

# Call for an Immediate Moratorium on Incentives for Agrofuels<sup>1</sup> and on EU Imports of Agrofuels

**INFORSE-Europe\*** calls for an immediate moratorium on incentives in EU countries for agrofuels from large-scale monocultures including tree plantations and a moratorium on EU imports of such agrofuels. This includes the suspension of incentives such as tax breaks, subsidies and mandatory blending in transportation fuels, which benefit agrofuels from large-scale monocultures, as well as their financing through carbon trading mechanisms, international development aid or loans from international finance organisations such as the World Bank.

We also call for the immediate transformation of all targets for biofuel use in transportation to targets for sustainable transportation, such as targets for power from sustainable renewable energy, energy efficiency increases, reductions of unnecessary transport, and shifts to more environmentally benign forms of transport.

This call for a moratorium for agrofuels, does not include the use of biofuels in truly sustainable ways, such as the replacement of imported fossil fuels by the local use of sustainably produced biofuels.

## **Why do we call for a Moratorium:**

INFORSE is calling for a moratorium to provide time to study in depth the consequences of large-scale agrofuel production in order to make a sound and comprehensive assessment of their socio-economic and environmental implications. We feel this will ensure the chosen EU path will then offer the most effective outputs in meeting climate change targets. During the moratorium we are calling for an assessment of both short and long term impacts and returns of proposed agrofuel targets and of alternative policies that can reach the same objectives, while guaranteeing the prevention of the serious negative impacts that are already being experienced.

We need to have a good analysis to ensure the large-scale investments in infrastructure are made in this area are truly effective at reaching their stated goals. It is essential that independent agents from EU civil society, and in particularly those most directly affected by the production of agrofuel crops are given a fair chance to assess the impacts of the current promotion of agrofuels. A moratorium on incentives for large-scale agrofuel crop production and a halt to EU agrofuel imports will provide the space required for this discussion, and will lead to a much more effective use of EU funding. This is why we support a moratorium and the change of targets.

Agrofuel production has proven extremely harmful for the environment and for local population in a number of developing countries, and irreversible land use changes to agrofuel plantations is increasing. The only way to reduce the pressure on nature and people is to re-think the international trade that drives biofuels investments. The accumulated effect of a large number of agrofuel developments is, at present, negative for the environment, as the irreversible degradation of the soils and terrestrial bio-sphere gives higher greenhouse gas emissions than can be gained with change from fossil fuels to agrofuels. In addition agrofuels with nitrogen fertilisation often have higher greenhouse gas emissions than the fuels they replace<sup>2</sup>.

A moratorium will immediately reduce the demand for crops and trees used as agrofuel feedstocks, thus reversing current increases in commodity prices and putting the brakes on the expansion of monoculture plantations for agrofuels which is threatening ecosystems, food security, communities and the global climate, giving vital time for the development of more effective options, before inappropriate markets and infrastructure are fully developed.

## **INFORSE-Europe Supports the Call for Effective Measures to Tackle Climate Change:**

INFORSE-Europe support urgent cuts in greenhouse gas emissions, based on climate science assessments, which involve a drastic overall reduction in energy use in industrialised countries, strict energy efficiency standards, and support for truly renewable forms of energy, such as sustainable wind and solar energy, as well as the protection of ecosystems and carbon stores. The threat posed by climate change is urgent, therefore all EU funds invested in new markets and the associated infrastructure must be effective and truly sustainable. Agrofuels do not yet have a verifiable role in the mitigation of net greenhouse gas emission reduction; they actually threaten to accelerate it - while other investment options can lead to sustainable transport that meets EU needs for transport with far less greenhouse gas emissions than current practice.

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<sup>1</sup> Agrofuels are liquid fuels from biomass, which consists of crops and trees grown specifically for that purpose on a large scale. Agrofuels are currently produced from crops such as maize, oil palm, soya, sugar cane, sugar beet, oilseed rape, canola, jatropha, rice and wheat. Agrofuels are designed to replace petroleum, mainly in road vehicles and trains. Agrofuels do not include biofuels derived from waste, such as biogas from manure or landfill, or waste vegetable oil.

