



EUROPEAN COMMISSION

PRESS RELEASE

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New Commission proposal to minimise the climate impacts of biofuel production

Today, the Commission published a proposal to limit global land conversion for biofuel production, and raise the climate benefits of biofuels used in the EU. The use of food-based biofuels to meet the 10% renewable energy target of the Renewable Energy Directive will be limited to 5%. This is to stimulate the development of alternative, so-called second generation biofuels from non-food feedstock, like waste or straw, which emit substantially less greenhouse gases than fossil fuels and do not directly interfere with global food production. For the first time, the estimated global land conversion impacts – Indirect Land Use Change (ILUC) – will be considered when assessing the greenhouse gas performance of biofuels.

Energy Commissioner Günther Oettinger said: *"This proposal will give new incentives for best-performing biofuels. In the future, biofuels will be saving more substantial greenhouse gas emissions and reduce our fuel import bill."*

Commissioner for Climate Action Connie Hedegaard said: *"For biofuels to help us combat climate change, we must use truly sustainable biofuels. We must invest in biofuels that achieve real emission cuts and do not compete with food. We are of course not closing down first generation biofuels, but we are sending a clear signal that future increases in biofuels must come from advanced biofuels. Everything else will be unsustainable"*.

Biofuels, produced sustainably and under efficient processes, are a low-carbon alternative to fossil fuels in the EU's energy mix and for transport in particular. Biofuels are easy to store and deploy, have a high energy density and typically emit substantially less greenhouse gases than oil, gas or coal. Only biofuels which satisfy a set of sustainability criteria qualify for public support on the European market.

As the market for biofuels has expanded, it has become clear that not all biofuels are the same, in terms of their greenhouse gas impacts from global land use. Recent scientific studies have shown that when taking into account indirect land use change, for example when biofuel production causes food or feed production to be displaced to non-agricultural land such as forests, some biofuels may actually be adding as much to greenhouse gas emissions as the fossil fuels they replace.

The Commission is therefore proposing to amend the current legislation on biofuels through the Renewable Energy¹ and the Fuel Quality² Directives and in particular:

- To increase the minimum greenhouse gas saving threshold for new installations to 60% in order to improve the efficiency of biofuel production processes as well as

¹ Directive 2009/28/EC on the promotion and use of energy from renewable sources

² Directive 98/70/EC relating to the quality of petrol and diesel fuels

discouraging further investments in installations with low greenhouse gas performance.

- To include indirect land use change (ILUC) factors in the reporting by fuel suppliers and Member States of greenhouse gas savings of biofuels and bioliquids;
- To limit the amount of food crop-based biofuels and bioliquids that can be counted towards the EU's 10% target for renewable energy in the transport sector by 2020, to the current consumption level, 5% up to 2020, while keeping the overall renewable energy and carbon intensity reduction targets;
- To provide market incentives for biofuels with no or low indirect land use change emissions, and in particular the 2nd and 3rd generation biofuels produced from feedstock that do not create an additional demand for land, including algae, straw, and various types of waste, as they will contribute more towards the 10% renewable energy in transport target of the Renewable Energy Directive.

With these new measures, the Commission wants to promote biofuels that help achieving substantial emission cuts, do not directly compete with food and are more sustainable at the same time. While the current proposal does not affect the possibility for Member States to provide financial incentives for biofuels, the Commission considers that in the period after 2020 biofuels should only receive financial support if they lead to substantial greenhouse gas savings and are not produced from crops used for food and feed.

Background:

The 2009 Renewable Energy Directive requires a 10% share of renewable energy in the transport sector by 2020; the Fuel Quality Directive set a target of a 6% greenhouse gas reduction for fuels used in the transport sector in 2020. The contribution from biofuels to these targets is expected to be significant.

To avoid possible negative side-effects, both directives impose sustainability criteria that biofuels and bioliquids need to satisfy in order to be counted towards the targets and receive support.

The biofuels sustainability criteria, which are in force today, prevent the direct conversion of forests and wetlands and areas with a high biodiversity value for biofuel production and require that biofuels must emit a minimum of 35% less greenhouse gases than the fossil fuels they replace. This requirement will increase to 50% in 2017.

However, there is a risk that part of the additional demand for biofuels will be met through an increase in the amount of land devoted to agriculture worldwide, leading to an indirect increase in emissions due to land conversion. Therefore, the Commission was asked to review the impact of indirect land use change (ILUC) on greenhouse gas emissions and propose legislative action for minimising that impact.

Further information:

[Link to proposal](#)

More information about biofuels - Land use change:

http://ec.europa.eu/energy/renewables/biofuels/land_use_change_en.htm

More information about Renewable Energy Directive - Target 2020:

http://ec.europa.eu/energy/renewables/targets_en.htm

More information about the Fuel Quality Directive:

http://ec.europa.eu/clima/policies/transport/fuel/index_en.htm

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