

CAN SUSTAINABILITY STANDARDS FOR BIOENERGY PROTECT FORESTS?

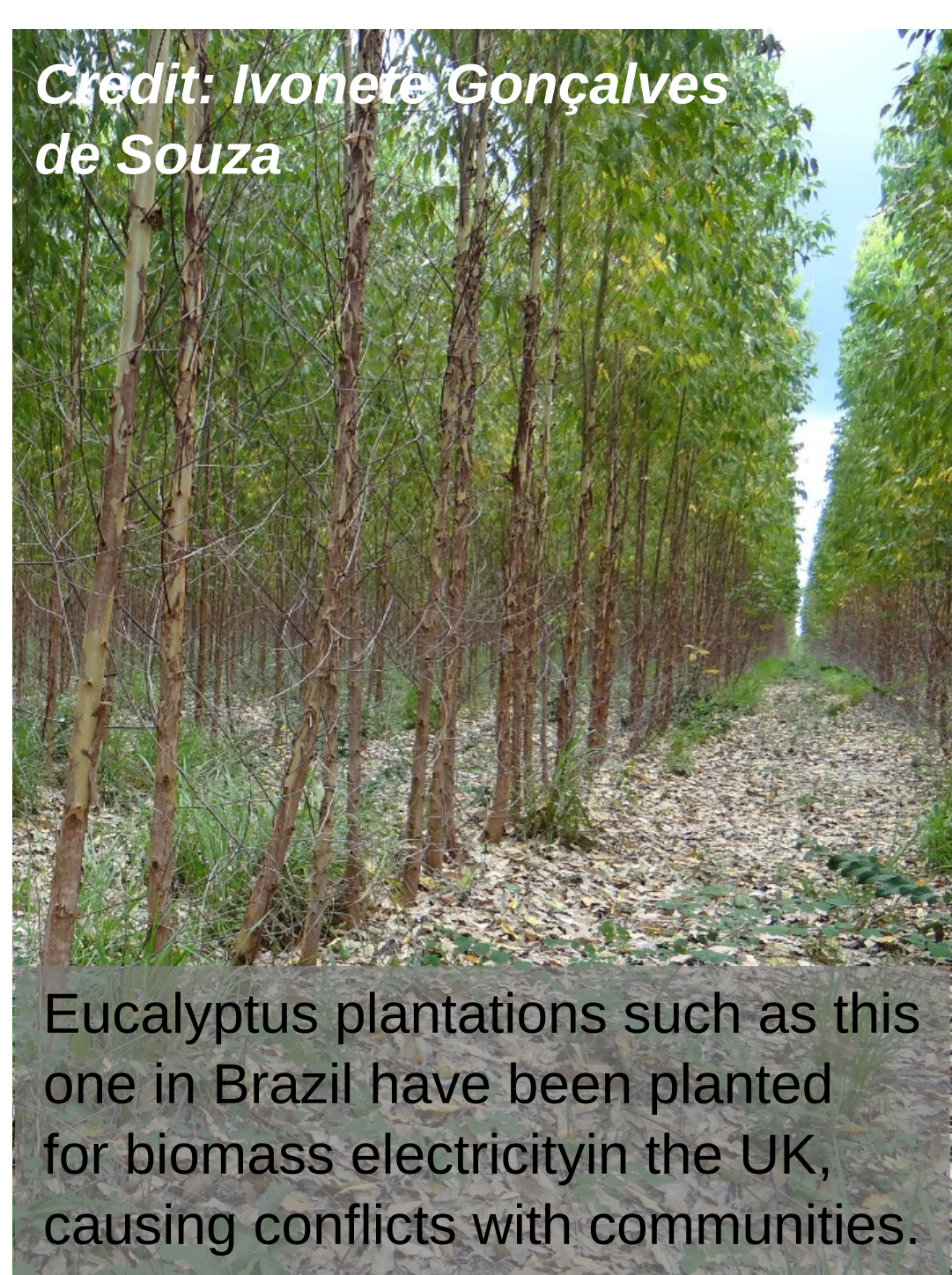
BACKGROUND

- A study [1] modelling the impact of increasing global bioenergy use from 56 EJ/a in 2010 [2] to 128 EJ/a found that even in an optimistic 'intensification' scenario this would lead to the loss of 38% of natural forests in sub-Saharan Africa and 20% of natural forests in Latin America. Another study [3] found that a high carbon tax which ignored biogenic carbon from bioenergy could lead to the loss of all of the world's natural forests and most other natural ecosystems by 2060.
- Global palm oil production has increased from 49 to 62 million tonnes since 2010/11 [4]. Biofuel demand has been one of the key drivers for rising prices [5] and thus palm oil expansion, much of which has been at the expense of tropical forests. From 2000 to 2010, at least 1.6 million hectares of Indonesian rainforest were converted to oil palm plantations [6] and palm oil was shown to have been the single largest cause of deforestation in Indonesia from 2009-11 [7];
- In the southern US, significant threats to biodiverse forests from wood pellet production for export have been documented [8]. Standards have been widely proposed [9] as key to preventing forest destruction resulting from industrial bioenergy. The EU introduced the first mandatory standards for baliquids in 2010.

Evidence from the southern US shows that large diameter roundwood is being turned into wood pellets for export to the world's largest biomass power station, Drax in the UK.



Credit: Dogwood Alliance



Credit: Ivonete Goncalves de Souza

Eucalyptus plantations such as this one in Brazil have been planted for biomass electricity in the UK, causing conflicts with communities.

CONCLUSION

Standards have not been shown to be an effective tool for protecting forests from industrial bioenergy and they may be open to challenge under trade agreements. If forests globally cannot be protected from the impacts of bioenergy demand then the only credible response is to curb that demand. This would require subsidies and targets for bioenergy to be abolished. *The views expressed in this information product are those of the author(s) and do not necessarily reflect the views or policies of FAO.*

CAN THEY BE EFFECTIVE?

NO EVIDENCE THAT EU BIOFUEL STANDARDS HAVE BEEN EFFECTIVE