<sup>2</sup> See "N<sub>2</sub>O release from agro-biofuel production negates global warming reduction by replacing fossil fuels", P.J. Crutzen et al, Atmospheric Chemistry and Physics Discussions, August 2007.

### **Certification is no Solution at Present:**

Although certification schemes have been proposed to solve the sustainability problems of biofuels, no effective certification scheme is in place at present. INFORSE-Europe regard the present certification schemes, whether voluntary or mandatory, to be incapable of effectively addressing serious and potentially irreversible damage from agrofuel production, the main reasons being:

- Overall net GHG gas reduction accounting systems are not in place.
- The development of such criteria has to date failed to ensure that communities most directly affected by agrofuel production are included in the discussion and fully consulted from the outset, or to comply with basic procedural requirements ensuring Free Prior and Informed Consent of indigenous peoples whose lands will be affected.
- The development of agrofuels is proceeding far more quickly than certification is and can be implemented.
- In many countries, conditions are lacking to ensure the implementation or monitoring of such safeguards, or accountability for those responsible for violating them.
- Macro-level impacts such as the displacement/relocation of production to lands outside the scope of the certification schemes cannot be addressed through these schemes. Likewise, certification cannot deal with other macro-level impacts like the competition with food production, and access to land and other natural resources.

*\*) The proposal of a moratorium was agreed to by the INFORSE-Europe's General Meeting, on October 3, 2007. INFORSE-Europe is the European region of International Network for Sustainable Energy (INFORSE),*

*See <http://www.inforse.org/europe>*

*Many NGOs and NGO networks support a moratorium on support for agrofuels, See:*

*<http://www.econexus.info/biofuels.html>*

### **Annex: Examples of harmful Agrofuel Development Lead by Demand in the North**

In the past 18 months, billions of dollars have been invested in agrofuel plantations and refineries and associated infrastructure. In Indonesia, \$17.4 billion dollars of investment were pledged in the first quarter of 2007, whilst the government plans to convert some 20 million hectares of land to biofuel plantations. 9-10 million hectares of rainforest are acutely threatened in West Papua alone. In Latin America, the Inter-American Development Bank has announced plans to invest \$3 billion in private sector agrofuel projects. Governments in a growing number of countries, including Brazil, Argentina, Paraguay, Ecuador and Colombia, are implementing national strategies to boost agrofuel production that are driven by financial incentives and investment in and licensing of refineries and infrastructure projects, including new roads, ports and pipelines. Those infrastructure developments will open up old-growth forests and other natural ecosystems to destruction, whilst accelerating the displacement of local communities by expanding plantations. The impacts of this massive, rapidly growing investment in agrofuel expansion will be irreversible and irreparable.

Agrofuels pose a particular threat to tropical forest and wetland ecosystems, as events in Indonesia already indicate. Such forests play a vital role in stabilising climate and creating rainfall. There is evidence that the Amazon rainforest may be approaching a point where deforestation will have reduced the vegetation so much that it can no longer maintain its rainfall cycle, thus threatening much or all of the ecosystem with potentially rapid die-back and desertification<sup>3</sup>. Further destruction of rainforests and peatlands for agrofuels could push the planetary system into accelerated warming, sea level rise and ecological change sooner than fossil fuel emissions alone. If the current rush for agrofuels is allowed to continue while certification and the necessary macro-level policies are developed, the damage such schemes and policies are meant to prevent will already have been done by the time they are in place. The risks of a 'wait and see' approach are far too high. The EU should apply the precautionary principle to its approach to biofuels and implement a moratorium.

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Climatic variability and vegetation vulnerability in Amazonia, L. R. Hutyrá et al, *Geophysical Research Letters*, Vol. 32, L24712, doi:10.1029/2005GL024981, 2005, [http://eebweb.arizona.edu/faculty/saleska/docs/Hutyrá05\\_Var.Vuln\\_GRL.pdf](http://eebweb.arizona.edu/faculty/saleska/docs/Hutyrá05_Var.Vuln_GRL.pdf), and also A new climate-vegetation equilibrium state for Tropical South America, Marcos Daisuke Oyama and Carlos Alfonso Nobre, *Geophysical Research Letters*, Vol. 30, No. 23, 2199, doi:10.1029/2003GL018600, 2003, <http://www.agu.org/pubs/crossref/2003/2003GL018600.shtml>