Brussels, 15 October 2012

**Re: Addressing indirect land use change due to biofuels production**

Dear President Barroso,

CC: Catherine Day,

We understand that this week, the European Commission is planning to publish its proposal to address Indirect Land Use Change (ILUC) emissions from biofuels cultivation, a debate that has been dragging on for too long already.

Europe's biofuels policy deserves serious reconsideration, because it has not delivered what it promised, namely greenhouse gas emission reductions, and has been shown to result in many undesirable consequences including food price increases, land grabbing and pressures on fragile ecosystems, such as wetlands and peatlands.

Over the past years, an overwhelming number of scientific institutions (1) have concluded that ILUC emissions are very significant and should be included in lifecycle carbon accounting of biofuels. The Commission itself consulted on this issue twice, commissioned five studies and debated the issue thoroughly for more than 2 years over the best policy option. The time to act is now.

We therefore call on you to show leadership and ensure that the Commission will now put in place necessary corrections: correct carbon accounting in both the relevant directives and a strong cap on land-based biofuels. A review clause could be put in place that balances the need to account for the latest scientific developments on the one hand and to provide investment certainty on the other.

We are wholly convinced that in this area, only an environmentally credible policy can establish the necessary investment certainty which Europe so badly needs in order to create long-term, high-quality jobs.

Contrary to the unfounded claims of the farming and biofuels industries, an independent study by Ecofys, commissioned by our organisations, has shown that accounting for ILUC emissions will not result in job losses as long as existing production volumes are 'grandfathered'. Another key finding is that under such a policy, 95% of investments in current biodiesel installations would be paid back at the end of 2017. Furthermore, the report shows that farmers will be virtually unaffected as alternative outlets exist and agricultural commodity prices are expected to remain at historically high levels.

At this point, it is imperative that the Commission sticks to its commitment to science-based policy making and acts to create a more secure future for the European economy and indeed the planet. Environmental organisations were encouraged by the intentions of the

draft proposal that featured in the media. We saw it as a minimum package to address both rising food prices and increased greenhouse gas emissions, and we urge you to improve it.

Yours sincerely,

Jos Dings, T&E Director

Angelo Caserta, Regional Director, BirdLife Europe

Jeremy Wates, Secretary General, EEB

Footnotes:

(1) T&E briefing What the science says: http://www.transportenvironment.org/what-we-do/what-science-says-0
(2) Summary of research "Optimising the 'grandfathering' of existing biofuel production: http://www.transportenvironment.org/sites/te/files/media/2012%2003%20grandfathering%20report%20summary.pdf