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Indirect land use change (iLUC)

The so-called iLUC thesis states that cultivated areas for renewable raw materials or bioenergy in Europe are leading to global crowding-out effects. In other words, additional land use changes for the cultivation of fodder and food are taking place overseas - for example through the deforestation of rainforests.

Why is iLUC being discussed at present?

Directive 2009/28 obliges the EU Commission to submit a report to the EU Parliament and the Council, "in which it studies the effects of indirect land use changes on greenhouse gas emissions and examines the options of how these effects can be reduced."

In its report of December 2010, the EU Commission presents various options for the incorporation of iLUC in the sustainability criteria for biofuels and liquid bioenergy sources. These include the introduction of an iLUC factor, an additional "CO2 penalty" for European biofuels. At the same time, the EU Commission states that the models (formerly) available for recording iLUC exhibit major deficits and uncertainties.

On behalf of the EU Commission, the International Food Policy Research Institute (IFPRI) presented a further report on the consequences of European biofuel production in December 2011. Based on the results of the IFPRI model, the Joint Research Centre (JRC) of the EU Commission has calculated a global LUC emission value and eight raw-material specific LUC emission values.

What do the IFPRI and JRC studies reveal?

The deficits and uncertainties discussed by the EU Commission in respect to iLUC models have not been eliminated by IFPRI and JRC. The model applied by IFPRI is not suitable for determining iLUC. Consequently, the results of the JRC are also based on unsuitable data.

The reports make the following statements:

- Fundamental uncertainties concerning the scope and regional distribution of land use changes stand in the way of a quantification of iLUC.

- The applied models cannot differentiate between indirect and direct land use changes.

- The reports are based on a high number of uncertainties.

The reports are also based on significant data errors. As a result, incorrect values are forecast for land use changes and their emissions. The studies are not suitable for determining the actual effects of European biofuel production on land use changes in third countries.

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What does the DBV state in regard to an iLUC factor?

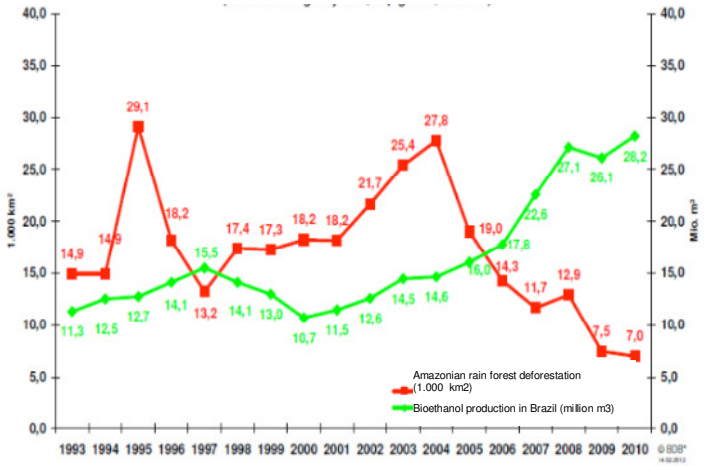
Owing to the uncertainties in the IFPRI and JRC study, the consideration of the EU Commission to introduce an iLUC factor is to be rejected – the scientific basis is simply lacking.

The iLUC debate also ignores the fact that there is a political will to end the age of fossil fuel. Without an energy mix – which without doubt also includes biofuels – we shall not be able to achieve this goal. Agriculture and forestry is confronting the new challenges and wants to make a contribution.

Irrespective of the increasing use of biofuels in Europe, the worldwide demand for agricultural biomass will increase significantly on account of the growth in the world's population. An iLUC factor would penalise European farmers, who ensure the sustainability of their cultivation via a wide range of national and European specifications, for environmentally harmful cultivation methods practiced overseas.

In reality, the iLUC theory is long refuted in Brazil for example. There, deforestation of the rainforest has declined by 75% since 2004, while biofuel production has doubled. This is the result of the "Amazon Region Protected Area" (ARPA) programme in place there which is supported by Germany. Effective protection of the rainforest can only be achieved by local state measures and not by an iLUC penalty on raw materials produced in Europe.

Bioethanol production and rain forest deforestation
(sources: mongabay.com, anp.gov.br, bdbe.de)



What does the DBV propose?

Comprehensive protection is necessary for areas in South America with high carbon percentage (especially forested areas). The transformation of such areas into agricultural areas does not occur specifically for biofuel production. **Therefore, the introduction of an iLUC factor is not suitable as a protective measure.**

To counteract land use change in South America, **protective measures under regulatory law** must be implemented in the countries. Examples from Brazil and Argentina verify that a direct area protection of rainforest areas in particular, is possible and conducive to success.

An adequate area protection in the relevant regions at risk should therefore be promoted bilaterally and multilaterally by the EU. In the area of biofuels, this can be supported through additional sustainability requirements for certain categories of biofuels.

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