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**Agrofuels: Opportunity or Danger?
A Global Dialogue on U.S. and EU Agrofuels and Agriculture Policies
and their Impact on Rural Development in the North and South**

Conference Report

**12 to 14 December 2007
Hotel Christophorus-Haus, Berlin Spandau/Germany**

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Report – Notes

In mid-December 2007, representatives from farm, development, environment and consumer groups in the U.S., EU, several countries from the Global South participated in a dialogue on agrofuels¹ policies and their impact on food and agriculture economies. The dialogue took place in Berlin Spandau, Germany.

The dialogue occurred at a moment when agrofuels policies are being established or implemented globally.

The conference report contains the following elements:

A) Objectives of the Meeting

B) Results and Conclusions of the Meeting:

- Agrofuels and Rural Development in the South – current dynamics and views of different actors with a particular emphasis on agrofuels in Africa;
- Agrofuels on the rise: markets, key actors, political forces and policy instruments promoting the expansion of agrofuels in the U.S. and the EU;
- Agrofuels and their potential and current impact on commodity and food prices as well as land use;
- Agrofuels and the expansion of the agroindustrial model, land use and small-scale farming systems - impacts for rural development;
- Civil Society perspectives on the potential gains and losses from agrofuels;
- Main conclusions.

C) Appendices (List of participants, Agenda of Meeting, biographies of speakers)

¹ With the emergence of producing fuel from agricultural commodities, the term biofuels has been widely used both in developed and developing countries. During the past year, an increasing number of farmer groups, environmental and developmental groups in the Global South and in developed countries have debated whether to use “agrofuels” or “biofuels.” With this dialogue meeting taking place in Europe, the organisers agreed to honor the local use of the term “agrofuels.”

A) Objectives of the Meeting

The two and half-day dialogue brought together farm groups, environment and consumer organizations, and development organizations from the U.S., EU and the Global South in order to continue a discussion on agrofuels which began in May 2007 at a prior global dialogue exchange in Washington, D.C. to support a new vision for farm policy.²

Participants in the December meeting assessed the direction of agrofuels and offered a space to discuss the feasibility and limits of agrofuel production in relation to farmers, citizens and the environment in both the South and the North.

In particular, the objectives of the dialogue were:

- To gain a better understanding of policies and instruments in the U.S. and EU that promote the production and use of agrofuels;
- To review the different actors and their interests, including corporations like agribusiness, energy companies and automobile manufacturers;
- To examine potential and current impacts of increased agrofuels production on rural development, small farmers, food security, climate change as well as commodity and food prices;
- To define to what extent and with which criteria and policies agrofuels could be viable within the U.S., the EU and the Global South;
- To identify a sustainable vision for agrofuels, that takes into account the interests of farmers, consumers and the environment globally.

² The report of this meeting can be downloaded at:
<http://www.tradeobservatory.org/library.cfm?refID=99952>

B) Results and Conclusions of the Meeting

Agrofuels and Rural Development in the South – current dynamics and views of different actors with a particular emphasis on Africa

Current dynamics in Africa

In many African countries, governments have started to promote agrofuels production and to develop respective legislation. Improving energy security and mitigating climate change are the main arguments used. Farm groups and other civil society groups are concerned with these developments to date. Governments have not undertaken a public consultation in the development of such policies and their potential impact.

Abdallah Ramadhan Mkindi from Envirocare Tanzania provided insight on the situation in Tanzania where 80 percent of the population lives in rural areas and food security and access to land for food production are major priorities. He shared a concern that while the government has no coherent agricultural policy to tackle hunger and land reform, it has nonetheless begun programs to support agrofuels production. In 2006, the Tanzanian government established a Biofuels task force whose mandate is to develop biofuels policies at the national level and to attract local and foreign investors with finance options such as capital allowances and tax breaks. The government is also setting national agrofuel blend targets in support of increased investment and production.

While the government publicly defends this approach as a contribution to solve local energy shortcomings, it was reported that activities so far curb agrofuels production for the export market. Several international investors are looking already at the most fertile areas with good rainfall and access to rivers, particularly for sugar cane and palm oil plantations. For example, a Swedish company is currently looking for 400.000 hectares of land to grow sugar cane. D1 Oils Tanzania Ltd, a Tanzanian subsidiary of the UK company D1 Oils is investing into Jathropha and sunflower for biodiesel production for export to the EU.

Issah Mohammed from the SEND Foundation based in Ghana reported similar elements. The Ghanaian government actively promotes agrofuels production with little public debate. To date, approximately 12,000 hectares of land are dedicated to produce Jatropha in the Northern region, where to date small-scale producers grow food crops. The majority of investment going into Ghana is coming from Europe and Canada.

