



# **Both ENDS Report**

**Expert meeting and Political Café on Agrofuels**

## **Introduction**

Both ENDS organized an Expert meeting and Political Café on the 19th of March 2008 in The Hague. The topic was Agrofuels, relating it to land distribution and focusing in on the social criteria that should be at the centre of attention of policy makers. There are clear signs that land used for the small-scale production of food crops in developing countries is being converted to biomass production. This leads to a serious infringement on the right to food of the poor. Southern partners of Both ENDS described trends in India and Ethiopia and contended that conflict over land and water is a dooming consequence of the current spread of biomass production. This report summarizes the main arguments of the debate.

## **EU policy on Agrofuels**

The use of agrofuels as a substitute for fossil fuels is currently a hotly debated issue worldwide. In January 2007, the EU presented an integrated "Climate Action" proposal. This includes a draft directive that sets an overall binding target for the European Union of 20% renewable energy by 2020 and a 10% minimum target for agrofuel use in the transport sector by 2020.

It is important to understand why agrofuels are being introduced in the first place. The EU policy currently being written is based on the premise that agrofuels are climate neutral or "renewable" sources of energy. As such it is expected that substitution of fossil fuels by agrofuels will contribute to EU countries meeting their targets for the reduction of greenhouse gas emissions set in the Kyoto protocol. A secondary argument is that agrofuels production can contribute to poverty alleviation by giving agricultural smallholders in developing countries access to promising new markets for their products. It is also contended that degraded land can be put to use for the cultivation of agrofuel crops.<sup>1</sup>

This view on the advantages of agrofuels is contested though. During the debate organised by Both ENDS, the above arguments in favour of agrofuels were contrasted with realities on the ground.

## **Consequences of the agrofuel boom**

First of all, the climate argument was debated. Dr. Vandana Shiva, director of Navdanya Research Institute in India, pointed out that many studies contend that the production of agrofuels leads to a negative net

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<sup>1</sup> It is thereby important to bear in mind that Europe's interest in biomass and agrofuels is motivated by different considerations, many of which are not inspired by environmental, climate or development objectives. One may even state that geo-political motives like a reduced dependency on fossil fuels and a political will to meet EU farming community interests dominate decision making. Other explicit motives include the creation of new job opportunities, technological competitiveness of EU industries by stimulation of agrofuels related R&D and a rise in GDP in the EU itself.

energy equation.<sup>2</sup> A recent article in Science shows that the expansion of agrofuel crops leads to the conversion of forest and grassland to new cropland, thereby augmenting greenhouse gas emissions instead of reducing them.<sup>3</sup>

Next to that, the concept of "idle land" (also referred to as wasteland or degraded land) was criticized by both Vandana Shiva and Negusu Aklilu, director of Forum for the Environment in Ethiopia. Shiva pointed out that the conversion of large areas of what was defined under British rule as wasteland in the Indian province of Rajasthan is already leading to conflict. This conflict is based on the fact that these areas are inhabited by pastoralist, whose rights to land are not recognized by the authorities.<sup>4</sup> In the same vein, tribal land is being transferred in the region of Chhattisgarh, home to more than 200.000 varieties of rice. Tribal rights have never been recorded, making it easy for government to give it away. Aklilu added that in Ethiopia concessions for plantations are given out without prior assessments, let alone consultation. What looks like "idle land" to the external eye is likely to turn out to be grazing land or have important ecological functions. Paradoxically, in India indigenous species which can be used for local, small-scale agrofuel production, are currently endangered by the conversion of land to large-scale *Jatropha* plantations. In conclusion, biofuel crops are actually very often not planted on wasteland. To the contrary, they are diverting land from local economies and displacing biodiversity.

