

Members of the European Parliament have rejected an attempt to phase out support for crop-based biofuels. So what's next in the food versus fuel debate?

After years of controversy surround the European Union's financial support for using palm oil as biofuel in cars, last week's news that the European Parliament has voted to ban such subsidies seemed like welcome news.

But as the details emerged, campaigners have pointed out that this new legislation is unlikely to end the destructive practice of razing land in tropical areas to grow this controversial crop.

The legislative shift, set to take effect in 2020, won't actually change much at all when it comes to financial support for crop-based biofuels.

While palm oil can no longer receive subsidies under the new framework, other biofuels based on food crops still can. And because the market for all these crops are linked, farmers in places like Malaysia and Indonesia — who last week were protesting the policy shift — will still have an incentive to deforest land in order to grow it, says Marc-Olivier Herman of anti-hunger group Oxfam.

"Palm oil is the cheapest vegetable oil on the market," Herman explained. So if the share of palm oil consumed in the EU for bioenergy goes down but the mandate for biofuel targets remains, "what's not covered by palm oil will have to be covered by other vegetable oils," he told DW.

"The next cheapest is soy. That will need to be replaced in other sectors, and palm oil will be used to replace that in those sectors."

Palm oil is not just present in biofuels, it's ubiquitous in daily life — as DW's Klaus Esterluss discovered when he tried to complete a challenge to go a week without using palm oil.

The trouble with biofuel

The EU target of requiring 10 percent of transport fuels to be from renewable sources, adopted in 2008 for achievement by 2020, on the surface seems like a laudable goal.

But critics say this has converted land use from cultivation of crops for food to biofuel, which drives up food prices and threatens food security.

In addition, the change in farming practices has been increasing greenhouse gas emissions through a phenomenon known as indirect land use change.

Since old-growth trees in rainforests act as carbon sinks, when farmers clear those forests in order to grow biofuel crops, this releases carbon that had been locked up in those large trees.

The EU Parliament's environment committee had therefore recommended that this target be ended, and that subsidies for food-based biofuels be phased out by 2030.

Dutch Green parliamentarian Bas Eickhout, who helped craft the committee's position, said that the target "would open the door to first-generation biofuels that are bad for climate and compete with food production."

'Powerful lobby'

But the European Parliament's industry and agriculture committees continued to carry forward the biofuel lobby argument that dropping the targets would destroy the nascent industry, and recommended that the renewable fuel transport target even be increased to 12 percent for 2030.

Herman described the biofuel lobby as having "steamrolled" the European Parliament "into abandoning reforms that aim to stop burning food for fuel."

Herman says that if all crop-based biofuels were banned, the market would instead turn to electricity to meet the renewable transport goals.

It would also spur investment in new second-generation biofuels currently under development — that don't displace food production or cause more greenhouse gas emissions.

Herman condemned the biofuel industry as having "been built around public subsidies, tax breaks and mandates."

EU countries will be allowed to continue using crop-based biofuels to meet this renewable transport target, but with limits that essentially maintain the cap on use of food-based biofuels to meet the targets put in place by the EU in 2015.

'Not all biofuels are equal'

The biofuel industry, for its part, has been meeting with members of parliament to say that the science around indirect land use change is still uncertain, and that good biofuels are being lumped together with the bad.

Most in the biofuel industry acknowledge that palm oil has caused environmental harm, and have supported the idea of excluding this source from the subsidies.

But they say the push to have all biofuels banned from receiving subsidies, as led by Oxfam, would kill a fledgling industry that is not yet developed enough to survive on the open market.

Without a policy signal that biofuels should be used to meet the renewable transport targets, nobody will use them, the industry argument goes.

By focusing on getting rid of biofuels that drive deforestation like palm oil, "the parliament has sent a message that not all biofuels are created equal," says Emmaniel Desplechin for renewable ethanol association ePure.

"The EU should also keep in place the maximum contribution of crop-based biofuels at 7

percent — essential for safeguarding current and future investments.”

Desplechin added that advanced biofuels likewise need a commitment for ramping up.

If the first-generation biofuel industry is killed off, no companies would survive to develop the second-generation biofuels that environmental campaigners support, he believes.

This is the industry’s main worry around the parliament’s provision that countries be bound to their 2017 consumption level, which could cap some EU countries at lower than 2 percent.

The next biofuel battles

Now that the European Parliament has adopted its position, it will enter negotiations with the 28 EU national governments, led by Bulgaria, to agree on a final version of the legislation.

EU member states in December adopted their joint position on the legislation, which would increase the renewable transport target to 14 percent and allow continued subsidies to crop-based biofuels for at least the next 12 years.

Anti-biofuel campaigners recognize this as a largely lost battle. But they look with hope to a provision which would allow individual EU countries to adopt biofuel subsidies lower than the EU-wide cap.

“A lot of the battles will take place at national level in the coming years, because there are uncertainties about implementing the directive,” says Herman. “In general, there is a move to let each member state figure it out.”

France’s biofuel-skeptic government is also pushing for a review clause to be inserted into the legislation, which would require that the 7 percent cap be reviewed in 2025, with a possible view to reversing course and banning all crop-based biofuels at that time.

“Sooner or later, the debate is going to come back,” he concludes.

Source: dw.com