While policies to support local production, control and use of agrofuels exist, civil society organizations (CSOs) in Tanzania see limited possibilities that these will be implemented given the flood of foreign direct investment in this sector. Overall, civil society groups in both countries are highly concerned with increased competition for land and water, the increase of food prices, the promotion of genetically modified (GM) crops, and the further expansion of industrial agriculture and monocultures as a consequence of agrofuels policies currently promoted. Both of the presenters from Ghana and Tanzania

acknowledged that much more information and work to monitor and respond to agrofuels investment needs to be done.

Current dynamics in Latin America

Sergio Schlesinger from FASE, Brazil provided an overview of agrofuels production in Latin America. He reported that Argentina, Bolivia, Brazil and Guatemala are all exporting agrofuels. Colombia, Ecuador, Honduras, Mexico, Paraguay and Peru produce ethanol but do not export it yet. Brazilian production comprises more than all of the other Latin American countries' production together. Chile, which has an energy deficit, has a partnership arrangement with Brazilian firms to import agrofuels. Certain Central American countries have been importing dehydrated ethanol from Brazil for light processing and export to the United States, taking advantage of provisions in Central American Free Trade Agreement (CAFTA) to avoid the U.S. tariff on ethanol. Venezuela, a major petroleum producer, is opposed to agrofuels production, as is Cuba.

In light of its long history of ethanol production dating back to the 1970s and the large volume of agrofuels production today, the Brazilian government has been leading the charge to reduce trade barriers for ethanol and biodiesel in developed country markets. Multinational agribusiness firms such as Cargill, Bunge, ADM and Dreyfus have entered into agrofuels production in Brazil, as has international financial capital. The Brazilian government has also been promoting agrofuels development in Ghana, South Africa, Mozambique, Congo, Angola and Burkina Faso to support international trade.

Agrofuels production is expanding rapidly in Latin America, especially in Brazil. Monocultures of energy crops, like other monoculture production, have negative environmental and social impacts. The expansion of monoculture agrofuels production is increasing land prices and is also water intensive. For example, it takes 45 cubic kilometers of water to produce 18 million tons of soybeans (the quantity purchased by China), so that soybean exports are also in a sense virtual exports of water. Monoculture production can also contribute to unemployment in the rural sector, as it tends to employ fewer people than more diversified agricultural production.

Two case studies that highlight agroenergy potential

Speakers from Cambodia and Kenya highlighted two examples of the potential of agrofuels to increase local energy supply.

Tham Bun Hak, a farmer from Cambodia, presented his experience with producing jatropha for local energy. He invested in Jatropha in 2004 after attending a meeting on the use of crude jatropha oil as fuel. Upon return, Mr. Hak planted four hectares of jatropha trees starting from branches cut from fences in neighbouring villages. Unfortunately, after 1,000 hours using crude jatropha oil, the injection pump of his power generator broke down. In April 2007, the German company Elsbett, with the support of GTZ, converted his power generator so that it could run on crude jatropha oil. Since then, Mr. Hak has been able to cut the price he charges for his electricity by 50 percent. He has expanded his production by another two hectares.

Plans are currently being considered to expand jatropha production to 800 families in five villages. Mr. Hak expects this to produce sufficient energy for those families to irrigate their paddy fields, mulberry plantations and vegetable gardens, power mechanical looms for silk weaving, and power sewing machines for garment manufacturing. This electricity could also power guesthouses for ecotourism. These five villages are located near a crane and bird sanctuary around a reservoir built in the 9th century.

The conversion of the generator pump to run on crude jatropha oil has meant that the oil can be produced by the farmers themselves without extensive investment from the outside the community. Refining processes of vegetable oil in order to be able to produce biodiesel usually requires more advanced technologies and hence investment. Very often such investment comes from multinational companies and farmers lose control over the production cycle. According to Mr. Hak, farmers in his community have maintained local control and ownership of their energy.

Lorna Omuodo from Vanilla Jatropha based in Kenya also presented the potential for jatropha production for agrofuels in her community and for Kenya. As Kenyan energy experts seek to respond to the rapidly rising oil prices in the global market, the government is looking to bio-diesel to provide some solutions. A national bio-diesel committee has been established to develop and implement the set objectives, such as realising a fuel blend of 80 percent fossil fuel/20 percent biodiesel. Success of the plan hinges on massive investment in jatropha. This plant has been selected because of its ability to grow in semi-arid land that is generally not being used to grow food crops. By nature, jatropha grows best in a hot climate with low rainfall. Growing jatropha does not compete with food crops and has the potential to rehabilitate barren and waste lands in Kenya. In the past, jatropha was planted primarily to stop erosion and prevent land from turning to desert. Ms. Omuodo stated that six million Kenyan family farmers could directly benefit from jatropha-based agrofuels production as it relates to rural energy security and income generation.