The argument that agrofuel crops such as *Jatropha* can be grown on degraded land does not account for the fact that, even though this is technically possible, better quality land requires less irrigation. The yields are correlated to water availability, so in practice, agrofuel producers rather lobby or bribe governments for better tracts of land, thereby reducing their irrigation costs. In India, companies are hustling for land on a large scale, putting the (state) government under pressure to get access to the land. In Ethiopia, no company has applied for or taken degraded land areas for agrofuel production so far. There is even ample evidence from India, Africa and Latin America that prime land and forests are actually being converted into (large-scale) agrofuel plantations. A striking example mentioned by Aklilu is that of a foreign company gaining access to an elephant sanctuary in Ethiopia to convert the land into biomass plantations. This controversial deal was eventually cancelled after protest by civil society. It is a worrying signal though that short-term economic considerations outweigh not only conservation purposes, but also the possible benefits from tourism for local communities who live in the vicinity of protected areas.

Hans Eenhoorn, member of UN Task Force 2 on Hunger, expressed concern about growing competition between agrofuels and food, posing an

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<sup>2</sup> Pimentel, D., and T.W. Patzek, Ethanol production using corn, switchgrass, and wood; biodiesel production using soybean and sunflower, in: *Natural Resources Research*, 2005, vol.14, no.1, pp.65-76

<sup>3</sup> [Http://www.sciencemag.org/cgi/content/abstract/1151861](http://www.sciencemag.org/cgi/content/abstract/1151861)

<sup>4</sup> *Industrial Biofuels, A recipe for hunger and landgrab (A case study of *Jatropha* plantations in India)*, Navdanya Research Foundation for Science Technology and Ecology, 2008

imminent threat to hunger prone populations. He suggested to concentrate scientific work on 2nd and 3rd generation agrofuels, passing through 1st generation biomass as quickly as possible only as a necessary step. Committing to blending targets at the European level does not contribute to this, so it should be taken off the agenda. Shiva, however, is skeptical even about 2nd generation agrofuels, since agricultural by-products are not waste and should be recycled within the agricultural cycle to maintain the organic quality of the soil.<sup>5</sup>

Food prices are rising worldwide and this hits the poor hardest.<sup>6</sup> Over the last years, wheat prices in India have risen from 5 to 12 rupees per kg. Food riots as well as conflict over land and water are already arising there. Continuing pressure on land by the spread of *Jatropha* plantations – the biggest landuse conversion in history!- will aggravate this. By this mechanism, climate change – the pretext for engaging in agrofuels in the first place- may paradoxically be overtaken by food and access to land as the main issues on the international policy agenda the coming years.

### **Large scale versus small scale models**

It was also argued that positioning the production of food and fuel as competing uses of land is not per se accurate. Since prices for food on the consumption market are higher than those for agrofuels competing with fossil fuels. This will stimulate integrated models which combine planting for both purposes. Reference was made to Diligent, a company developing *jatropha* plantations through outgrower schemes in Tanzania in cooperation with Eneco and the Max Havelaar Foundation. This view was contested by other participants who warned that as soon as scale comes in, there will be competition between production for food and fuel. They referred to the situation in Brasil, where large-scale plantations dominate agrofuel production. Small-scale production and decentralization are no more than promises made by the Brazilian government to appease smallholders and avoid conflict.

EU policy, setting ambitious blending targets, leads to the production of agrofuels largely dominated by big multinational companies. Global oil industries are widely participating in the agrofuel industry, as they want to maintain their dominant position in global energy supplies. Aklilu argued that, despite principles expressed by the Ethiopian Country Strategy on agrofuels, there is actually no or little community involvement in the development of the agrofuel sector and environmental assessments are not carried out. In most cases smallholders are the ones who actually lose out most in the battle for land. As Shiva pointed out: "The poor in the world often have only one asset; their land, however small their plots may be. Now their livelihood is taken away. Don't expect them to sit by and watch this happen. They will fight back"

Aklilu sketched the Ethiopian paradox of becoming an exporter of energy while having the one-to-lowest rates of per capita energy consumption in

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<sup>5</sup> Soil not oil, Vandana Shiva; 2007

<sup>6</sup> IFPRI, 2007, The World Food Situation: New Driving Forces and Required Action

the world. No less than 87% of its export revenues are spent on fuel imports. Moreover it is concerning to note that 95% of the Ethiopian household energy comes from biomass – a supply that could come under strain when large-scale plantations for biomass exports become more dominant. The lack of coherent national policies in developing countries like India and Ethiopia combined with corporate pressure, backed and instigated by European directives, leads to the agrofuel industry being dominated by large scale plantations. The big players don't think of the village generator. As Shiva reiterated "in India not a liter of agrofuels has gone into the national supply system".

