

EBB Press Release

New independent study calls for reevaluation of ILUC based on real-world data



A new US study by the Center for Agricultural and Rural Development (CARD) at Iowa State University concludes that the response of farmers to increased commodity prices between 2004 and 2012 has been to use available land resources more efficiently rather than to expand onto new land.

The economic modelling applied to bioenergy has been heavily questioned in the last months. With successive reports proposing improvements in assumptions, the estimated Indirect Land Use Change (ILUC) from biofuels have decreased sharply.

The study, conducted by Professor Bruce Babcock and Zabid Iqbal examined actual observed changes in global land use from 2004 to 2012. These results were compared to the economic models used by the California Air Resources Board (CARB) and the United States' Environmental Protection Agency (EPA). The report found that **farmers have sought to get more value from their existing land rather than to expand the amount of land brought into production.**¹ While not new, these findings have not been recognised by regulators who calculate indirect land use (ILU).

EBB echoes the thoughts of the Renewable Fuels Association regarding these findings showing that farmers have been implementing "more double-cropping and triple-cropping in some parts of the world." Looking at the real world, these types of models need to take into consideration all scientific aspects of the land use analysis.

The authors of this study also state that they were unable to calculate whether land use change was the result of the response to commodity prices or to some other factor. Further, the study states that the IFPRI model may not be taking into account that the EU has experienced a decline in land use in relation to commodity prices. This, once again, opens the floor to question the reliability of ILUC science for policy making. "*Policy makers can no longer deny the immaturity of ILUC science to serve for policy making,*" explains Raffaello Garofalo – EBB Secretary General.

* * *

Center for Agricultural and Rural Development (CARD) was founded at Iowa State University in 1958 to address problems, especially unintended consequences, in agricultural policy. Founding director Earl Heady brought quantitative analysis to the study of agricultural policy at CARD, a scientific approach for measuring different policy options. Today, CARD conducts policy research using innovative analytical systems and sophisticated models, as well as helping to train the next generation of economists and scientists and providing information about agricultural, food, and environmental policy.

¹ Babcock, B and Z. Iqbal. "Using Recent Land Use Changes to Validate Land Use Change Models." Staff Report 14-SR 109. November 2014.

European Biodiesel Board (EBB) is a non-profit organisation established in January 1997. Today, EBB gathers nearly 80 members across 21 Member-States, which represents 75% of the European output. Biodiesel is the main European solution to reduce emissions from transport and dependence on imported oil. EBB aims to promote the use of biodiesel in the European Union and is committed to fulfil the International standards for sustainability in GHG emissions and sustainable feedstock. EBB is constantly working towards the development of improved and greener technologies.

To view the report, please follow refer to the web address:

<http://www.card.iastate.edu/publications/dbs/pdffiles/14sr109.pdf>