The role of the EU and the U.S. in promoting agrofuels production in the Global South

In both the EU and the U.S. much of the support for agrofuels has been couched in terms of enhancing energy security and independence from fossil fuels. One of the most important instruments is the setting of so-called consumption targets to be achieved within a certain period of time.

Karen Hansen Kuhn from Action Aid U.S. explained that while there has been considerable public discussion about the merits or dangers of agrofuels, U.S. policy makers are largely focused on “energy security” as a basis to expand production. Legislators and other officials focused on agricultural policy are also interested in the possibility of establishing new markets for U.S. agricultural products, especially for corn and soybeans. Environmental considerations, while often raised as a justification, are really not driving U.S. policy on agrofuels.

Energy security, from the U.S. perspective, is more about increasing domestic production of ethanol and other alternative fuels, and paving the way to increase agrofuel imports from a variety of sources in the future. While the departments of agriculture and energy and the Environmental Protection Agency are involved in domestic agrofuels policy, international policies are centered in the State Department office of Energy Producer Country Affairs. President Bush highlighted the issue of energy security from agrofuels in his State of the Union speech in January 2007, where he pledged to reduce gasoline use by 20 percent in 10 years. Most of that reduction is expected to come from increased production of agrofuels with only a small reduction coming from improved vehicle fuel efficiency standards.

In March 2007 Presidents Bush and Lula signed a Memorandum of Understanding to cooperate on research and development, promote third country development and production and to establish international standards for agrofuels. In a parallel initiative, Jeb Bush, Inter-American Development Bank (IDB) President Luis Alberto Moreno, and former Brazilian Agriculture Minister Roberto Rodriguez formed the Inter-American Ethanol Commission, which works to promote public and private sector investment in ethanol in the Americas.

Shortly after the U.S.-Brazil agreement was reached, China, India, South Africa and the EC joined the U.S. and Brazil to establish the International Biofuels Forum (IBF). The IBF, which is housed at the Food and Agriculture Organization (FAO), met in June to begin work to establish common technical standards to facilitate ethanol and other agrofuels trade with a view to establish a futures market. The IBF will hold an international summit in November 2008 in Brazil.

The U.S. renewable fuels standard is driving much of the recent market demand for agrofuels. Most of the current demand could be met by the recent increase in U.S. production and trade with existing partners such as Brazil and Central America. However, proposals in the Energy Bill could increase the target for renewable energy from 13 billion gallons in 2012 to 36 billion gallons by 2022, thus potentially generating an enormous demand for ethanol imports.

At this point, U.S. subsidy and trade policies limit that possibility. The U.S. provides significant tax credits to ethanol blenders and producers. There is also a \$0.54 per gallon tariff on imports of ethanol. In December 2006, the U.S. Congress approved the extension of that tariff until Jan. 1, 2009, and President Bush has stated that this is an issue for the next president.

There are some questions about how effective the \$.54 tariff really is. Ethanol imports from Brazil into the U.S. dropped substantially in 2007, but those drops were matched by increases in imports from Central America. Because of provisions in the Caribbean Basin Initiative and CAFTA, ethanol produced or refined in Central America can enter the U.S. duty free, even if it originated in another country. It is also possible that other production from Mexico and Colombia, which are currently expanding their capacity, could enter the U.S. using NAFTA and the proposed U.S.-Colombia FTA.

According to Tom Kucharz from Ecologistas en Accion, Spain in Europe the rhetoric of the EU Commission is that agrofuels will help achieve energy security, while at the same time mitigate climate change. The EU Energy plan includes measures to increase the share of “renewable” energy sources considerably. By 2020, 20 percent of all energy used in the EU is expected to come from renewable sources, including agrofuels. In the Biofuels Directive, the EU member states set a mandatory target of 10 percent agrofuel use in transport by 2020, with two important conditions: that agrofuels will be produced sustainably and that “second-generation agrofuels” will become commercially available. With significant transport growth expected in the EU, it is to date impossible to quantify the amount of agrofuels needed to achieve the mandatory target set. According to official information, it is expected that 50 percent of the agrofuels demand will be produced within Europe while 50 percent will be imported. Latin America (Argentina, Brazil), Africa and Asia (Indonesia, Malaysia) are key countries and regions which shall ensure the supply of the agrofuels needed.

