

EU Forest Watch

Informing NGOs, MEPs, Member States, the European Commission and the media

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Biofuel landscape changing, but will ILUC be taken into account?

A report from the Energy Research Centre (Netherlands) and the European Environment Agency analysing 19 of the currently available National Renewable Energy Action Plans (NREAPS) indicates that the overwhelming majority of renewable energy for transport will come from biofuels by 2020. None of the current plans have taken into account the indirect impacts of biofuels on land-use change, thereby ignoring the potentially large negative climate, environmental and social impacts of biofuels. A consultation launched by the European Commission¹ on indirect land use change (ILUC), is therefore welcome.

The EU's Renewable Energy Directive stated that all EU Member States should have provided their binding NREAP's by

mid 2010. By the end of August however, only 19 Member States had provided these Plans.

In contrast to the ambitious biofuels projections in the NREAPS, the EurObserv'ER² released a report this month showing that growth of European biofuels consumption has been slowing down over the last years. The report states that biofuels use in transport grew by 18.7 per cent between 2008 and 2009, against 30.3 per cent between 2007 and 2008 and 41.8 per cent between 2006 and 2007. A report by GSI³ also released this month shows that financial support for biofuels in the EU also declined. Between 2006 and 2008, support reduced from €3.7 to €3 billion. One of the most important factors for this change is that excise tax

exemptions, which represent the largest share of support, have been reduced in several Member States, while mandatory blending targets gained in importance.

There is also concern that increased biofuel production could lead to future land grabs in the global South. The European Commission's consultation on ILUC, will feed into a report that they need to present by the end of 2010. This consultation is well-needed and FERN urges all to provide input into the consultation.

1. http://ec.europa.eu/energy/renewables/consultations/2010_10_31_iluc_and_biofuels_en.htm, consultation runs until the end of October
2. EurObserv'ER, Biofuels Barometer, July 2010. <http://www.eurobserv-er.org/pdf/baro198.asp>
3. Global Subsidies Initiative (2010). Biofuels – at what cost?

Another land case won in Sarawak

Following Iban leaders suing the state government in 2008 for gazetting a national park on their communal land, without asking or even telling the local villagers, an agreement has now been reached where a huge area of native land, affecting 27 longhouses, is excluded from the national park. The case was brought by Baru Bian, one of Sarawak's most well known land rights lawyers.

The lack of recognition of Native Customary Rights (NCR) in Sarawak by the state government is one of the bottlenecks of the negotiations between the EU and Malaysia for a Voluntary

Partnership Agreement to control illegal logging.

Although Malaysia's Prime Minister Najib Abdul Razak's promised to provide funding to survey NCR, nothing has yet happened. "We would be very happy if the government is going to survey all the native customary land" Baru Bian commented.

FERN urges the European Commission to challenge the Malaysian Government to begin by surveying the NCR land of the numerous native communities that had filed lawsuits against the Sarawak government. Baru's firm alone handles more than 100 of these land cases.

Carbon trading explained

Volumes of carbon traded are rising; investment in CDM projects are falling; carbon prices remain far below the values reported to be needed to trigger investment in low-carbon energy infrastructure; and yet many NGOs and governments still hope the carbon market will deliver reliable funding for any future REDD scheme.

In the belief that a lack of understanding of how carbon trading works lies at the heart of this misguided hope, FERN has produced a guide 'Trading Carbon. How it works and why it is controversial' to fill this knowledge gap. The report is available in English and French at www.fern.org/tradingcarbon.



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NEWS IN BRIEF

UK government consults on solid biomass and biogas criteria for power generation

The main mechanism for supporting renewable electricity in the UK is known as the Renewables Obligation. A Renewables Obligation Order is issued annually detailing the precise level of the obligation for the coming year. The next Order comes into effect on 1 April 2011 and in advance of this, the Department of Energy and Climate Change is currently consulting on changes to it. The consultation includes proposals for including sustainability criteria for solid biomass and biogas used for power generation. It runs until 19 October.¹

1. <http://www.decc.gov.uk/en/content/cms/consultations/ro/ro.aspx>

UNECE/FAO Forest Products Annual Market Review 2009-2010 released

The United Nations Economic Commission for Europe (UNECE) and the Food and Agriculture Organisation released their Forest Products Annual Market Review in Geneva on 5 August.¹ The review which has been released annually since the 1950s reveals that consumption of wood and paper products fell by 11.6 per cent in the UNECE² region, the largest year-on-year drop since the 1970s oil crisis. The only segment of the market that grew in 2009 was wood used for energy.

