



Ecofys study debunks biofuels myths over food price

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Independent energy consultancy unveils decisive study on the limited impacts that biofuels have on food prices in Europe challenging the rationale for a cap-driven policy by 2020.

Brussels, Today - A study by the energy consultancy Ecofys, released today, shows that ethanol is not causing food price increases. The study, "Biofuels and Food Security: Risks and Opportunities" highlights that the impact of EU biofuels demand up until 2010 only increased world grain prices by about 1-2%.

The Ecofys study examines the casualty between biofuels production, global crop commodity prices and implications for food security with a particular focus on poor regions. The study explains that prices of primary global agricultural commodities from which biofuels are produced are not directly correlated to food prices because both are "disconnected from global markets".

"This study represents a major step to understand the interrelation of biofuels production and food prices. It reveals the limited impact that biofuels production has had on food prices and recognises the importance that co-products have on managing land use pressure. The study recommends looking closer at systemic factors, which in the past have often been ignored in important scientific reports on biofuels", commented Carlo Hamelinck, the author of Ecofys report.

The study also confirms that agricultural commodity prices are strongly linked to oil prices and that "biofuels could reduce oil price increases and as such limit future commodity price increases". The Ecofys report outlines that "systemic factors" such as reduced reserves, food waste, transportation issues and storage costs play a much larger role in local food prices than imagined.

The study highlights the importance that protein rich co-products from both ethanol and biodiesel avoid the land use concern largely debated in the European Parliament and denied by important NGOs in Brussels.

"The study is a serious response to all the misunderstandings and confusions created around our industry and food prices. Renewable ethanol is not causing food price increases and capping production of biofuels will not address food security and hunger in the world. Multiple factors contribute to food prices and policy makers should distinguish between all the benefits that our industry provides to Europe, and the real causes of hunger in the world", commented Rob Vierhout, Secretary General of ePURE.

The Ecofys study is the first scientific attempt to integrate all the economic forces influencing global and local food prices by addressing low stock impacts on volatility, low food prices and waste, global prices impact on local prices, and high prices impact on agriculture and food security.

To access the study click [here](#).

ePURE represents the interests of European renewable ethanol producers to the European Institutions, industry stakeholders, the media, academia and the general public. Based in Brussels, ePURE represents 55 member companies throughout 18 member states, accounting for 90% of the installed renewable ethanol production capacity in Europe. The organization, established in 2010, promotes the beneficial uses of ethanol throughout Europe.

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