In a similar strategy to the U.S., the EU intends to use the so-called Economic Partnership Agreements (EPAs) it currently negotiates with African, Pacific and Caribbean countries as well as other free trade agreements it has started to negotiate with different countries and regions to secure the sufficient supply of agrofuels to Europe. In the EU’s external trade strategy “Global Europe – Competing in the World” enhancing agrofuels trade is clearly outlined as a key element.

The U.S. and EU have recently proposed the elimination of tariffs and trade barriers for goods and services that protect the environment or combat climate change. The United States Trade Representative (USTR) had previously rejected Brazil’s proposal to define ethanol as an environmental good, arguing that the designation only applies to industrial goods (although USTR had argued that biofuels subsidies were industrial and not farm subsidies in a separate forum).³ There appears to be a lack of clarity at the WTO as to whether agrofuels and feedstocks should be considered agricultural, industrial or environmental goods. Under the current system, ethanol is considered an agricultural good while biodiesel is considered an industrial good.⁴

Efforts are underway on a variety of fronts to increase public and private sector production of agrofuels in developing countries. The World Bank, the International Finance Corporation, the International Monetary Fund and U.S. AID have expressed institutional ambivalence regarding agrofuels trade due to the skewed nature of agricultural rules today and the potential that biofuels will further increase food prices. According to Paulina Novo at the U.S. NGO Bank Information Center, the World Bank is not currently investing or recommending investment in agrofuels, and the International

³ Associated Press, “US, EU block Brazilian attempt to slash biofuel tariffs at WTO,” November 5, 2007.

⁴ “WTO Disciplines and Biofuels: Opportunities and Constraints in the Creation of a Global Marketplace,” International Food and Agricultural Trade Policy Council, February 2007.

Finance Corporation is only supporting investment in the expansion of proven existing ethanol facilities.⁵

The IDB has planned significant expansion of investment in agrofuels production in the Americas. In July it approved a \$120 million loan to Brazil, with plans to support four additional projects totaling \$995 million this year. It is currently supporting the research on the potential for agrofuels in Haiti, the Dominican Republic, El Salvador and St. Kitts as well as other projects in Costa Rica and Colombia. These are primarily directed to generating energy for domestic use. In August, the African Development Bank (ADB) hosted a conference to promote the expansion of agrofuels production in the region, but it is not clear if it has actually made any new loans in that areas.

Agrofuels on the rise: markets, key actors, political forces and policy instruments promoting the expansion of agrofuels in the U.S. and the EU

Nina Holland (Corporate Europe Observatory), Raya Widenoja (WorldWatch Institute), Jetta Wong (Environmental and Energy Study Institute) and Florian Schöne (Naturschutzbund) gave an overview of the current agrofuels markets, key actors, political forces and policy instruments by which the expansion of agrofuels production and use in the U.S. and the EU is promoted.

United States

The United States is now the world's largest producer of ethanol, having surpassed Brazil (the global leader for many decades) in 2005. Today, fuel ethanol in the U.S. is produced nearly exclusively from corn, which has led to tight U.S. corn supplies for the first time in decades, even though the supply of corn has increased steadily. Ethanol has historically been produced from only a small percentage of the U.S. corn crop, yet the share of corn going to ethanol is increasing steadily. U.S. biodiesel is produced mainly from soybean and waste oils, although any type of vegetable or animal oil can be used. Additional U.S. biodiesel plants are using canola or cottonseed oil, or even waste cooking oils and animal fats. Other new oil feedstocks that are attracting a great deal of attention include algae and *Jatropha curcas*, an inedible oilseed plant. Several U.S. companies, including Massachusetts-based GreenFuel Technologies, are working on using algae for agroenergy. A new feedstock that is beginning to attract attention is camelina, a cold-climate oilseed crop related to canola oil that can grow on dryland.

In the U.S. the main policy instruments for agrofuels are the Energy and Farm Bills, which are providing incentives both to investors and farmers to adopt renewable energy technologies. These include grants, payments, low interest loans and loan guarantees, and governmental procurement of bio-based products. The U.S. has instituted a nation-wide Renewable Fuel Standard (as part of the Energy Security Act). This Standard mandates the use of at least 7.5 billion gallons (28.4 billion liters) of renewable fuels annually by

⁵ Paulina Novo, "Biocombustibles, agrocombustibles, las Instituciones Financieras Internacionales y la Inversión Privada: Una Panorámica General," *BIECECA Boletín Mensual*, August 15, 2007.

2012 and 36 billion gallons by 2022, with a carve-out for 21 billion gallons of advanced fuels (any feedstock but corn starch). There are also environmental laws like the Clean Air Act and the Clean Water Act that promote agrofuels as a way to clean up the environment, e.g., replacing toxic gas additives like MTBE with ethanol, and as a way to meet cleaner air standards. Finally, a last major policy instrument is a blenders' tax credit to encourage biorefineries to blend a certain percentage of ethanol with gasoline, which in turn is protected by a 54 cent per gallon tariff on ethanol that is exempted from WTO rules.

