

Inputs to the ENVI Committee's Draft Report on the procedure file 2012/0288(COD): Fuels and energy from renewable sources: transition to biofuels to deliver greenhouse gas savings

Wetlands International welcomes the transition towards the sustainable production and consumption of bioenergy which delivers substantial greenhouse gas (GHG) savings compared to fossil fuels. As an organisation with valuable experience in wetland conservation, restoration and the sustainable use of their resources for people, climate and nature worldwide, we suggest a set of recommendations for inclusion in the European Parliament's position on the second reading of the procedure file 2012/0288(COD).

Background

The EU's biofuel policy is regulated via the Renewable Energy Directive (RED)¹ and the Fuel Quality Directive (FQD)². Both Directives have contributed to an increased demand for energy crops and biomass, inside and outside the EU. Due to the expansion of energy crops, agricultural production is being displaced to other land areas; the so-called Indirect Land-Use Changes (ILUC) effect.

These land-use changes are closely linked with significant releases of greenhouse gas (GHG) emissions and other negative impacts on people and ecosystems. Peatland ecosystems are particularly affected. Peatlands are wetland areas with a thick water-logged organic soil layer which, under undisturbed conditions, continuously and permanently store carbon. When drained for agricultural use, the organic carbon in peat soils oxidizes resulting in significant and continuous CO₂ emissions. Drained peatlands are hotspots of CO₂ emissions, as they are responsible for 25% of the CO₂ emissions from the entire Land-Use, Land-Use Change and Forestry (LULUCF) sector and for almost 6% of the global anthropogenic CO₂ emissions. Europe is the second biggest source of peatland emissions after Southeast Asia³. Over 90% of CO₂ emissions from agriculture in the EU comes from the 6% of agriculture that takes place on drained peatlands, demonstrating the disproportionate impact of peatland drainage and the importance therefore of ensuring that biofuel source materials should not be derived from such drained peatland areas.

Due to sustainability considerations related to the expansion of biofuels, the European Commission has introduced a proposal which amends both Directives. This briefing contains recommendations to the Draft Report⁴ submitted to the ENVI Committee by the rapporteur.

Calling for the Members of the European Parliament to:

1. Strengthen the ILUC requirements

Wetlands International believes that the EU's climate policy should be reformed so as to accurately demonstrate the GHG savings offered by the production and consumption of all types of biofuels, bio liquids and bioenergy products. Under this perspective, the EU should ensure that for all biofuels and bioliquids consumed in the EU, ILUC factors (including peat emissions) should be used for the mandatory accounting of GHG emissions.

¹ Directive 2009/28/EC 2009 on the promotion of the use of energy from renewable sources (Available at http://eur-lex.europa.eu/legal_content/EN/TXT/PDF/?uri=CELEX:32009L0028&from=EN)

² Directive 2009/30/EC on fuel quality (available at http://eur-lex.europa.eu/legal_content/EN/TXT/PDF/?uri=CELEX:32009L0030&from=EN)

³ Food and Agriculture Organization of the United Nations and Wetlands International (2012), Peatlands - guidance for climate change mitigation by conservation rehabilitation and sustainable use,(Available at, <http://www.fao.org/docrep/015/an762e/an762e.pdf>)

⁴ ENVI Committee Draft Report (Available at <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+COMPARL+PE-544.412+01+DOC+PDF+V0//EN&language=EN>)

The ENVI's Committee Draft report re-tables the European Parliaments' first reading position, as it proposes ILUC emissions to only be taken into account for reporting purposes and be counted towards GHG emissions savings after 2020, in the FQD (see amendments 13, 26, 29,60). Even though the presented position is preferable to the Council's first reading position which is the mere reporting of ILUC emissions, it will not effectively address ILUC emissions.

Hence, Wetlands International asks the re-tabling of the ENVI Committee amendments from the first reading (document A7-0279/2013, amendments 8,20,60,112,113,105,117,118) which support the immediate accounting of ILUC emissions in the calculation methodology of GHG emission savings in both Directives.

2. Clearly determine biofuels endorsed by the EU climate policy

Wetlands International considers that the EU legislation should provide clarity on the biofuels that are incentivised as a means to mitigate climate change. Clear definitions of which bioenergy products are supported would allow relevant policy measures to be consistently applied across the EU.

✓ Low-ILUC risk biofuels

Wetlands International is of the view that the concept of Low-ILUC risk biofuels, introduced by the Council, should not be supported by the European Parliament, as it is not clearly defined. Wetlands International supports the amendment 22 and 43 of the ENVI Committee's Draft report which deletes the blurred definition given to Low-ILUC risk biofuels.

✓ "Advanced" biofuels

The ENVI Committee's Draft report endorses the so called "advanced" biofuels which are produced from feedstocks listed in Annex IX, by obliging Member States to increase their consumption up to 2.5% of their final consumption of energy in the transport sector by 2020.

