

February 2009



**Friends of
the Earth**

Briefing

Slash not Burn

Why UK biofuel targets should be stopped

Summary of main points

- The RTFO will probably lead to no greenhouse gas emission savings and may lead to an increase.
- EU law does not ensure sustainability of biofuels: it leaves biodiversity and people unprotected and fails to account for greenhouse gas emissions from indirect land use change.
- Additional UK national sustainability provisions will be banned by EU law.
- Slowing biofuel targets will not ensure sustainability.
- Sustainable UK biofuel production receives little benefit from the targets.
- Implementation of the EU biofuel target is not required before 2020.
- UK biofuel targets must be suspended or at least frozen.
- There are much better ways to reduce emissions from road transport.

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Why UK biofuel targets must not increase

Introduction

The Renewable Transport Fuel Obligation (RTFO) requires that biofuels form 5 per cent of road transport fuel by 2010/11. Following overwhelming new scientific evidence about the negative environmental and social impacts of biofuels, Lord Adonis, Minister of State, Department for Transport, has laid a draft order to amend the RTFO. The draft order proposes to postpone the 5 per cent target to 2013/14. The proposal is due to be debated in parliament in mid March.

Friends of the Earth welcomes the Government's questioning of biofuel targets. But reducing the rate of increase of the target will only slightly reduce the amount of unsustainable biofuels we consume. It will not, as the Government suggests¹, address the continued risk of greenhouse gas emissions from biofuel production. Biofuel targets must be scrapped or at minimum suspended until systems are in place that are proven to ensure sustainability and that guarantee significant carbon savings when emissions from indirect land use change are taken into account.

The RTFO will not save greenhouse gas emissions

The main rationale of the RTFO is to reduce greenhouse gas emissions from road transport. The Department for Transport has stated that the RTFO is the "main policy in the transport sector to reduce greenhouse gas emissions" and its policy objective is to "to reduce carbon from road transport by 2.4 – 3.0 million tonnes of CO₂ per annum"².

Research into the emissions from direct and indirect land use change³ has demonstrated that the large scale use of biofuels will potentially lead to an increase of overall emissions from transport – not a reduction. The Government-commissioned Gallagher report into the indirect effect of biofuels stated "There is a significant risk that a continuation of current policy will not lead to a net reduction in GHG-emissions and could cause an increase".⁴

Targets for greenhouse gas savings of biofuel under the RTFO and under the EU's Renewable Energy Directive (RED) fail to account for emissions from 'indirect land use change' (ILUC). This is when extra land is cleared to grow crops that have been displaced by biofuels – releasing carbon stored in soil and trees back into the atmosphere. Emissions from ILUC are the decisive factor in determining whether biofuels save emissions or not. There is an obligation on the Commission to "submit a report" on ILUC in 2010 and the UK played an important role in securing this report. It is inconsistent of the UK to increase its own biofuel targets whilst the problems of ILUC are unresolved.

Sustainability is not ensured

UK sustainability legislation for biofuel has been promoted by some as a way to ensure the sustainability of biofuel targets. In reality UK leeway on sustainability is limited to provisions passed under the RED, as the directive explicitly bans member states from implementing sustainability provisions that go beyond the directive.

The RED's sustainability standards contain numerous loopholes and do not stop the risk that increased production of biofuels will lead to further biodiversity loss and environmental

¹ Department for Transport, 2009, Summary of Responses to Part One of the Consultation on the Draft RTFO (Amendment) Order 2009

² Department for Transport: Explanatory memorandum to the renewable Transport Fuel Obligations Order 2007

³ Tim Searchinger et al, 2008, Use of U.S. Croplands for Biofuels Increases Greenhouse Gases Through Emissions from Land Use Change

⁴ REA, 2008, The Gallagher Review of the indirect effects of biofuels production

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destruction. For example, the definition of high biodiversity areas and high carbon stock areas is very limited, potentially allowing up to 95 per cent of global peatlands and 50 per cent of global forests to be converted to biofuel plantations.⁵ There are no social standards within the mandatory sustainability criteria and no provisions that mitigate the impacts on global food prices. As discussed above, there are no systems to ensure emissions from ILUC are accounted for.

