Introduction
EU biofuels policy has diverse aims, which are not entirely compatible. Some aims can be seen more clearly in links to related strategies:

- Global Europe: aims EU industry to become more globally competitive; and
- The Knowledge-Based Bio-Economy (KBBE): aims to turning agricultural resources into various industrial products through techno-scientific innovation.

This paper analyses the diverse aims driving EU biofuels policy, in order to inform our discussion on
- EU policy, trade, investment and research relations with the global South;
- gaps in advocacy and research, especially regarding those relations;
- opportunities to intervene in those relations and the EU policy process.
Further analysis will need to come from the workshop discussion.

2 EU biofuels policy: diverse aims
EU biofuels policy combines many aims of ‘renewable energy’. Dating from at least 1997, ‘this renewable energy policy was founded on the need to address sustainability concerns surrounding climate change and air pollution, improve the security of Europe's energy supply and develop Europe's competitiveness and industrial and technological innovation’ (CEC, 2009).

Neoliberal policies for capital accumulation: marketising more natural resources, turning knowledge into ‘intellectual property’, forcing people and suppliers into greater competition against each other, etc. These drivers promote the further industrialisation of agriculture – attacked as ‘agrofuels’.

Legislation is led by DG Tren (Directorate-General for Transport & Energy) of the European Commission, which has sponsored industry lobbies promoting biofuels expansion.

3. EU targets and effects
EU law mandates a 20% component from renewable energy in all fuel, including a 10% component in road transport fuel, by the year 2020.
To meet this target, the EU would need to import approx. 1/5 of the 10%, according to an official study.

Much more than 1/5 would be needed from imports in order to fulfil the target.
Establishes incentives for further industrialising agriculture.

Biofuel production also contributes to increased intensification of agricultural production in the EU, which can increase pressure on the use of land with high biodiversity value and soil carbon stock and use of fertiliser. However it can also reduce the rate of land abandonment, with positive effects on erosion and fire prevention, landscape and biodiversity maintenance (CEC, 2009).

EU policy optimistically assumes that sustainability criteria will favour the latter benefits, rather than further intensification.

4 Global Europe: linking energy security and competitiveness
Global Europe strategy links several aims relevant to biofuels.
To import raw materials cheaply and reliably, especially as a basis to produce exports that will be globally competitive: ‘More than ever, Europe needs to import to export.’

Links internal and external trade policies: ‘Fair rules’ often mean that the EU offers to reduce tariffs on imports if other countries remove restrictions or tariffs on EU exports and investment.

Global Europe is led by DG Trade and driven by the coalition ‘Business Europe’, representing multinational companies.
It is opposed by European NGOs and some trade unions.
5 Energy security – for more transport
Security of energy supply has been a prime driver for EU policy on renewable energy
Transport fuel use has increased greatly.
Increase results from the ‘single market’ project of eliminating trade barriers among EU member
Neoliberal model: greater competition would generate more efficient production methods and thus
less pollution.
Model justified growth in transport links, which called the Trans-European Transport Network.
Similar products have been increasingly circulated throughout the EU and beyond.
This competition disciplines producers to minimise direct internal costs, while externalising other
human and environmental costs.

6 Biofuels as solution
Transport fuel use is expected to increase further, thus making the transport system less secure and
less sustainable:
Biofuels become ‘the only practical’ solution, by helping to sustain greater fuel use for transport.
In practice, biofuels may supplement oil imports, not simply provide a substitute.
Multiple, flexible sources offer EU buyers more control over supply chains, even if more expensive
than oil.
Diverse sources can be pushed into greater competition with each other.
Trade liberalisation along two lines: to obtain raw materials more reliably (and perhaps more
cheaply), while also opening up export opportunities for higher value-added products or services.
Pursuit of more raw materials has been attacked as ‘Europe living beyond its resources’

7 Brazil as partner
Brazilian bioethanol comprises nearly half of biofuel imports into the EU, despite the EU’s high tariff
on ethanol imports.
Brazil has developed more efficient technology for processing cane, which (coincidentally) is
portrayed as the most sustainable source of biofuel imports, at least in terms of GHG emissions.
These two factors have converged in a cooperation agreement with the EU.
Brazil’s exports are promoted as a showcase for ‘sustainable’ biofuels, so these become a test case
for government policy and its assumptions.

8 Trade and investment opportunities
EU policy always foresaw the biofuels sector as generating expert knowledge and technology,
especially for export.
Such export opportunities depend on technoscientific development, e.g. 2nd-generation biofuels.
Global Europe strategy emphasises means to gain market advantage in supply chains, especially
through high-skill, high-quality products:
In some cases, European companies outsource skilled operations:
Some EU member states have signed bilateral cooperation agreements with Brazil on trade and/or
investment.
Brazil-Europe-South cooperation: some Southern partners are African countries exempt from EU’s
import tariffs on bioethanol.

9 Knowledge-Based Bio-Economy (KBBE)
For biofuels development, another relevant policy is the Knowledge-Based Bio-Economy (KBBE).
As an official definition, KBBE is ‘the sustainable, eco-efficient transformation of renewable
biological resources into health, food, energy and other industrial products’.
This aims to turn agricultural resources into various high-value products through techno-scientific
knowledge and innovation.
Biological resources are equated with ‘renewable’ and therefore ‘sustainable’ production.

