

Question 1.1 (feasible)

It can be made feasible if it is radically changed (see below). The scheme (box 1) should get really sustainable (environmentally and socially) and require mandatory certification. We mention the need of:

- at least 50% less climate emissions than fossil fuels (in ten years stepwise climbing up to at least 80% for technologies that have become mature);
- not setting a quantity-based limit of agrofuels (minimum %) but a minimum % of CO₂-reduction by agro fuels (whole production chain);
- avoiding effects on water availability for the population, for their agriculture and for nature;
- avoiding significant emissions of chemicals, minerals and N- and P-substances to water and air.

The effects on biodiversity, scarcity of water and emissions should not only be avoided directly (area of production of the agrofuels) but also indirectly (shift of production to make space for other agricultural crops shifting to formerly nature area).

Question 1.2 (administrative burden)

The administrative burden is considerable for the production chain of agrofuels in organising the certificates; the burden can be less if certification is linked to existing ones like RTPO and EUREP-GAP. Governments and the EU have to do auditing and reporting which is also a considerable task to do.

Question 1.3 (possible way forward).

We think more sustainability criteria are necessary. Besides the three mentioned by DG TREN we miss very much the environmentally sound methods and practices of agrofuel production. Without these best methods and practices a lot of inputs like pesticides and fertilizers can be used and biodiversity can be harmed. We suggest using as a minimum criterion Integrated Crop Management (ICM), a system in which only available best practices are used, inputs are minimized as much as possible by giving priority to non-chemicals methods and practices of crop production, and wildlife in the fields is maintained and enhanced. The Commission will set minimum (low) standards for ICM in the proposed Directive on the sustainable use of pesticides and fertilizers; in this scheme for agro fuels a high level of ICM (best practices) should be chosen.

ICM should be criterion 4 in box 1, local social effects of agrofuel production should be criterion 5, and local social economic effects criterion 6. Land rights are an important topic as well as displacement of people, displacement of crops and livestock and food prices and availability. These criteria should be included as much as possible in the certificate by quantitative targets or by reporting. If this is not possible because the effects are on macro-level, Member States and the EU should monitor the effects.

For criterion 1 (greenhouse gas savings) we think the 10% savings target suggested by DG TREN does not take the overall greenhouse gas objective of Europe serious. We propose a saving target of 50% to start with and going up to 70-90% in a few years as methods gradually improve. Agrofuels have a lot of disadvantages. They use scarce fertile land and possibly enhance hunger in the world, so if there are no very strong advantages like greenhouse gas savings -and 10% is totally insufficient- we should not start with agrofuels.

It is argued often that there is enough land and that production intensity can be improved. This is theoretically true, but in practice not abandoned land will be used

but fertile arable land or land with rich C-stocks. And we can predict very industrial practices and methods of crop growing will be used with a lot of pesticides and fertilizers, since agrofuels will very probably be the arena for big agro-industrial companies growing monocultures.

Further on a major problem is that purchasing power will decide who gets the commodity. Like the old story of the purchasing power of dogs and cats in the western world prevailing many times over the purchasing power of poor people, the purchasing power of car owners is not comparable to that of the poor. For society as a whole we therefore need very strong arguments for pushing agrofuels in the market; for now we don't see these arguments and we don't hear them from Commission too. Only a very high greenhouse gas saving could possibly deliver such an argument, but this is not proposed by Commission. What we do hear is a powerful lobby of farmers and agrofuel-industry to try to create a big subsidy-stream in their direction, but this is not serving the society in our opinion and should be denied as perverse to sustainability.

If Commission would carry on with the agrofuels we propose to include at least a "Health Check", a full assessment of all effects of introducing agrofuels in the market a few years after the regulation is adopted, and an evaluation and if necessary revision of the targets set.

Question 1.4 (Carbon stocks).

In a calculation of greenhouse gas savings the net loss of C-stock in the year of production should be taken into consideration (so the loss of C-stock should also be part in crit 1.). For areas with a high carbon stock (peat land, mangrove, wetlands, forest, grasslands) a ban on the use of these lands should be set if the conversion of this land to arable land is done after 1997 (Kyoto).