Little benefit for UK farmers and UK producers of sustainable biofuel

Latest available figures published by the Renewable Fuel Agency (RFA) have revealed that:

- Only 8 per cent of biofuels used in the UK are of UK origin;
- Soy provides the highest proportion of feedstock used;
- Only 2 per cent of biofuels used in the UK meet the RTFO meta standard. Only 17 per cent of biofuels meet any qualifying environmental or social standard respectively.⁶

Although some UK farmers do profit from increased commodity prices that have partly been caused by biofuel targets, the main beneficiaries are international commodity traders. There is little evidence that the targets are helping small scale producers of truly sustainable biofuels, for example from recycled cooking oil. In fact, the opposite seems to be true with many producers of sustainable biofuels now struggling due to the competition from big overseas players. Latest figures from the RFA show that the use of recycled cooking oil as biofuel dropped by over half.⁷

An increase in targets is likely to further diminish the proportion of UK produced biofuel, mainly because domestic production cannot compete with the price competition from overseas produced biofuels from soy, sugar cane and palm oil.

Biofuels do not increase energy sovereignty

A recent study looking at biofuels in the US⁸ has shown that in most cases more fossil fuel energy is required to produce a unit of biofuel than the energy the biofuel produces. This increases our reliance on fossil fuel and reduces energy sovereignty.

Slowing targets will not ensure sustainability

The Government has not offered any evidence of how slowing the targets would solve the serious environmental and social impacts, in particular emissions from indirect land use change. The UK will continue to be an accomplice in deforestation, increased global greenhouse gas emissions, biodiversity loss, food and water shortages, slave-like working conditions, land grabs and violent conflicts all of which have been documented as occurring as a result of biofuel production expansion.

The UK must scrap biofuel targets or at a minimum freeze at the current level of 2.5 per cent until the sustainability of higher targets can be demonstrated and until measures to address emissions from indirect land use change have been implemented.

⁵ T&E, 2009, Biofuels in Europe: An analysis of the new EU targets and sustainability requirements with recommendations for future policy

⁶ RTFO monthly report, April - November 2008

⁷ Renewable Fuel Digest Issue No7, February 2009

⁸ David Pimentel et al., 2009, Food Versus Biofuels: Environmental and Economic Costs

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Does EU law allow the UK to freeze or scrap biofuel targets?

Yes. The RED only obliges member states to have a 10 per cent target for renewable energy in transport (which will come mainly from biofuels) in place by 2020. It proposes an indicative trajectory for the Renewable Energy target as a whole, but not for the transport (biofuel) target. At the same time any additional UK sustainability provisions will become obsolete as soon as the RED enters into force in 2010.

The UK has an opportunity to be a leader in the use of real renewable energy that can play a major role in reducing greenhouse gas emissions. At the same time the Government must take a precautionary approach regarding transport biofuels that divert natural and financial resources away from meeting the overall renewable energy target and that have been demonstrated to be ineffective in as a climate mitigation tool.

There are much better ways to reduce greenhouse gas emissions from transport

The Government-commissioned study "Looking over the horizon" has demonstrated that emissions from transport could be reduced by 60 per cent by 2030 through a combination of transport policy measures that are proven to deliver effective greenhouse gas reductions⁹. For example, measures to boost walking and cycling could save 7.3 million tonnes of carbon dioxide per year¹⁰. If UK speed limits were lowered we could reduce emissions by as much as 5.4 million tonnes of carbon dioxide a year as well as improving our energy security and saving lives.¹¹ If European politicians made manufacturers double the average fuel efficiency of new cars it could save 95 million tonnes of carbon dioxide a year across the EU¹².

What is needed?

- The UK must play a lead role in ensuring that the EU Commission investigates and implements a system that accounts for and prevents climate emissions from indirect land use change caused by the increase in biofuel production.
- UK biofuel targets must be suspended or at very least frozen at 2.5 per cent until such a system is in place and until after the EU Commission's review into whether biofuel targets can be achieved sustainably.
There is no legal obligation on EU member state to increase biofuel use before 2020.
- There is a need for targeted support for small scale producers using truly sustainable biofuel feedstocks, like recycled cooking oil.
- The Government must aim to reduce emissions from transport through a combination of transport policies proven to effectively reduce emissions.
- Research resources and industry incentives should be redirected from biofuels into effective renewable energy and into reducing energy demand.

⁹ Looking over the Horizon, Visioning and Backcasting for UK Transport Policy, Department for Transport – New Horizons Research Programme 2004/05

¹⁰ Department for Transport: Carbon Pathways Analysis, July 2008 and Sustrans submission to Committee on Climate Change: Carbon savings from active travel interventions, July 2008

¹¹ Sustainable Development Commission: *UK climate change programme review submission*, May 2005 and International Energy Agency, *Saving Oil in a Hurry*, 2005

¹² Putting the brakes on climate change: CO2 limit values for cars, CPC Berlin, 2007