



# Biofuels - New Commission proposal for limiting indirect land-use change emissions (ILUC)

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# Context for policy making

- Investments already made in biofuels capacity
- EU needs biodiesel as we have an on-going dieselisation of the fleet
- Ethanol can only be blended to a limited level (too few petrol cars)
- Many 1<sup>st</sup> gen biofuel crops provide important proteins as animal feed
- Regulatory stability
- Increasing imports



# The Commission Proposal (1/4)

*Starts the transition to biofuels that deliver **solid GHG savings** (incl estimated ILUC)*

*A limit to the amount of 1<sup>st</sup> gen. biofuels that can count towards the Renewable Energy Directive targets to current consumption levels (5%); effectively creating a sub-target*





# The Commission Proposal (2/4)

*The science on ILUC is **not sufficiently stable** to be integrated in the sustainability criteria.*

*The **estimated ILUC emissions** are therefore rather including in the MS reports in both Directives to increase transparency of all biofuels.*





# The Commission Proposal (3/4)

*Remaining growth in the biofuels' market comes from advanced biofuels, for which incentives are also increased (quadruple accounting).*

*In addition, the greenhouse gas emissions saving requirements are increased to 60% for new installations.*





# The Commission Proposal (4/4)

*In conclusion;*

*-we respect investments made,  
-while enhancing incentives for advanced  
biofuels that can be produced with little risk  
of ILUC*

*Such biofuels also offers prospects for  
cheaper fuels through substantial technology  
learning*





# Thank you

*Material on the **sustainability criteria** including the GHG methodology is available here:*

[http://ec.europa.eu/energy/renewables/biofuels/sustainability\\_criteria\\_en.htm](http://ec.europa.eu/energy/renewables/biofuels/sustainability_criteria_en.htm)

*The **ILUC proposal** and **Impact Assessment** underpinning it are available here:*

[http://ec.europa.eu/energy/renewables/biofuels/land\\_use\\_change\\_en.htm](http://ec.europa.eu/energy/renewables/biofuels/land_use_change_en.htm)



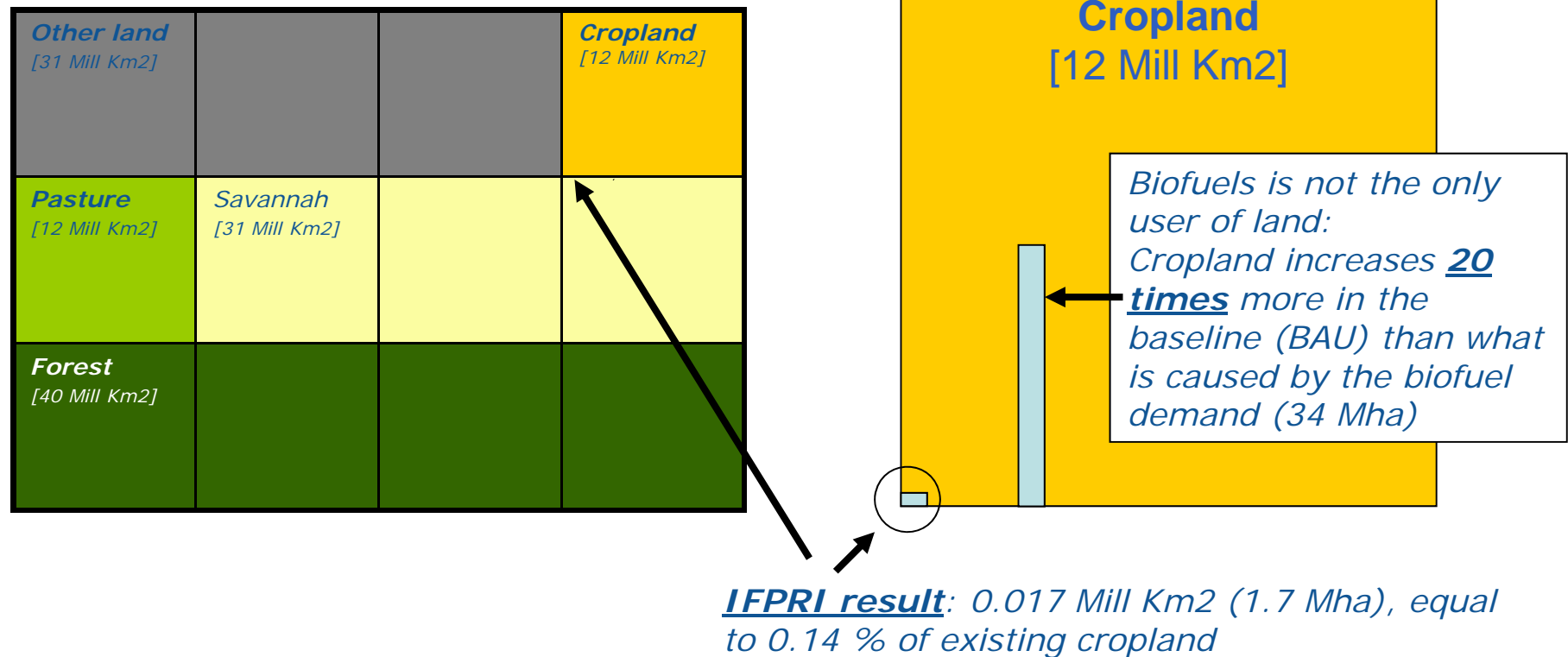
*Back-up:*

- *More results from IFPRI*
- *Food price impacts*
- *Biofuel use in the various Member States*

