

The views expressed below are not intended to be exhaustive. They merely reflect our points of departure and contain several general remarks in response to the ideas put forward. When no comments are made on certain aspects it does not imply that MVO necessarily agrees. MVO is eager to engage in future discussions to further develop ideas and elements for a legislative framework that will be robust, fair and effective in meeting its objectives.

General

1. In a supply chain of production, processing and trade with international dimensions any agreement on the development and implementation of sustainability criteria should be achieved at international level together with the producing countries. Broad support from all parties involved, including the producing countries, is a precondition for ensuring the effectiveness of such agreements. Unilateral initiatives would at most create nichemarkets, which are not an effective answer to the sustainability issues that are at stake. The development and implementation of sustainability criteria at national or EU level should thus be aligned with international standards and initiatives (such as the Roundtables for Sustainable Palm Oil and Responsible Soy).
2. The development and implementation of sustainability criteria should be consistent with international trade agreements (WTO).
3. Efforts by companies to achieve sustainable production should be judged on a case-by-case basis and should not be discouraged by measures affecting an entire product group. The legislative framework should be non-discriminatory between feedstock and between EU produced or imported products.
4. A clear, solid and long-term policy is required to allow full exploitation of industrial development and investments. Design of a biofuel sustainability system
5. An incentive/support system for biofuels should lead to harmonization of the application of sustainability criteria within the EU. This system should align with international standards and initiatives (such as the Roundtables for Sustainable Palm Oil and Responsible Soy). Inspection and control should be organised in such a way that differences in national interpretations are avoided.
6. When developing a sustainability system it should be kept in mind that all parts in the chain need to make an effort to comply with the requirements. All parties should be given a realistic amount of time to self audit and develop activities in order to comply.
7. The principles of the system should be applied equally to different types of biomass regardless of their origin.
Monitoring of overall effects on land use
8. The direct land use effects referred to in Section 1 concern environmental effects, whereas the proposed elements for reporting by the Commission may refer both to environmental and socio-economic effects and may include indirect effects.
9. To ensure that the sovereignty of the producing countries is respected and with reference to the need to involve these countries when appropriate, these countries should have a decisive voice in the judgement of overall effects on land use, in particular in the judgement of socio-economic and indirect effects.
Encouraging the use of second-generation biofuels
10. The 'second-generation biofuels' is an arbitrary wording to distinguish between biofuels

based on either the nature of its feedstock or its mode of production. And there may be additional features. Any legislation should avoid the use of such vaguely defined terminology, which easily focuses attention to the definition of such wording and not to the actual objective.

11. The focus should be on the achievement of the main targets of the directive with any biofuel with regard to the sustainability requirements. These should be the selection criteria for encouraging the use of certain biofuels.

12. Since the target of 10% is already very ambitious it should be avoided that from fuels that comply with the rules, one is banned because it has less advantages than another. It should especially be noted that the subject of this consultation is a natural product, which properties fluctuate due to climate, soil quality, cultivation method and plant properties of the crop variety used. In the end a system that offers a clear long term perspective will encourage improvement within the production chain. A system that supports fuels based on the level of compliance with sustainability criteria will encourage development of better fuels.

13. Adequate attention should be given to by-products which can act as biomass feedstock for biodiesel like used frying oil and animal fat.

14. Any option for implementing this objective should take close account of existing trade rules and make use of the possibilities these trade rules offer.
Further action to achieve a 10% biofuel share

15. A clear, solid and long-term policy is required to allow full exploitation of industrial development and investments.

16. Legislation should allow for full multi-sourcing (including animal fat, residues and coproducts) to meet the future food, feed, oleochemical and biofuel demand. The current restrictions imposed by the Fuel Quality Directive and Diesel Standard should be lifted to allow maximal blending.

17. Although this consultation mainly targets the sustainability aspects of biofuels, availability is another important issue to fulfil the other main target of the Directive: security of supply. To achieve a 10% share, adequate attention should be given to the supply side of the feedstock. To our understanding this attention should include the following:

a. Knowledge transfer to improve yields of crops (crop yield in the new EU member states as well as in developing countries is often lower than average because of the methods used)

b. Promotion of research and development of crops that have beneficial properties like drought and pest resistance, higher yields and easier harvesting.

c. Promotion of research and development of bio refining to make better use of the whole plant in order to give the farmer an adequate income.

d. Promotion to increase the use of available land (set aside, fallow land which is not counted in the statistics of arable agricultural land, etc) for biomass production.