

Press Release: Commission still needs to do better on palm oil

Revised text to phase out biofuels feedstock driving deforestation reflects stakeholders' concerns, but maintains loophole

BRUSSELS, 13 March 2019 – With its newly adopted Delegated Regulation defining biofuel feedstocks associated with conversion of high-carbon-stock land, the European Commission has taken a few steps in the right direction on the issue of palm oil. But even though it has listened to stakeholders, the Commission still falls short of a text that would truly remove deforestation-causing palm from the EU transport energy mix.

With the new text the Commission clearly defines palm oil as a feedstock for which a significant conversion of land with high carbon stock is observed – so-called high ILUC-risk biofuel – with the aim of phasing out its contribution to EU renewables targets. But to be truly effective the Delegated Regulation needs to include not just palm oil but palm and its derived products, and prevent loopholes allowing palm to enter the EU through the back door.

The revised text still leaves open a loophole that would allow significant amounts of palm oil to count towards the EU renewables targets, through the so-called 'low ILUC-risk biofuels' category, by giving smallholders a free pass on proving that measures have been put in place to improve agriculture practices or that they have cultivated unused land. But respecting the mandate of the RED II agreement – which took a clear stand against palm oil – means closing the loophole for smallholders entirely.

“Unfortunately the new text still leaves the door open for palm oil in Europe,” said Emmanuel Desplechin, the Secretary General of ePURE. “When the Commission’s draft Delegated Regulation was first published last month, a broad coalition quickly formed against it – everyone from European farmers to NGOs and the European feedstock-based biofuels industry. The Commission heard our call and tweaked the text. But the Delegated Regulation ought to be about ensuring that European biofuels policy is no driver to deforestation and/or peatland drainage; whether the feedstock is produced by smallholders or large holders is irrelevant. The Commission needs to do better if it really wants to get palm oil out of the EU energy picture and instead focus on European biofuels that reduce greenhouse-gas emissions without producing harmful side effects such as deforestation.”

Going forward, we believe the Commission should:

- Remove the exemption for smallholders to prove additionality. Size simply does not matter, and this provision was not contained in the RED II mandate. It needs to go.
- Clarify that high ILUC-risk includes not just palm oil but palm and its side streams.
- In the meantime, conduct an impact assessment to get a better sense of what volumes are concerned by both the high and low ILUC-risk biofuels.

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