Domestic ethanol and biodiesel industries have also been promoted as a way to revitalize the American heartland. Although much of the early growth in the industry was from farmer-owned cooperatives, today only 34 percent of U.S. production capacity is farmer-owned, while ADM, the single-largest ethanol producer, alone accounts for 19 percent. In 2006, venture capital firms invested \$740 million in agrofuels in the U.S.; seven times the amount in 2005. Of the 78 new ethanol plants under construction or expansion in 2007, only 13 were farmer-owned. Some elements of biomass fuel production will continue to favor smaller-scale construction, but the U.S. government will need to finance local-processing plants if these are to play a significant role in the next-generation agrofuels market. So far, the U.S. agrofuel industry appears to be exacerbating the same old trend: more profitable large-scale producers are squeezing out small farmers, and locally owned agrofuel plants are losing out to bio-refineries owned by large agribusiness companies.

European Union

To date, agrofuel production in the EU is mostly in the form of biodiesel. In 2005, 3.9 million tons of agrofuels were produced, amounting to less than 1 percent of total fuel demand for road transport. Biodiesel production represented 81.5 percent of the overall production of agrofuels that year, half of it coming from Germany. The major feedstock for EU biodiesel production is rapeseed oil, while bioethanol is generally produced using a combination of sugar beets and wheat. The EU is already today the world's largest importer of food with massive imports of animal feedstuff (75 percent of its protein needs for feed are imported). In 2005, the EU imported half of its total oilseeds for food and fuel. This number grew in 2006.

The main drivers for increased demand in agrofuels are legislation and formal directives as well as subsidies and tax breaks to promote agrofuel production and use within the EU. These instruments had been introduced in the past years to achieve various policy goals such as reducing greenhouse gas emissions, boosting the decarbonization of transport fuels, diversifying fuel supply sources and developing long-term replacements for fossil oil. In 2003 the EU introduced a directive on the promotion of the use of agrofuels for transport, setting a target of 2 percent agrofuel use in road transport for 2005 and of 5.75 for 2010. In 2007, the European Commission also presented its Strategic Energy Review (also termed as the "energy package"), containing several policy proposals to diversify energy sources. The energy plans include measures to increase agrofuels. The EU Heads of States agreed upon this package and changed the agrofuels target to a *mandatory* target of 10 percent by 2020. They placed two conditions: that agrofuels be produced sustainably and that second generation agrofuels become commercially available.

Another key legislative piece shaping the agrofuels market is the so-called Fuel Quality Directive, containing a target to reduce Green house Gas (GHG) emissions from transport fuels by 1 percent each year from 2011 onwards. The combination of both targets could lead – according to experts – to well over 10 percent of agrofuel use for transport. Besides targets, agrofuels production within the EU is promoted by subsidies under the Common Agricultural Policy (CAP) for the production of energy crops.

Actors that have had a decisive role in promoting an EU agrofuel policy so far include the European Commission itself, large farmers, the car manufacturers, some biotech companies and agrofuel companies. Farmers are seeking new income – partly via new subsidies to produce agrofuels. The car industry (Daimler AG, Volkswagen etc.) is a prominent voice in the European Biofuel Technology Platform, which advocates the expansion of agrofuel production. The biotech industry is hoping that via agrofuel crops GM technology will finally be introduced into the EU. In the second half of 2007 lobbying activities towards EU institutions by foreign actors such as the Malaysian palm oil board, and the Brazilian soy and sugar cane related agribusiness has notably increased. Oil companies (e.g. Shell, BP) are developing strategies to benefit from this new market and are entering into alliances with other sectors.

An increasing number of environmental and developmental organisations throughout the EU as well as family farmers organised in Via Campesina Europe are critical of the promotion of agrofuels and are calling for policy makers to abandon the set targets all together. They highlight recent research that challenges the potential for agrofuels to fight climate change. They also refer to environmental and social harm (competition over land, increasing food prices, loss of biodiversity) in the EU and to a much larger extent in the Global South given the high dependency of the EU on imports to meet the set targets.