Question 1.5 (adjacent to HCV).

Yes, we think it is very necessary that the criterion of exceptional biodiversity land should be extended to adjacent land. We propose a zone of at least 50 km to high bio diverse and vulnerable areas (f.i. tropical rainforests and savannah areas (f.i. Brazilian cerra)) and 5 km to other nature areas, to prevent negative effects from - through the air transported - pesticides, GMO-seeds, seeds of weeds and fertilizers and to ensure migration through ecological zones.

Question 1.6 (definition exceptional biodiversity)

In any case one criterion might be the occurrence of species of plants or animals in an area (think of a square of 10 by 10 km) that further occur in no more than five areas of 10 X 10 km. When this is the case such an area of 10 X10 km should be excluded for biomass production, and likewise a zone of 50 (or 5) km around it (reference date the situation in 1996). A second criterion might be the importance of an area for vulnerable species that need a big living area to survive on the long term (think of the minimum area size needed as sustainable habitat for species like brulaap, chimpanzee, orang oetang, linx, zeearend of bruine beer; think of stopping places for migrating birds). We point to the Dutch Milieu Natuur Planbureau, that is formulating criteria on this point and will make maps of the areas on earth that are highly bio diverse.

Question 2.1/2.2 (Land use monitoring)

- Both direct and indirect effects on land use should be monitored and not only on a hectare basis (that means the effect of a certain crop area), but also the estimated

effect 'on overall land use of increasing agrofuel use'. Certification has to deal with both aspects.

We think a maximum effort should be done to get a good picture of the micro and macro-effects of agrofuel production. Part of the certificates could also be reporting on land rights, land use change, covering the micro-effects. For the rest a major effort is expected of the EU monitoring prices of commodities, availability of food and food prices, hunger, replacement of people and land rights, corruption and replacement effects of land use (satellite images).

**Question 3.1
(second-generation).**

'Agrofuels produced by transformation of cellulosic material in agrofuel' will do. Both biological and a chemical transformation processes can be efficient. The future will learn which production chain is the best.

**Question 3.2
(way forward).**

The second generation might provide a sustainable way of using agrofuels, first generation do not. We therefore propose to do a maximum effort of technology forcing for introduction of second-generation agrofuels not in 10-15 years, but in 5 years. The EU should reallocate funds in this direction. This also means we should not promote first generation now and create a vested interest of first generation industry which we will never get rid of again and which will block the second generation once they receive subsidy.

At the same time the EU should explore in greater detail the environmental performance of the second generation and the effects on field wildlife by crop growing and crop harvesting.

First generation agrofuels should never get any subsidy but instead be taxed extra because they deliver a service to society that is very low on the hierarchy ladder from food to feed to energy source. Second generation could get tax breaks in our view provided 1. a forecast of a high greenhouse gas saving when the technology is mature and 2. a substantial greenhouse gas saving on the short term. The tax breaks should be higher - when the savings are higher and - when the technology is in the first innovation period. When the technology becomes mature the tax break should become zero for the innovation part.

**Question 4.
(target 10%)**

We want a really CO₂ related regulation: stepwise decreasing CO₂-emission limits for liquid transport fuels in the form of a Low Carbon Fuel Standard (Commission Proposal Com (2007) 18, dd. 31 January 2007) instead of a quantity-based agrofuel target. See above.

We don't see a justification for the 10% agrofuel target, so we skip these questions. In the proposed revision of the Fuel Quality Directive (COM 31-1-2007) we see a 10% CO₂-target for fuels in 2020 and this seems to us the right way to go. A 10% agrofuel target is the more not justified with the current 10% GHG-savings proposal and doesn't serve any other environmental objective. As argued above we see many negative effects of agrofuels and cannot conclude but Commission proposal let other objectives prevail over sustainable objectives.

A regulation to encourage the use of gaseous fuels with low climate effect in transport like methane and biomethane is important too. For this fuels the arguments are not only on climate but also on air pollution (low PM emission). We propose an extra part 'gaseous fuels' added to the Commission Proposal Com (2007) 18, dd. 31 January