10 European Technology Platforms
KBBE policy is led by DG RTD (Research, Technology and Development)
Incorporates proposals from European Technology Platforms (ETPs), which represent trade
associations in several industrial sectors: crops, food, forests, biofuels, etc.
ETPs publish Strategic Research Agendas which aim to influence government research priorities
They also promote policy changes, e.g. stronger targets for biofuels and stronger protection of IPRs, as incentives for the private sector to invest in biofuels research.

11 ‘Value chains’
‘Value chains’ pervade documents of the KBBE: ‘Plants are the engines of the agricultural value chain’.
Describes all natural resources, as a basis for potentially commercialising them through innovation. Refers to relevant stakeholders, i.e. those who are expected to add market value. Promissory meanings can mobilise investment in research and gain policies to facilitate commercial prospects.
Sustainability is understood as greater input-output efficiency in using natural resources, especially for enhancing market value, while supposedly minimising or recycling waste. Assumes that current sustainability problems result simply from inefficiency.

12 Agriculture as new ‘oil wells’
Efficiency also means horizontal integration across several industrial sectors – food & feed, chemicals, energy, biorefinery, etc.. This integration is represented as an objective imperative for societal progress, e.g. for producing ‘green energy’:
The KBBE aims to integrate diverse biomass sources and products:
Agriculture in the 21st century will become the oil wells of the future – providing fuels, chemicals and products for a global community.
Thus agriculture becomes new ‘oil wells’, as biomass to be mined.

13 EU R&D funds for biofuel innovation
KBBE agenda emphasises global competitive advantage: ‘The European bio-economy cannot compete on a global level by delivering only basic agricultural commodities’.
KBBE promotes innovation for products such as ‘sustainable, environmentally friendly biofuels’.
DG RTD funds numerous research projects relevant to biofuels, including novel inputs for 2nd-generation biofuels and biorefineries.
If successful, these would use all of the plant, not simply the grain (as in 1st-generation biofuels). More efficient energy production, e.g. via GM crops, microbes, enzymes, etc.
‘Integrated diversified biorefinery’ to generate a flexible range of industrial products, which could be quickly adjusted according to their global market prices.

14 EU-Brazil research cooperation
European companies seek a higher position in value chains, thus gaining more control and market value.
But Brazil also develops technological innovations, so value-chain strategies can mean Europe-Brazil cooperation. Examples:
2nd-generation biofuels: call is coordinated by DG RTD with Brazil’s Ministry of Science and Technology (MCT) and its National Council of State Research Foundations (CONFAP).
Processing sugarcane waste into bioenergy: jointly funded by Brazilian and EU partners.
Re-use is portrayed as more sustainable.
However, more efficient energy conversion can provide commercial incentives for changes in land use. ‘This will make sugar cane monocultures for agrofuel more financially attractive’ (CEO, 2009).

15 Sustainability criteria in EU targets
In early 2009 the Renewable Energy Directive was finally approved.
Its approval followed a long, complex conflict over the mandatory targets for ‘renewable’ fuels and sustainability criteria for them to be eligible.
The final Directive translated environmental issues into legal-technical terms.
Criteria include only some environmental issues: to ensure that the criteria can be quantitatively measured, and to keep them compatible with WTO rules.
Criteria are designed to legitimise the targets, while stimulating techno-scientific innovation for 2nd-generation biofuels, which may eventually justify stronger requirements for GHG savings in the future.
NGOs have denounced the sustainability criteria as weak, narrow, deceptive or even as incentives for harmful agri-industrial practices.
16 Broader harm
The draft Directive also underwent debate over ‘indirect land use change’ (ILUC). Global trade in biofuels generates indirect changes which can significantly increase GHG emissions and other harm, far beyond any direct changes in land use.
Directive requires the Commission to submit a report ‘reviewing the impact of indirect land use change on greenhouse gas emissions and addressing ways to minimise that impact’.
Arguments continue over how to take into account ILUC.
Regardless of any method, the EU rules will not incorporate harmful socio-economic effects.
Regarding any wider socio-economic harm, the Directive requires simply a bi-annual report starting in 2012:
Requirement offers an opportunity to highlight dispossession and exploitation in the global South. Once land is dispossessed and exploited, however, this is generally an irreversible process for both

17 Analytical conclusion: EU policy assumptions
EU policy framework rests on several assumptions which effectively define ‘sustainable development’.
Normative assumptions – about what counts as good or bad effects, relative to other energy sources and their effects.
EU norms link flexible energy sources, export opportunities, livelihoods dependent on global markets, and environmental protection – as if these were common societal benefits.
Causal assumption: that current sustainability problems result from inefficient production techniques which use excessive resources or waste them.
Regulatory assumptions expect that environmental effects can be kept manageable and accountable through sustainability criteria.
Together these assumptions shape dominant accounts of benefits, harm and their causes.

18 Strategic conclusion: conflicting aims as an opportunity
EU agrofuels strategy has conflicting aims: GHG savings versus energy security and value chains.
Critics may find opportunities to influence European relations with the global South, in particular:
• commercial relations between suppliers, competitors, partners, etc. including relatively small companies;
• government agreements on investment, trade and research; and
• regulatory-certification systems which monitor, conceal or highlight harmful effects.
North-South advocacy coalition could highlight such harm, as well as its causes in market competition, political power and ‘efficient’ technology – contrary to the assumptions of EU policy.

19 Questions to discuss:
In strategies to gain advantage in global value chains, who gets the value? And who gets the chains? What are the North-South commercial and political relations promoting agrofuels? How are these arrangements vulnerable to challenge? How can a North-South advocacy coalition challenge EU policy assumptions about benefits, harm and its causes? How to hold governments accountable?