

Brussels, 25 February 2015 15ENV032

FEDIOL STATEMENT

The ENVI Vote on iLUC proposal put the oilseed crushers' food and feed supply into question

The European Parliament's vote on the proposal to address indirect land-use change (iLUC) in the Fuel Quality (FQD) and the Renewable Energy Directives (RED) is a blow to investments and jobs in Europe, while the production of corresponding amounts of vegetable oils and protein meals for animal feed is now at great risk.

"We regret the outcome of vote in the Environment Committee. A number of amendments would have negative effects on the biodiesel industry and hence on our sector. In the absence of a safeguard provision to protect current investments and jobs from the application of an iLUC methodology, the policy, if amended along those lines, would neither deliver on decarbonising EU transport" said Nathalie Lecocq, the Director-General of FEDIOL, calling on the EU Council to rectify the iLUC proposal by introducing necessary safeguard measures.

The European Parliament seems to ignore the growing evidence that iLUC methodologies are not fit to be included into legislation. The International Standards Organisation (ISO) has recently reviewed 161 publications on iLUC and <u>agreed by consensus</u> that iLUC modelling is inconclusive. ISO therefore decided not to include iLUC into standards until the modelling is more developed.

Should the amendments to the Council Position, as agreed by the ENVI Committee, be adopted as the final legislative text, the vegetable oil sector would lose 7.2 billion Euros of turnover out of a current total turnover of 24 billion Euros. A third of the 20.000 direct employments in the crushing industry and many more indirect employments in the EU biodiesel chain would be lost. In light of the current economic stagnation, the ENVI Committee's decision is based on poor modelling results, immature science and driven by uninformed opinions on biodiesel.

Europe has the potential and capacity to continue supplying agricultural raw materials to food, feed, chemical, and biofuels markets. Disqualifying the so-called food crops from the use in biodiesel will put the production 6 million tonnes of vegetable oil and 9.7 million tonnes of protein meal production in jeopardy and will cut down the corresponding EU agricultural production at the farm level.

To respect the current consensus in the scientific community iLUC modelling is immature and inconclusive, to protect jobs and investments, to reduce our energy dependence on imported fossil fuels and to supply our EU livestock with EU produced protein meals; **FEDIOL calls on the EU Council to keep iLUC for accounting out of the legislation and** to introduce necessary safeguard provisions to protect current investments and jobs from the application of an iLUC methodology on the current biofuels consumption volumes until and beyond 2020.

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Note to editors:

FEDIOL represents the interests of the European vegetable oils and protein meal industry. With over 150 facilities in Europe, the sector provides over 20.000 direct employments. Our members process approximately 56 million tonnes of basic products a year for the food and non-food markets.

Oilseed crushing produces vegetable oils and protein meals as co-products. While vegetable oils are used for food and technical uses (pharmaceuticals, paints, detergents, biodiesel, etc.), protein meals are used to meet the increasing global demand for meat and protein.

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