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Rt Hon Edward Davey MP
Secretary of State for Energy and Climate Change
Department of Energy and Climate Change
3 Whitehall Place
London
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4 December 2013

To: Ed Davey, Secretary of State for Energy and Climate Change
CC: Susan Kramer, Minister of State for Transport

Dear Mr Davey,

RE: Urgent call to fix biofuels policy: stop the devastating impact on people and environment in Indonesia

The European Union is at a critical cross-roads for setting the future of biofuels policy. Your decisions over the next week will have repercussions on climate change, world food price rises, human rights and deforestation rates across the world.

Currently, almost all biofuels are made from land-based food crops, which come at a high financial, environmental and social cost – none more so than biodiesel produced from oil palm. Through our work for climate justice in Indonesia, Down to Earth (DTE) has direct evidence from local communities of the severity of these impacts¹.

As well as putting pressure on food production globally, deforestation for palm oil threatens food sovereignty for up to 40 million local and Indigenous people in Indonesia who depend on forests for hunting, gathering and growing food. Exploitative labour conditions, job insecurity, low wages and child labour are common issues on oil palm plantations. By promoting the expansion of oil palm development in Indonesia, the EU's biofuels policy is exacerbating these impacts – while costing billions of Euros in industry subsidies every year, paid by the European taxpayer.

DTE was alarmed to read that the Council's draft first reading of the biofuels policy amendments, released on 29th November, will further weaken the already compromised text agreed by the European Parliament on 11th September 2013. In particular, we are concerned that the Council wishes to:

1. Increase the share of food-based biofuels from 5%-7%. This will allow an increase of up to 50% in the demand for food-based biofuels - creating further competition for food, risking global food crises and loss of food sovereignty.
2. Reject robust and uniform accounting for ILUC emissions from biofuels, allowing ILUC factors for reporting purposes only. The scientific consensus shows that emissions from ILUC will

¹ See DTE's interview with Bondan Andriyanu of Sawit Watch (Palm Oil Watch), on the impacts of palm oil expansion in Indonesia: <http://www.downtoearth-indonesia.org/story/europe-s-agrofuels-imports-check-reality-ground-indonesia>

exacerbate climate change. Mandatory accounting is the best option currently available to ensure that greenhouse gas impacts of biofuels are addressed.

3. Change the mandatory 2.5% sub-target for advanced biofuels into a voluntary target. This will weaken the incentive for investment in advanced biofuels, and for the industry to move away from damaging, first generation biofuels.
4. Extend the multiplication factor for advanced biofuels to the whole Renewable Energy Directive (rather than the 10% transport target only). This would dilute the 20% renewable energy target and significantly undermine the level of ambition in the non-transport sectors.

We urge you to reconsider your position and provide leadership to encourage fellow Member States to strengthen the draft first reading by:

1. Setting the cap on all land-based biofuels to current consumption levels (maximum 5%).
2. Introducing mandatory ILUC accounting in the RED and FQD without delay, to ensure all carbon emissions from biofuels are taken into account
3. Ensuring that 2.5% sub-target for advanced biofuels is mandatory
4. Reconsidering your proposal to apply a multiplication factor for advanced biofuels to the 20% target and ensuring this applies only to the 10% transport fuel target
5. We also urge you to ensure that biofuels from waste and residues comply with the principles of waste hierarchy and cascading use, and with sustainable land management practices.

These are the absolute minimum changes required to limit the most severe impacts of the policy and must be implemented immediately.

As it stands, the Council's draft text prioritises industry interests and fundamentally ignores robust evidence that biofuels are dangerous for the people and the environment. This goes against the EU's international development goals and its legal duty to ensure 'Policy coherence for development'. It also undermines the UK's national strategies to decarbonise the transport sector through investment in genuine energy efficiency technologies, reduction of energy consumption in transport, renewable electricity, and sustainable advanced biofuels made from wastes and residues while avoiding negative direct and indirect effects.

As a member of the European Union, the UK has a responsibility to reduce its land and carbon footprint – and the social and environmental impacts of its policies. We ask you, before your final decision on 12th December, to encourage Member States to reach an agreement which addresses our concerns, and the robust evidence which supports them.

DTE would like meet you to discuss our concerns further at your earliest convenience. We look forward to your reply.

Yours sincerely,



Clare McVeigh
Down to Earth, International Campaign for Ecological Justice in Indonesia