Technologies promoted

In response to rising awareness of the limitations of first-generation agrofuels, the U.S. Department of Energy is spending \$385 million over four years for the development of six bio-refineries for cellulosic ethanol, \$200 million for developing small-scale biorefineries, and an additional \$375 million for agroenergy research at three university centers. The race to make commercially viable fuels of the “second generation” is on—funded not only by the U.S. government, but increasingly by private companies and investors hoping to cash-in on agrofuel innovations. Research on advanced biofuel technologies in the United States is being carried out using both the *biochemical* and *thermochemical* approaches; however, compared with Europe, more emphasis is being placed on the biochemical route, which relies on enzymes to break down plant fibers. The U.S. interest in the biochemical route may be due to the fact that fermentation technology is already used in corn and sugarcane ethanol production. The major funders for cellulosic projects in the United States are Cargill, Archer Daniels Midland (ADM), Monsanto, and POET (formerly Broin). However, more chemical and refining companies are becoming involved, which may direct more U.S. funds to gasification and pyrolysis projects. BP, Dupont, Dow, and Shell are already involved in advanced agrofuels research.

In the EU, according to the Strategic Research Agenda, the industry investment at the moment is still going into first generation agrofuels. However, most talk is about second generation cellulosic crops. Due to the broad resistance against GMOs in Europe, promoters of GM solutions are really careful not to mention the role of GM in this context. The agrofuel industry is advising the public sector to invest in research in the bottleneck issues of agrofuel production, such as feedstock supply, cost supply curves, new and innovative production systems, new crops, including forestry, improving the processing (e.g. how to handle mixture of feedstock, how to make collection of “agricultural waste” economically viable), new enzyme cocktails and fermentation organisms to produce ethanol and gasification to biodiesel. Genencor (U.S.) and Novozymes (Denmark) are working on cheaper cellulase enzymes, which can break down cellulose. SweTree Technologies (Sweden) is working on trees genetically engineered for increased biomass growth, increased fibre length and to produce wood that is easier to pulp (with more easily extracted lignin content). Three Swedish forestry companies (Sveaskog, Bergvik Skog and Holmen) are part-owners of SweTree Technologies.

Contribution of agrofuels to mitigate climate change

In the U.S. the reduction of greenhouse gases had not yet been a core argument for the promotion of agrofuels. In early 2008, however, U.S. policymakers introduced language to support a national *Low Carbon Fuel Standard (LCFS)* that is now included in a climate bill scheduled for the Senate floor.

The EU has been more consistent in its argument agrofuels will lower emissions even though scientific scepticism has grown. In August 2007, Nobel Prize winner Paul Crutzen and others suggested that oilseed rape biodiesel can produce up to 70 percent more greenhouse gas (GHG) emissions than fossil fuel diesel due to high nitrous oxide emissions from nitrate fertilisers. Oilseed rape comprises 80 percent of EU home-grown biodiesel. Life Cycle Assessments at present do not take into account indirect or macro-impacts, caused by expansion through growing demand side. These effects are difficult to quantify, i.e. corn crops displace soya crops, often resulting in deforestation.

Points of Convergence between the EU and U.S. in the Agrofuels' Debate

Both the EU and the U.S. have many of the same players supporting and opposing the agrofuels boom. Although the EU appears to be further along with regard to raising issues of sustainability – including mitigating the threat to biodiversity; the threat of global warming; and the threat of increasing hunger, especially in least developed countries from agroenergy production displacing food production – all these issues are escalating in importance on both sides of the Atlantic.

Both the EU and the U.S. are having similar debates over whether, and to what degree, to open up marginal, including environmentally sensitive lands, to agroenergy production.

The development and evolution of trade rules regarding agrofuels is becoming a pivotal issue in both the EU and the U.S. It is in this respect that civil society constituencies in both the EU and the U.S. are exploring some common fronts in terms of analysis and

shared strategies in support of local food, feed and fuel economies rather than agrofuels for international trade.

Points of Divergence between the EU and U.S in the Agrofuels' Debate

The U.S. has fewer constituencies than Europe who are questioning agroenergy production on agricultural lands. In large part, this has much to do with the fact that the U.S. has more land. U.S. farmers have benefited from the high price of commodities and have tended to support agrofuels growth.

Although Europe does not have the land available for agroenergy production that exists in the U.S., it does appear, nevertheless, that substantial farmland could be made available in the new Eastern European member states. Otherwise, agrofuels will need to be supplied by countries outside of the EU.

Civil society groups in the EU have been more focused on sustainability criteria for agrofuels production. This is hardly discussed in the U.S.