According to Shiva there are two possible ways in which the current situation can unfold. Either enlightened policymakers give back the land to farmers and stimulate planting for agrofuels as a complement to their main crops. Integration of agrofuels into land use planning at the community level is possible and is the way forward. The other option is that the spreading of agrofuel production will be stopped through riots.

Shiva states that the rules of the WTO are designed to dismantle any social decision-making at the national level, thereby blocking the way to local solutions. The free trade argument is being used to stop national governments from seeking their own solutions. Shiva predicts that this will be debated in the years to come; food riots will convince governments in developing countries that food sovereignty is too important to be left to international forums. The right to food will literally fight its way up to the international agenda.

## **Conclusion**

It has become very clear from Shiva's and Aklilu's accounts and the discussion that followed, that the presentation of agrofuels as a remedy to climate change and poverty cannot be maintained. The way the agrofuel expansion is organized right now leads to social and environmental development being sacrificed for quick economic gains.

The EU has a responsibility to think through the consequences of its policies. The enormous spread of *Jatropha* plantations in developing countries is a reaction to the policy signals the EU is spreading by proposing blending targets. Shiva strongly believes that this is not a market phenomena; it is government-driven. Before setting standards at the European level, it would be wise to look at the South (e.g. India, Ethiopia) for models that can work in relation to agrofuels.

That is why both Shiva and Aklilu propose a moratorium on the blending target for agrofuels, in line with a proposal by Jean Ziegler, the UN Special Rapporteur for the Right to Food.<sup>7</sup> This will give time to test the consequences of different types of agrofuels and ways of cultivating them (e.g. in terms of energy-balance). As Aklilu puts it: "Let's get out of the agrofuels box. The EU should rather look at ways to reduce its energy consumption. This can be done by introducing speed limits, promoting

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<sup>7</sup> [http://www.swissinfo.org/eng/front/detail/UN\\_rapporteur\\_calls\\_for\\_biofuel\\_moratorium.html](http://www.swissinfo.org/eng/front/detail/UN_rapporteur_calls_for_biofuel_moratorium.html)

fuel-efficient tyres, reducing fuel consumption in passenger cars or even by reducing the projected growth in the EU transport sector by 30%. Agrofuels cannot be the only solution!"

## **Guest speakers**

Dr Vandana Shiva, director of Navdanya Research Institute, India
Mr Negusu Aklilu, director of Forum for the Environment, Ethiopia

## **Other Participants**

Ms. Inge Lardinois, Dutch Ministry of Housing, Spatial Planning and Environment (VROM).
Paul Wolvekamp, deputy director Both ENDS
Hans Eenhoorn, WUR, Ass. Professor food security and entrepreneurship and member of UN Task Force 2 on Hunger
Peter de Koning, Consultant for Mekon Ecology
Tobias Schmitz, Both ENDS
Otto Hospes, Wageningen University
Roeland Bosch, Dutch Ministry of Agriculture, Nature and Food quality (LNV)
Bob van Dillen, Cordaid
Jo-anne van de Kamp, Dutch Ministry of Foreign Affairs
Ron Havinga, Dutch Ministry of Foreign Affairs
Heleen van den Homberg, IUCN-NL
Ina de Visser, Energy consultant for Cogen
Josine Stremmelaar, Hivos
Silvan de Boer, Eneco
Ruud van Eck, Diligent
Jaap van Vloed
Marieke Hartevelt, Senter Novem
Fenny Eshuis, Max Havelaar Foundation
Rozemarijn van Harten, Both ENDS, trainee VROM

Nathalie van Haren, Both ENDS
Danielle Hirsch, Both ENDS
Fezekile Kuzwayo, Both ENDS
Anouk Franck, Both ENDS (minutes)
Wouter Snip, journalist Hindoe Omroep
Koen Kusters, PhD University of Amsterdam (UvA) on Forest conservation
Jaap Struijs, National Institute for Public Health and the Environment (RIVM)
Heleen Broekkamp, ETC