



FICHE

BIOFUELS AND AGRICULTURE

- Biofuels produced from EU feedstock (mostly from colza, maize , sugar beet and wheat) generates at least 6.6 billion euros of direct revenue for EU farmers.
- In addition, the bioethanol industry is said to have created 70 000 direct and indirect jobs since the EU introduced its biofuels policy, while the biodiesel sector has generated 220 000 direct and indirect jobs in the EU biodiesel production chain.
- European sourced biofuels have not displaced food and feed production, and have had no real impact on prices. On the contrary, biofuels have helped in limiting the adverse effects of the food markets U-turn, offering some economic stability to struggling EU farmers.
- There is another very important positive impact of biofuels production in the EU – the production of protein feed as a by-product. Europe is still dependent for 70% of soybean meal imports to meet its growing livestock demand. The EU biofuels industry processing rapeseed and cereals now produces approximately 13 million tons annually of high protein meals that otherwise would be imported from the Americas.
- EU origin biofuels reduce greenhouse gas emissions now by over 60%, and the savings are to increase in the upcoming years. They achieve this important environmental goals without any negative collateral effects – be it on deforestation, or on food and feed production.
- EU origin biofuels are thus clearly different from palm oil, whose expansion has been a main driver for deforestation and peat land degradation in South East Asia.

- The EU has just adopted a revised Renewable Energy Directive (RED2) that aims at curbing deforestation due to the production of high risk biofuels like palm oil for use in EU biofuels. It establishes a freeze and then a phasing-out of these biofuels.
- However the revised RED2 also allows certified low-risk palm oil to get into the EU biofuels. The Commission has adopted a Delegated Act that has still too many loopholes, the risk being that palm oil use in EU biofuels will continue to grow. The main loopholes are loose criteria for “small holders”, lack of guarantees on checking fraud, and no link whatsoever to actual deforestation.
- The new European Parliament should ask the Commission to close these loopholes by an implementing regulation, and closely monitor the evolution of imports of palm oil and of deforestation in the exporting countries.