Agrofuels and its impact on commodity and food prices as well as land use

Analysts are questioning the role of agrofuels in relation to soaring commodity prices. Daniel de la Torre Ugarte (University of Tennessee) and Mirella Salvatore (FAO) emphasized that in terms of commodity prices, increases in the recent past cannot be directly and solely related to the increased production and demand of agrofuels. Today's increase of commodity prices needs to be understood in the context of a series of different events that all come together. Agrofuels production "took-off" at a moment when corn inventories and commodity prices were declining for various crops including wheat. Commodity prices have only spiked in the last two years. Factors contributing to commodity and food prices increasing in the recent past are among others the increased price for fossil fuel and hence the increased costs to produce crops, such as fuel for machines, pesticides or fertilizers. Reduced harvests (e.g. due to droughts), low levels of public stocks as a consequence of deregulation of agriculture policies in the past as well as increased demand for meat and dairy products in emerging economies (and with it an increased demand for feedstock) have all together led to an increase of commodity prices. Hence increased production and consumption of agrofuels is only a small factor in a series of many factors determining commodity and food prices.

According to Daniel de la Torre Ugarte a simple ban on agrofuels would have little impact on the current land use patterns and the expansion of crop production. Nor would it influence the price of commodity and food prices. Land that might today be used for agrofuel production is in most cases land that is already in use with crops being grown for feedstock. Land use and also the expansion of industrialized production and monocultures are necessarily linked. Over the last 15 years, the global demand for animal feed has increased steadily as a consequence of increased levels of meat consumption. The deregulation of agriculture and trade policies allowed agribusiness to expand cheap

crop production in countries in the global south to feed the meat production e.g. in the U.S. and the EU.

The level of commodity and food prices and their volatility are closely linked to the existence or non-existence of policy instruments that manage supply and demand and hence that manage the amount of land in use for agricultural production. Banning or stopping agrofuels production today would have no real impact on commodity and food prices; it would only shift the use of planted crops from agrofuels to feedstock.

Mirella Salvatore emphasized that commodity and food price discussions need to reflect a clearer picture of who is living off agriculture and farming today. Global statistics indicate that there are 5.5 billion people living in the developing world. Of those, 2.5 billion are in households that are involved with agriculture in some way. Of those, 1.5 billion are small scale farmer households. Approximately, 800 million people are food insecure and 80 percent of those who are food insecure are in rural areas. Agriculture represents over 50 percent of employment in many developing countries as well as over 25 percent or higher the total GDP of some countries. The reality for all these people living off farming has been a decline in their incomes over the last 20 years as a consequence of deregulating agriculture and trade policies as well as public institutions and an continuous concentration of markets forces.

Agrofuels production can provide farmers with some opportunities to achieve a fair price and to meet energy demands in agriculture. However, policy measures need to be put in place at the national and international level to ensure that farmers benefit from higher commodity prices. At a national level, most of the policy instruments promoting agrofuels to date have been in the form of consumption mandates, incentives for the production or use of feedstock and agrofuels and tariff controls. Few of the policy instruments to date have related to agriculture. Expanding agricultural production capacity, diversifying feedstocks, improving conversion and distribution technologies are critical components of defining good policies for agriculture that would contribute to sound agroenergy production practices.

After fossil fuels, agriculture and deforestation are the next largest contributors to greenhouse gas emissions. Production, conversion and energy yield also matter. Land use changes or expansion clearly impact greenhouse gas emissions and policy instruments should reflect this understanding. Policy instruments and measures must focus on the promotion of sustainable agricultural production for local use and consumption, if it should have a potential value not only in terms of changing the land use but also in its ability to reduce carbon emissions.

At an international level, unrestricted trade in agrofuels would have negative consequences in that it would expand feedstock production in environmentally sensitive area and would result in exploitation of agricultural resources such as extracting from soil and water. It would also hinder small landholders' access to land. Unrestricted trade would reinforce monoculture crop production for export and would increase price volatility in exporting countries.

Ugarte outlined that a system of trade could be put in place in which agrofuels supply and demand would be managed and some countries would produce while others would not. Developing countries could realize their potential to increase agricultural production capacity by means of investing in infrastructure, research, extension and sound agricultural policy and practices to support agrofuels production, some of which could be exported. Appropriate certification would also need to be set up to support environmental and social goals. In conclusion, to deal with commodity and food prices in the interest of both farmers and consumers, long-term alternatives to food and agriculture that include a fair price for farmers and well designed policy tools to manage supply are needed (together with other policy instruments) to address the problem of global hunger and to support development processes in the Global South.