The EU has commissioned no research into the effectiveness of biofuel standards. The European Commission does not know whether any biofuels have been found to be non-compliant with standards [10]. The UK government disclosed that companies had reported blending implausibly high quantities of Used Cooking Oil from the Netherlands [11], indicating possible fraud. EU palm oil use for biofuels has been growing steeply [12], despite increasing global deforestation for palm oil.

STANDARDS CANNOT ADDRESS INDIRECT IMPACTS

- The most extensive impacts of bioenergy on forests are indirect ones [13];
- Indirect impacts cannot be quantified in relation to specific supplies of biofuels or wood-based bioenergy;
- Most studies on indirect impacts are limited to displacement of food production by biofuels;
- Bioenergy subsidies and targets trigger speculative investments which may not result in any bioenergy feedstock being produced. In Mozambique, only 2 out of 48 biofuel investments in 2010 resulted in biofuel feedstock production in 2013 [14]. In Africa and Brazil, investments into tree plantations have been justified by EU demand for biomass in the absence of any south-north supply chains [15]. Standards cannot address such speculative investments;
- Biomass and biofuel feedstocks are often flex crops and trees, with use shifting flexibly between different markets [16], hence certifying one market could only have limited impact.

NO CREDIBLE VERIFICATION AND AUDITING MECHANISMS ARE PROPOSED

- Policy debates about standards focus mainly on criteria rather than enforcement;
- No independent regulatory oversight exists anywhere, leaving certification to private contracts between energy companies and consultants of their choice;
- Conflict of interest as certifiers financially depend on energy company 'customers'.

EFFECTIVE STANDARDS MAY NOT COMPLY WITH TRADE AGREEMENTS

- Fear of WTO challenges led the EU to reject social standards for biofuels [17] and has been successfully used by lobby groups to stop Indirect Land Use Change being reflected in greenhouse gas standards [18];
- Trade law experts disagree on whether or how far bioenergy standards can comply with WTO restrictions on discrimination against 'like products' based on Process and Production Methods;
- Effectively enforced standards could be challenged through Investor State Disputes under multi- and bilateral trade agreements including the proposed TTIP, CETA and TPP agreements.

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