional feedstock demand for bioenergy:

- expand energy crop production on ‘unused land’ with low biodiversity and low carbon stocks; ...”

If an ILUC factor were to be agreed, and also a bonus for “idle” land as well as for “degraded” land, this would provide a huge boost to companies adopting the RCA approach. This has been described to us as a carrot and stick approach (through RCA attracting versus ILUC repelling land use conversion). Our question is this: how possible would it be to monitor and address what was really happening? The impact of the targets shows how powerful an incentive is and how difficult to address it with safeguards such as an ILUC factor. Now we risk constructing further incentives for conversion through the RCA approach.

LULUCF

We note that the EC is currently holding a “consultation” on Land Use, Land Use Change and Forestry (LULUCF) proposals:

(<http://ec.europa.eu/yourvoice/ipm/forms/dispatch?form=LULUCF&lang=en>).

If the LULUCF chapter in the Kyoto Protocol were to be agreed at the climate talks in Cancun (as the EU hopes), we could end up with countries in the global south hosting Clean Development Mechanism projects under LULUCF that would formerly have been classified as ILUC, but instead could well be rewarded under the CDM! Worse still, if a land-based accounting system were adopted, as proposed, the EU would have the basis for a domestic offsets programme. This would mean the potential for offsetting EU fossil fuel emissions and so a delay in reducing them. Countries might even succeed in getting LULUCF reference levels accepted that would allow the EU, for example, to increase emissions from LULUCF. These rules might then be applied to CDM projects under LULUCF in developing countries. Again there would be serious risk of conflicts between different measures resulting in accelerated destruction.

A correct ILUC factor would outlaw most biofuels – but would the EC have the courage to adopt it?

The precautionary approach should be rigorously applied to the whole biofuel enterprise. If this were done, we believe that all incentives would immediately be removed and there could be a pause while we collectively considered how the EU could pursue an energy development path with minimal negative impacts on planetary ecosystems, biodiversity and climate. This would have primarily to be based on increasing efficiency and reducing demand. We would remind you that back in 2006-7, it was clear that the car industry proposed using biofuels and efficiency at 130 gm per km as a substitute for increasing engine efficiency to 120 gm per km. We hope that the Commission will, in its mandatory report by the end of 2010 to the European Parliament and to the Council, conclude that a major change of approach to the whole issue of biofuels is required, that we cannot wait for an evaluation in 2014 and that the mandatory biofuel target itself should be abandoned. We believe that there is more than enough evidence to support such a conclusion.

RESPONSE FROM HELENA PAUL, ECONEXUS ¹, October 31st 2010

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¹ **EcoNexus** is a UK based public interest research organisation involved in research, analysis and policy advice on issues related to food security, food safety, agriculture, forestry, biodiversity – and more recently biofuels and ‘agriculture & climate change’. We work on national, European and international level and participate in international meetings and negotiations such as the Convention on Biological Diversity (CBD), the Climate Convention (UNFCCC), the Food and Agricultural Organisation (FAO) including the Food Summits, the Cartagena Protocol on Biosafety. We investigate and analyse developments in science and technology and collaborate with partners internationally north and south.