1. http://www.unece.org/press/pr2010/10tim_p12e.htm

2. The review covers forest products markets and policy developments in the three UNECE subregions (North-America, Europe and the Commonwealth of Independent States)

New study shows low carbon price is likely to continue

“EU Energy Trends to 2030”,¹ a new study by the National Technical University of Athens has found that carbon prices are likely to rise just seven per cent to the equivalent of €16.5 a tonne in 2020 and €18.7 a tonne in 2030. These low figures point to carbon markets’ failure to price carbon anything like what would be needed to achieve the initial policy objective of reducing carbon in the atmosphere. It also highlights the problems that can be expected if schemes to reduce emissions from deforestation and degradation were to be based on carbon trading.

1. http://ec.europa.eu/energy/observatory/trends_2030/doc/trends_to_2030_update_2009.pdf

Small improvements in draft Ecolabel criteria

DG Environment’s August release of draft revised criteria for awarding the EU’s Ecolabel for copying and graphic paper¹ received a cautious welcome from environmental groups. If adopted, the EU Ecolabel will require virgin fibres to be certified by schemes such as the FSC and PEFC.

Whilst this is a positive step forward, there is still a mountain to climb as even in these draft criteria there continues to be no requirement for recycled content, except for newsprint paper. What is possibly of even more concern is that, as shown in FERN’s recent report on Indonesian paper² that had received the Ecolabel, there has been no movement with regards to making the award process transparent.

1. http://ec.europa.eu/environment/ecolabel/ecolabelled_products/categories/copying_paper_en.htm
2. www.fern.org/pindodeli

World Bank palm oil strategy “reckless”

A consortium of indigenous peoples, oil palm smallholders, and NGOs used a major international meeting about World Bank investments in palm oil, to demand that the Bank maintain its current freeze on funding the sector.¹ The Bank itself has stated that the sector’s problems include negative environmental and social impacts, including deforestation, biodiversity loss, greenhouse gas emissions, land use conflicts and questions over land tenure and human rights. The consortium insists that the World Bank Group must rethink its draft strategy and engage in further discussions with affected peoples before global investment restarts.

1. www.forestpeoples.org/documents/prv_sector/oil_palm/world_bank_palm_oil_strategy_press_rel_aug10_eng.pdf

REDD+ Partnership’s chaotic, intransparent process

On August 21 2010, the Interim REDD+ Partnership, an initiative developed by France and Norway to move REDD ahead in the absence of an international agreement, circulated a draft workplan. The plan arose out of a process that has largely excluded civil society and indigenous peoples. Stakeholders have been effectively excluded from recent meetings of the Partnership, through either last minute invitations, or closed meetings.

In response to the call for comments on the workplan, 34 NGOs from 20 different countries submitted a letter which denounces “the protracted lack of political will to ensure proper participation of civil society and indigenous peoples’ organisations in the processes of the Interim REDD+ Partnership.” The letter urges the Partnership to include a process to develop concrete and effective procedures to ensure proper participation and input

to the Partnership initiatives.¹

The Partnership is holding a technical workshop prior to the UN climate meetings in Tianjin, China in early October. The workshop will focus on a REDD+ database which aims to identify gaps and overlaps in financing and technology transfer for REDD+ initiatives, and a proposed evaluation on the effectiveness of multilateral REDD+ initiatives. The NGO submission to the workplan outlines the importance of stakeholder participation in the development of such an evaluation, and points to the need to include governance, drivers of deforestation, the non-carbon values of forests, respect for the rights of indigenous peoples and local communities and compliance with international social and environmental standards in any evaluation of the effectiveness of REDD initiatives.

1. www.fern.org/node/4821