



To:

Vice-President for Energy Union Maroš Šefčovič
Vice-President for Jobs, Growth, Investment and Competitiveness Jyrki Katainen
Commissioner for Climate Action & Energy Miguel Arias Cañete
Commissioner for Transport Violeta Bulc
Commissioner for Research, Science and Innovation Carlos Moedas
Commissioner for Agriculture & Rural Development Phil Hogan

10 November 2016

Re: Possible phasing out of conventional biofuels

The European Association of Sugar Manufacturers (**CEFS**), the European Confederation of Maize Production (**CEPM**), the International Confederation of European Beet Growers (**CIBE**) and the European renewable ethanol producers association (**ePURE**) express their concern about the EU strategy for low-emission mobility, which states that the Commission is considering a gradual phase out of conventional biofuels produced from crops such as corn, wheat, sugar beet and oilseed rape. Our organisations would like to remind you that ethanol, both conventional and advanced, is shown to be entirely sustainable and a readily available, cheap solution to reduce transport emissions.

A phase out of conventional biofuels will cost European farmers billions of Euro in revenue per year – a phase out of conventional ethanol alone, which represents only 20% of the EU biofuel market, will cost European farmers at least €2.1 billion revenue per year.

Sustainable biofuels, such as European ethanol, will still be vital to meet the 18-19% greenhouse gas (GHG) reductions needed in road transport because other options, such as electrification, will not ramp up quickly enough to have any substantial impact on reducing transport emissions by 2030. Electricity is also still heavily reliant on fossil fuel and this will not change overnight.

The climate and energy benefits of European ethanol, both conventional and advanced, should not be ignored:

- European ethanol has certified and audited average high GHG emissions savings of 64% compared to petrol. European ethanol's strong GHG emission savings performance has been constantly improving and is supported by the Commission's own scientific studies. In 2015, European ethanol companies produced 4.5 billion litres of renewable ethanol fuel, reducing GHG emissions by 6 million tonnes – equivalent to the annual emissions produced by 4 million new cars.
- In 2015 the use of European produced ethanol displaced the need for 19 million barrels of petrol in European transport – equivalent to nearly 4% of Europe's petrol volumes.

The Commission's rationale for phasing out conventional ethanol is wrong

The Commission's rationale behind a gradual phase out of "food-based" biofuels, i.e. public concerns over food vs fuel, is not justified even by the Commission's own research:

- The Commission's 2015 Renewable Energy Progress Report showed that increased ethanol demand in Europe has not led to food prices increases.
- Since 2008, just before the EU adopted its biofuels policy, global food prices have decreased 15% while global biofuels production has increased. Cereals, which are used to make ethanol, have seen their global prices drop by even more over the same period – by 40%¹.
- Nearly all (99.7%) of the 14 million tonnes of crops and feedstock used to produce ethanol in Europe last year were bought from European cereal and beet farmers, providing these

¹ [World Food Price Index, UN Food & Agriculture Organisation](#)

farmers with at least €2.1 billion² revenue at a time when European agricultural markets are in crisis and farm incomes are dropping. Farmers invest this income back into agricultural production – supporting food, feed and fuel production in Europe.

- Conventional ethanol production in Europe also supports European protein supply – last year European ethanol companies co-produced 5 million tonnes of animal feed which is needed to reduce Europe's 70% dependence on animal feed imports.
- Finally, according to Eurobarometer³, European citizens overwhelmingly (83%) support sustainable biofuels, both conventional and advanced - this public support for sustainable biofuels cannot be ignored by the Commission and should be adequately reflected in policy.

Biofuels sustainability can and should be strengthened

Whilst the current biofuels policy helps deliver numerous benefits, our sectors support measures to strengthen the sustainability of Europe's biofuels policy even further. The current sustainability certification regime for biofuels in Europe is robust and the first of its kind in the entire world - but it can and should be strengthened to ensure that sustainable biofuels, like European ethanol, are promoted in policy after 2020.

To strengthen sustainability even further the EU should:

- Prioritise the use of biofuels produced from crops and feedstock grown in Europe, like corn, wheat, sugar beet and oilseed rape
- Maintain the existing sustainability rules for conventional biofuels to ensure robust and fraud proof certification
- Introduce full sustainability criteria and traceability requirements for all advanced biofuels, as they currently are for conventional biofuels
- Apply equivalent sustainability rules to other transport fuels, including petrol, diesel and electricity
- Strengthen the sustainability criteria for imported biofuels

An unjustified phase out of conventional ethanol will hurt Europe's farmers and would be an unacceptable abdication of the Commission's responsibility to protect the existing €16 billion biofuel investments that have been made in good faith and the 220,000 jobs created by the biofuel sector on the basis of existing policy. The European ethanol industry alone has invested €8 billion.

Setting a stable, long term biofuels policy that will incentivize the use of conventional and advanced biofuels, produced from European crops and feedstock, will maximize the GHG emission savings achieved in transport, improve badly damaged investor confidence and facilitate further investments in advanced biofuels.

Given European ethanol's important climate contribution and the lack of adequate (or any) justification to qualify its phase out, our sectors therefore strongly oppose any phasing out of EU support for conventional biofuels produced in Europe from crops and feedstock that have been grown in Europe.

Yours sincerely,



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Elisabeth Lacoste
Secretary-General, CIBE



Robert Wright
Secretary-General, ePURE

² Based on 2015 prices for feedstock used to produce ethanol in Europe

³ [Biotechnology Report, Eurobarometer \(2010\)](#)

CEFS

The European Association of Sugar Manufacturers (**CEFS**) has been the voice for all beet sugar manufacturers, cane sugar producers and refiners in the EU and Switzerland since 1953. CEFS represents 61 sugar producing companies providing 30,000 direct jobs.

CEPM

The European Confederation of Maize Production (**CEPM**) members produce almost all of the European maize across 10 EU Member States including Bulgaria, France, Germany, Hungary, Italy, Poland, Portugal, Romania, Slovakia and Spain.

CIBE

The International Confederation of European Beet Growers (**CIBE**) represents 140,000 European sugar beet growers who produce on average just under 20 million tonnes of white sugar equivalent per year.

ePURE

The European renewable ethanol producers association (**ePURE**) represents the interests of European renewable ethanol producers. Based in Brussels, ePURE represents 42 member companies, with 50 production plants in 16 member states, accounting for about 85% of the installed renewable ethanol capacity in Europe.