



House of Commons
Environmental Audit
Committee

**Are Biofuels
Sustainable? The
Government Response:
Government Response
to the Committee's
Fourth Report of
Session 2007–08**

Fifth Special Report of Session 2007–08

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The Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

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Powers

The constitution and powers are set out in House of Commons Standing Orders, principally Standing Order No. 152A. These are available on the Internet via www.parliament.uk.

Publication

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at: www.parliament.uk/parliamentary_committees/environmental_audit_committee.cfm.

A list of Reports of the Committee from the present and prior Parliaments is at the back of this volume.

Committee staff

The current staff of the Committee are: Gordon Clarke (Clerk); Sara Howe (Second Clerk); Richard Douglas (Committee Specialist); Oliver Bennett (Committee Specialist); Susan Monaghan (Committee Assistant); Stella Kin (Secretary); and Elizabeth Gardner (Sandwich Student)

Contacts

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Fifth Special Report

1. The Environmental Audit Committee published its report *Are Biofuels Sustainable? The Government Response* on Friday 2 May as its Fourth Report of Session 2007–08, HC 528.
2. The Government's Response to the Committee's Report was received on Tuesday 20 May 2008 in the form of a letter to the Chairman. It is reproduced as an Appendix to this Special Report.

Appendix—Government response

The Environmental Audit Committee's fourth report of session 2007–08, published on 2 May, replies to the Government's response to the Committee's earlier report, *Are biofuels sustainable?*

The Committee says in paragraph 8:

“Without standards for sustainability and safeguards to protect carbon sinks we believe policies that encourage demand for first generation biofuels are damaging. We reiterate our case for a moratorium on policies aimed at increasing the use of biofuels and urge the Government to resist attempts to increase EU biofuel targets. The review of biofuels announced by the Government is important, and it would be a mistake to press ahead in the absence of the information needed to inform effective decision making.”

The Government has explained its view that a moratorium on the development of biofuels would mean losing an opportunity for greenhouse gas savings, and that on the basis of present evidence the right approach is therefore to proceed cautiously, with low initial targets under the RTFO (significantly lower than the reference value for the 2010 indicative target in the current EU biofuels legislation). Though it should be possible for suppliers to meet their obligations under the RTFO just from biofuels produced in the UK, we believe that a mixture of locally-produced and imported biofuels would be more beneficial. This view is supported by the International Monetary Fund in the report mentioned by the Committee, which concludes that free trade in biofuels would benefit the environment as well as make biofuel economically more viable.

The Committee says that harm could arise if the development of biofuels continues without the necessary safeguards. The Government agrees. We have made clear that we shall oppose any increase above existing targets without proper evidence on sustainability. As yet we have no evidence that these targets would lead to unsustainable production of biofuels. But we shall continue to look at them in the light of the best available evidence.

The Government fully recognises the potential benefits of second generation biofuels. They can be made from non-food materials and thus reduce pressures on use of land, and may deliver very good greenhouse gas savings. In recognition of these benefits the draft EU Renewable Energy Directive proposes that biofuels made from wastes and other non-food materials should count double under national renewable energy obligations. The

Government already provides some support for technology development for biofuels and is considering what further measures may be required.

Robust sustainability criteria for biofuels remain essential. The UK is playing a full part in current EU negotiations on sustainability requirements for both the Renewable Energy and Fuel Quality Directives. The findings of the Gallagher review will be important, particularly on the impact of land use change, which we agree with the Committee must be taken into account. With the right sustainability criteria in place, we believe that there will continue to be a role for cost-effective, sustainably-produced biofuels in tackling climate change.

Jim Fitzpatrick

19 May 2008

List of Reports from the Committee during the current Parliament

The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2007–08

First Report	Are biofuels sustainable?	HC 76-I & -II (HC 528)
Second Report	Reducing Carbon Emissions from UK Business: The Role of the Climate Change Levy and Agreements	HC 354 (HC 590)
Third Report	The 2007 Pre-Budget Report and Comprehensive Spending Review: An environmental analysis	HC 149-I & -II (HC 591)
Fourth Report	Are Biofuels Sustainable? The Government Response	HC 528 (HC 644)
Fifth Report	Personal Carbon Trading	HC 565

Session 2006–07

First Report	The UN Millennium Ecosystem Assessment	HC 77 (HC 848)
Second Report	The EU Emissions Trading Scheme: Lessons for the Future	HC 70 (HC 1072)
Third Report	Regulatory Impact Assessments and Policy Appraisal	HC 353 (HC 849)
Fourth Report	Pre-Budget 2006 and the Stern Review	HC 227 (HC 739)
Fifth Report	Trade, Development and Environment: The Role of FCO	HC 289 (HC 1046)
Sixth Report	Voluntary Carbon Offset Market	HC 331 (HC 418)
Seventh Report	Beyond Stern: From the Climate Change Programme Review to the Draft Climate Change Bill	HC 460 (HC 1110)
Eighth Report	Emissions Trading: Government Response to the Committee's Second Report of Session 2006–07 on the EU ETS	HC 1072
Ninth Report	The Structure of Government and the challenge of climate change	HC 740 (HC 276)

Session 2005–06

First Report	Greening Government: the 2004 Sustainable Development in Government Report	HC 698
Second Report	Sustainable Timber	HC 607 (HC 1078)
Third Report	Sustainable Procurement: the Way Forward	HC 740
Fourth Report	Pre-Budget 2005: Tax, economic analysis, and climate change	HC 882 (HC 195)
Fifth Report	Sustainable Housing: A follow-up report	HC 779
Sixth Report	Keeping the lights on: Nuclear, Renewables, and Climate Change	HC 584 (HC 196)
Seventh Report	Sustainable Development Reporting by Government Departments	HC 1322 (HC 1681)
Eighth Report	Proposals for a draft Marine Bill	HC 1323 (HC 1682)
Ninth Report	Reducing Carbon Emissions from Transport	HC 981
Tenth Report	Trade, Development and Environment: The Role of DFID	HC 1014 (HC 197)
Eleventh Report	Outflanked: The World Trade Organisation, International Trade and Sustainable Development	HC 1455 (HC 354)
Twelfth Report	Transport Emissions: Government Response to the Committee's Ninth Report of Session 2005–06 on Reducing Carbon Emissions from Transport	HC 1718
