



Brussels, 25 September 2012

To: Commissioner Dacian Ciolos

CC: Georg Haeusler, Head of Cabinet, José Manuel Silva Rodriguez, Director General, Alina Ujupan, Member of Cabinet,

Dear Commissioner Ciolos,

We are writing to you with regard to the draft proposal, currently under consideration by your department, on how to address indirect land use change (ILUC) impacts of biofuels.

The EU's biofuels policy is currently deeply flawed. Scientific evidence suggests that current biofuels don't deliver reductions in greenhouse gas (GHG) emissions nor the expected financial benefits for the EU's trade balance, whilst exacerbating problems such as deforestation, peat drainage, land grabs and global food insecurity. Miscalculation of emissions has sent the wrong signals to markets and pushed the wrong solutions to decarbonise the transport sector. The failings of this policy have caused widespread public outrage and drawn criticism from a long list of inter-governmental organisations and major European companies.

Recent progress the Commission has made in drafting a proposal to reform EU biofuels policy and address ILUC impacts is welcome. We are pleased that the Commission finally admits that EU biofuels mandates are problematic, and we recognize your initial efforts to limit the adverse impacts of the policy on global food security by reducing 'the contribution made from biofuels and bioliquids produced from food crops' to 5% of the transport sector's energy use.

However, we regret that the draft proposal has reportedly failed to put in place a methodology for accounting for greenhouse gas emissions from ILUC in the Renewable Energy Directive (RED). Without factoring in ILUC, biofuels can increase GHG emissions compared to the fossil fuels they replace. It is of paramount importance that the EU stops counting such biofuels towards its renewable energy targets — which are a pillar of the EU response to climate change. Carbon accounting for biofuels under the RED must be made coherent with what is proposed under the Fuel Quality Directive, in order to provide a clear investment framework for the sector.

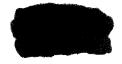
The measures proposed in the policy draft that you are considering are therefore the bare minimum that citizens should expect — especially in today's context of a third hike in food prices in five years and an increasing number of calls from international institutions to end biofuel mandates.

We call on you to strengthen the draft proposal, which has become public, in the following ways:

- Introduce greenhouse gas accounting for ILUC in the Renewable Energy Directive, to ensure that no biofuels on the European market increase GHG emissions compared to the fossil fuels they replace;
- Lower the 5% cap on "biofuels from food", resist any calls to increase the number, and
 ensure that a cap includes all crop based biofuels that are in direct competition with food
 crops for land and water (not just those derived from 'food crops');
- For the use of genuine 'waste streams' and 'residues', ensure there are clear definitions and sustainability criteria to limit use to sustainable levels, and to verify the origin of those streams to avoid displacing existing uses. Correct carbon accounting of waste and residue streams is needed, along with further assessment;
- Address indirect land effects for all energy feedstocks, including from increased use of lingocellulosic materials, with ILUC factors where necessary.
- Work with Member States to ensure there is a phase-out of support for biofuels that cause land use changes and impact on food prices immediately, not in 2020;

At this time, a clear signal must be sent to the markets that the future of green transport does not include socially and environmentally unsustainable biofuels, but rather solutions such as renewable electricity in cars and energy-saving technologies — with high potential for job creation and economic benefits and without negative impacts on global food security. After 21 months of delay, this reform can wait no longer.

Yours Sincerely,



Director, Transport and Environment

On behalf of:

