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The OECD and the world economy

Contribution¹

Committee on the Environment, Agriculture and Local and Regional Affairs

Rapporteur: Mr Rudi VIS, United Kingdom

The Committee on the Environment, Agriculture and Local and Regional Affairs congratulates the rapporteur and the Committee on Economic Affairs and Development for this excellent report, which clearly underlines the inextricable link between energy supply and environmental protection, and fully supports it.

However, it feels that even further emphasis should be placed on the issue of the impact of using agrofuels.

The Committee on the Environment, Agriculture and Local and Regional Affairs has, on several occasions, had the opportunity to discuss the issue of agrofuels and the possible links with the food crisis. In this context, the opinions gathered by the Committee on the Environment, Agriculture and Local and Regional Affairs differed greatly: some claimed that taking the development of agrofuels too far was the main cause of the escalation in world food prices, while others went to great lengths to minimise the connection between the two phenomena.

The committee feels that the issue of agrofuels must be taken very seriously, not only in the context of the food crisis but also as regards their impact on the sustainability of agriculture in general and on biodiversity and the environment. While helping to cut energy dependence and fossil fuel consumption, an excessive drive to develop agrofuels encroaches on the allocation of land and also constitutes a major source of air pollution. Agrofuels may in some cases even produce more greenhouse gas emissions than the fossil fuels they are replacing, if we take all the factors in their production chain into account. According to the OECD itself, they would help to reduce CO₂ emissions by only 3% at best, at a cost of €360 per tonne of CO₂ saved.

Furthermore, deforestation and changes in land use trigger the release of large quantities of previously stored CO₂.

It appears that the climate would be more effectively protected by conserving or restoring forests and grasslands rather than developing crops for agrofuel production. Reforestation would make it possible to capture between two and nine times more CO₂ over a period of thirty years than would be saved in terms of emissions through the use of agrofuels over that period.

The use of agrofuels also has an impact on the energy balance. More oil is needed to manufacture agrofuel. In the case of maize-based ethanol, for example, 1.3 kilocalories of oil are needed to produce 1 kilocalorie of bioethanol.

In terms of foodstuffs, the quantity of cereals needed to fill a van's tank with agrofuel could feed one person for a whole year.

Experts believe that second and third-generation agrofuels (often touted as a solution to the problems raised by the first-generation of agrofuels and expected to enter the market in ten to fifteen years' time) are less efficient than was initially believed, the only difference being that less land will be needed to produce the same

1. See Doc. 11687, report of the Committee on Economic Affairs and Development.



amount of energy (because of the increased use of by-products) and that less CO₂ is released into the atmosphere. However, we cannot refrain from asking ourselves whether this generational approach is more a matter of semantics.

The Committee on the Environment, Agriculture and Local and Regional Affairs proposes therefore to amend the text of the draft resolution presented by the Committee on Economic Affairs and Development as follows: at the end of paragraph 8, add the words “and to carefully consider all side effects of their development”.

Reporting committee: Committee on Economic Affairs and
Development ([Doc. 11687](#)).

Committee for contribution: Committee on the Environment, Agriculture and Local and Regional Affairs.

Reference to committee: standing mandate.

Contribution approved by the committee on 8 September 2008.

See [Resolution 1629](#) (33rd Sitting, 1 October 2008).