In order for this target to be achieved Member States can use further biofuels made from feedstocks not listed in Annex IX, but determined to be wastes, residues, non food cellulosic material or lingo – cellulosic by national authorities and used in existing installations (see amendment 46).Wetlands International is opposed to this provision, as it involves the risk of multiple interpretations of a variety of feedstocks and therefore, its application would not be consistent across EU.

In addition to the listed feedstocks, the Draft also suggests the inclusion of further feedstocks in Annex IX (see amendments 75,76). Wetlands International is reluctant to support these amendments, due to the imprecise definition of such feedstocks and the lack of complete assessments on their possible impacts and benefits.

Given the lack of clarifications on the types of supported biofuels in combination with the introduction of a quantitative target, there could be the risk that unsustainable biofuels would be subsidized at the expense of the climate and of EU tax payers.

3. Strengthen sustainability considerations in the production and use of biofuels

Wetlands International believes that the EU biofuel policy should ensure the sustainable production and use of biofuels inside and outside the EU.

✓ Social aspects

The ENVI Committee's Draft introduces a recital (amendment 14) which calls for the non-displacement of local and indigenous communities, caused by the expansion of biofuel crops. This proposed recital does not sufficiently address social considerations linked to the expansion of biofuels, inside and outside the EU, as it is not accompanied by the introduction of social aspects in the sustainability criteria of both Directives. Hence, Wetlands International asks the Members of the European Parliament to strengthen social considerations, by re-tabling the relevant amendments proposed by the European Parliament on its first reading. Specifically, the recognition of the impacts

of biofuels on food security, livelihoods, land rights and poverty (amendments 8,30,129) and the required inclusion of land acquisition criteria in the sustainability criteria of both Directives (amendments 49, 86), as introduced by the European Parliament on its first reading.

✓ **Sustainable “Advanced” biofuels**

Even though the so called “advanced” biofuels are not sufficiently defined, the Draft report proposes the removal of the sustainability provisions regarding the waste hierarchy principle, the biomass cascading principle and the maintenance of the necessary carbon stock in the soil of the feedstocks listed in Annex IX (see amendments 58,62). Wetlands International strongly calls for Members of the European Parliament to reject those proposed amendments and encourage the effective implementation of those principles.

4. Adopt accurate methodology for the calculation of the real GHG emission savings delivered by the use of bioenergy products

Wetlands International believes that the EU, under its climate policy, should incentivise biofuels and other bioenergy products that deliver real GHG benefits compared to fossil fuels, when their GHG savings are correctly calculated. Hence, the proposed methodology for the calculation of GHG emission savings from the production and use of transport fuels should demonstrate their accurate carbon footprint.

✓ **Bonus (eB)**

The ENVI Committee’s Draft report recommends the deletion of the bonus (eB=29gCO₂eq/MJ) in the methodology of the GHG emission savings given when biofuels are cultivated on restored previously degraded land (see amendments 15, 69, 72).

Wetlands International firmly welcomes incentives given towards the restoration of severely degraded and contaminated land, as it contributes to sustainable land management and to the restoration of valuable ecosystem services. However, the aforementioned bonus, integrated into the calculation methodology, distorts the real lifecycle GHG emissions savings offered by biofuels and as such Wetlands International supports the proposed amendments.

✓ **Cropland/Perennial crops**

The ENVI Committee’s Draft Report also suggests the deletion of the Council’s views on the merging of croplands and perennial crops under one type of land-use change (see amendment 69, 72), when calculating annualised GHG emission from carbon stock change due to land-use.

Wetlands International supports the proposed amendments, as these two types of land should be distinct, given that they are linked to different annualised GHG emissions.

✓ **Emissions from fuel in use (e_u)**

The current methodology on calculating GHG emissions from the production and use of biofuels and bioliquids set the emissions coming from the fuel in use to be zero. Wetlands International is opposed to this value, as an accurate calculation of the carbon footprint of biofuels and bioliquids GHG would demonstrate the GHG emissions coming from the use of those fuels do exist.

About Wetlands International

Wetlands International is the only global not-for-profit organisation dedicated to the conservation and wise use of wetlands. Our vision is of a world where wetlands are treasured and nurtured for their beauty, the life they support and the resources they provide. Wetlands International leads an Association of European NGOs and is a leading expert on environmental matters related to the production of palm oil in Southeast Asia. In our role as experts in the GHG working group of the Roundtable for Sustainable Palm Oil and as external reviewers of documentation and guidelines on emission factors for the Intergovernmental Panel on Climate Change, we provide expertise regarding palm oil production, forest and peatland degradation due to direct and indirect land-use

(change), and its related emissions and other impacts (such as soil subsidence and loss of biodiversity).

For more information

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