



Global Renewable Fuels Alliance

Food Lobby Letter to PM Cameron on Biofuels Misleading: GRFA

For Immediate Release

June 11th, 2013

TORONTO, Canada – The Global Renewable Fuels Alliance (GRFA) reacted today to a biased and misleading letter criticizing biofuels sent to British Prime Minister David Cameron by a group led by two of the world's largest multinational food companies.

"Nestlé Chairman, Peter Brabeck-Letmathe who co-authored this misguided attack on biofuels has no credibility on this issue," said Bliss Baker, spokesperson for the Global Renewable Fuels Alliance. "I find it somewhat convenient that a person who sits on the Board of ExxonMobil would criticize biofuels," added Mr. Baker.

The letter issued to Prime Minister David Cameron ahead of his hosting of the upcoming G8 meetings has failed to highlight the tremendous impact that high oil prices have had on global food prices. The letter has ignored the recent World Bank publication, *Long-Term Drivers of Food Prices*, which examined the relative contribution of various sector and macroeconomic drivers on food price increases from 1997–2004 to 2005–12.

The World Bank report "concludes that most of the price increases are accounted for by crude oil prices (more than 50 percent)...oil prices mattered most during the recent boom period because they experienced the largest increase." The report goes on to say "most of the contribution to food price changes from 1997-2004 to 2005-12 comes from the price of crude oil, which for maize and wheat is 52 percent and 64 percent, respectively."

"There is little doubt that during the recent period of volatile food price spikes and record oil industry profits, oil prices were the most important driver of food prices," said Baker.

Over a year ago, United Nations Food and Agriculture Organization Deputy Director, David Hallam concluded that oil prices were having an effect on food prices when he said that "unexpected oil price spikes could further exacerbate an already precarious situation in food markets."

Moreover, according to the International Energy Agency's *Technology Roadmap: Biofuels for Transport* published in 2012, stated that biofuels could provide 27% of global transport fuel by 2050, avoid 2.1 gigatonnes of CO2 emissions by displacing gasoline and achieve these targets *without compromising global food security*.

"The price of crude oil is the largest component in the cost of our food" said Mr. Baker. "The World Bank and IEA have drawn similar conclusions, and I trust that G8-leaders will base their future decisions on research that is credible and without bias," stated Baker.

The Global Renewable Fuels Alliance is a non-profit organization dedicated to promoting biofuel friendly policies internationally. Alliance members represent over 65% of the global biofuels production from 44 countries. Through the development of new technologies and best practices, the Alliance members are committed to producing renewable fuels with the smallest possible footprint.

For More Information Please Contact:

Bliss Baker

Global Renewable Fuels Alliance

Work: (Country Code "1") 416-847-6497

Mobile: 647-309-0058

Email: info@globalrfa.org

<http://www.globalrfa.org>