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Indirect land use change impacts of biofuels – public consultation

Svensk Energi – Swedenergy AB – welcomes the consultation on ILUC impacts of biofuels offered by the Commission. Below you will find our view on the ILUC problem and how it might be addressed.

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1) *Do you consider that the analytical work referred to, 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?*

As the Commission suggests ILUC is a subject of great complexity. This fact is very well illustrated in the provided studies showing that different assumptions give rise to a wide range of results. The Literature Review points out several difficulties in modelling probable scenarios and variations in input data regarding different parameters such as crop yields, carbon stock values, policy responses, hindered carbon sequestration, the co-products' substitution effects, etc are crucial for the degree of ILUC and its climate impact.

ILUC occurs already and will probably increase due to policies around the world aiming at reduction of fossil CO_2 emissions but both direct and indirect land use change will also be the consequence of a growing population on the earth. ILUC is also dependent on national laws and regulations on land use. Provided analytical work gives a good picture of the complexity of the issue but all in all it is difficult to determine

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the significance of ILUC resulting from the production of a certain biofuel.

We note that only food or feed crops (wheat, maize, sugar beet, sugar cane, rape seed, vegetable oil) are considered as feedstock for biofuels, but also willow, salix, reed canary-grass or other short rotation forestry crops might be used for the purpose.

Other important feedstock such as residues from forestry and agriculture or from food/feed or wood/pulp/paper industry are not mentioned either. We assume that this means that such feedstock is exempt from the burden of ILUC.

We note that provided studies only focus on the CO_2 issue and that other sustainability criteria in the Renewable Energy Directive (RED) are not considered. Decisions regarding land use – direct or indirect - should however always take the biodiversity impacts into account as well. As an example short rotation crops might be favourable from a CO_2 perspective but will most probably lead to less biodiversity compared to cultivation with a rotation period of 50 years. It is important to have a comprehensive approach in assessments of land use. Further, if non exploited areas are converted into areas for farming or forestry it will have and immediate effect on biodiversity. Regardless the carbon content before and after conversion.

3) *If action is to be taken, and if it is to have the effect on encorugaging 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?*

We do not think it is possible to draw sufficiently reliable conclusions regarding ILUC and feedstock types or geographic locations. Land management however seems to have a substantial impact on ILUC and here national laws and regulations are important tools.

We think it is a good approach to wait with actions regarding prevention of ILUC through encouragement of some of the studied categories of biofuel. Regulatory actions based on current knowledge could lead to sub optimizations and might have an adverse effect on the developing market for biofuels and bioliquids.

Discouragement is doubtful based on today's knowledge and should be avoided for now. It could also lead to unjust trade barriers.

Attributing additional greenhouse gas emissions from indirect land use change to all biofuels based on some standard model is not a good

idea since the scientific basis is not unambiguous and secondly there will be no driver to improve. Other greenhouse gas emissions in the life cycle of a biofuel can be influenced through better cultivation methods, more efficient machines etc, but a standard factor is difficult to influence by any party on the market.

4) *EU-action*

EU action should include monitoring and development of the modelling in order to make the results comparable as well as further research, including also other feedstock.

The Commission might consider encouraging the use of society's bio-derived waste and residues in order to decrease fossil CO_2 emissions and increase resource efficiency.

The Commission might consider working more with bilateral agreements with countries outside EU requiring certain legislation regarding land use and land management and some proof regarding compliance.

The Commission should follow and take into consideration the development of the international sustainability criteria for bioenergy that are prepared within ISO PC 248. These will also address indirect land use change. One advantage of those criteria is that they will be accepted globally. Awaiting such standards and awaiting that standards are globally adopted, EU should carefully monitor if the increased use of bioenergy in the EU have the negative effects on the biodiversity of the world. Regardless such effects are direct or indirect. If such effects are observed the must be evaluated and measured against the positive effects mainly due to lower emissions of CO2.

One aim for global land use management should be to keep carbon out of the atmosphere and instead bound in vegetation and soil. Maybe the Commission as a complement could make use of already existing international reporting connecting to this issue such as the reporting on sustainable cultivation to Forest Europe, Kyoto carbon stock reporting, reporting to REDD (United Nations Collaborative Programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries), etc.

There are also other directives dealing with land use such as the Strategic Environmental Assessment Directive, which might be strengthened in the area of potential CO_2 release and biodiversity consideration. The aim should be that national legislation endorses broad assessments considering negative and positive consequences of land use regarding environmental, social and economic aspects in a local, regional and global perspective.

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