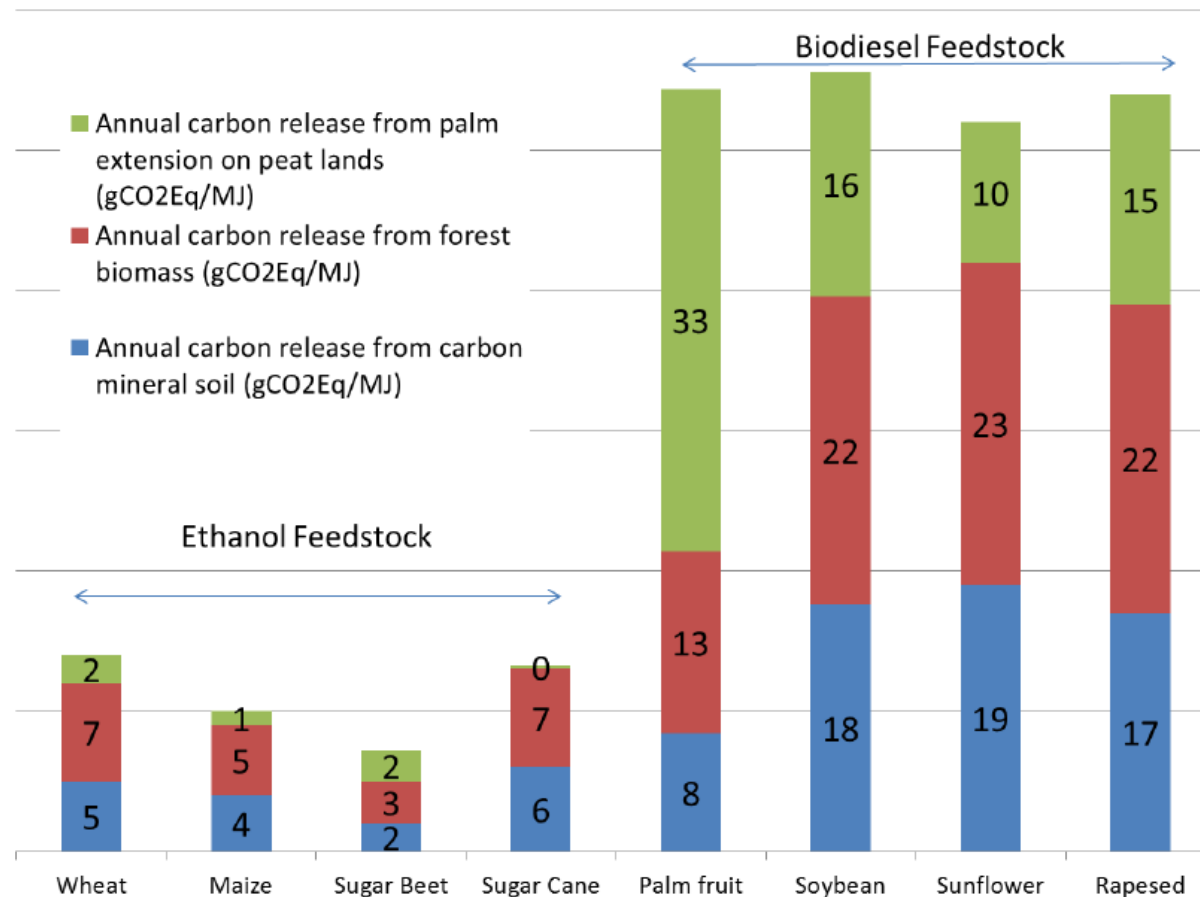


# What land resources do we have?

World's available land: 126 Mill Km<sup>2</sup>



## Overall results (note importance of peatland emissions which only account for 2% of the expansion of cropland)



Source: Figure 15 of IFPRI-report



# Land use and food price consequences

*IFPRI estimates that the 5% of 1<sup>st</sup> generation biofuels will need a **net** amount of around 1.7 Mha of land.*

- **In comparison the world has around 1500 Mha of cropland, of which around 80 Mha are in the EU.**

*Estimates from IIASA and IFPRI shows price increases of 1-2% for cereals and around 4% for oil crops as a result of EU's use of biofuels.*



# Use of biofuels in the EU