Agrofuels and the expansion of the agro-industrial model, land use and small-scale farming systems - impacts for rural development

Philipp McMichael and Sergio Schlesinger stated that the promotion of agrofuels as currently done by the U.S. the EU, but also countries such as Brazil is further advancing the agro-industrial model with all the negative impacts already known with regards the use and abuse of land, water and workers. McMichael outlined that the agro industrial model is global and largely corporate. The current agrofuels expansion is also largely corporate-driven. In many countries it leads to a further expansion of the existing agro-industrial model and will – if continued, lead to the conversion of agriculture to a branch of the energy-industrial complex. Sergio Schlesinger outlined that in Brazil and Argentina the expansion of monocultures of sugar cane and soy is happening at a very rapid pace. This expansion further increases the presence and power of large transnational agri- and food businesses, which already dominate large parts of the markets in both countries. In Brazilian sugar cane production, foreign direct investment increased from 5.7 percent in 2006 to 12 percent in 2007. Brazil plans to replace 10 percent of the world's fossil fuels by 2025 with sugar ethanol. Malaysia and Indonesia are expanding oil palm plantations to supply 20 percent of EU bio-diesel needs, India plans 14 m hectares of land for jatropha plantations, and Africa 400m. Global access to cheaper resources as a solution to peak oil and Northern land degradation compounds the problem by capitalizing on Southern dependencies as a solution to Northern needs.

Agrofuels expansion is also further undermining peasant agriculture and rural development, fueling the trend of urban migration and the expansion of slums as well as global circuits of migrant labor - a trend which the agro-industrial model has already entrenched. M. Schlesinger reported that in the case of the Sao Paulo region in Brazil, the expansion of the agro-industrial model between 1970 and 2000 has led to the elimination of approximately 700,000 jobs, representing 40 percent of the jobs available in that period. Today so-called lifecycle effects of the global agro-industrial model can be observed. With world corn prices rising due to U.S. agrofuels policies, U.S. farmers switch from soy to corn production. At the same time expansion of soy production in the

Amazon rainforest can be observed, leading to rising prices for land in Brazil and consequently to a drastic slow down of the land reform project and rural development.

According to McMichael the promotion of agrofuels follows the Green Revolution's misleading attempt to "feed the world" via chemicals and biotechnology with a further subordination of agriculture - this time to fuel energy-intensive consumption patterns in the developed North. Agrofuels production as promoted today *exacerbates* a series of negative trends already existing with the agro-industrial model such carbon emissions, land concentration, biodiversity loss and monoculture crops.

The current approach to agrofuels reinforces the energy crisis rather than solving it, according to McMichael. The International Energy Agency estimates that by 2030, 147 million tons of agrofuels will be produced. This quantity will "barely offset the yearly increase in global oil demand" now at 136 tons a year. It is expected that all renewable energies including agrofuels will amount to only 9 percent of global energy consumption. Furthermore the industrial food system itself requires increased energy to produce food.

New players emerge and *transform* the agroindustrial model:

Today new actors emerge on the scene, including new powerful alliances seeking investment opportunities. Besides agri- and food corporations, also oil, car, biotech industrial alliances seek investment opportunities in the Global South. Various private-public alliances are emerging such as the palm-oil complex which includes Cargill, ADM-Kuck-Wilmar alliance, and Synergy Drive. According to Greenpeace, this alliance is soon to become the world's biggest palm oil conglomerate. The "ethanol alliance" includes the U.S., Brazil, the Central American corridor along with different transnational corporations (TNCs). Brazil has established other ethanol alliances with India, China and South Africa. The Southern Cone transgenic soy complex includes Argentina, Paraguay with Bunge and Dreyfus to serve EU preferences. The Roundtable on Sustainable Palm Oil (RSPO), is chaired by Unilever and includes corporations along the supply chain, from ADM through Cargill to Cadbury's, Nestlé, Procter and Gamble, and Tesco.

The challenges today are to expose the manifest short-sightedness of the proposed role of agrofuels, including the model of production promoted in its current form to shed light on the endemic crisis of industrial agriculture; and to demonstrate the futility of expecting parts of the problem to become a solution to a planet-threatening crisis of global warming. Both show how agrofuels are part of the same agro-industrial model exacerbating the situation, and advocate for a new paradigm that re-centers agriculture within a food and energy sovereignty framework. This is essential to arresting climate change and ensuring a sustainable future.

Civil Society perspectives on agrofuels and the role agrofuels can play in a new energy approach

In this panel discussion, representatives from different organizations – farmer groups, consumer groups, environmental and developmental groups from the U.S., the EU and

Brazil reflected on whether agrofuels can play a positive role in a new energy approach. The broad variety of the different panelists exposed the different views and interests at stake.

Farmer perspectives

Shelby Matthews from COPA/COGECA, representing a broad range of farmers in the EU (from small to large farms, including cooperatives), outlined the hopes for farmers in the European Union with regards to agrofuels. After years of low commodity prices and hence the lowering of their incomes, agrofuels is considered as a new source of income for farmers. In the EU, farmers within COPA/COGECA also consider agrofuels as an opportunity to promote sustainable agriculture and to be less dependent on retailing corporations which are increasingly concentrated and hence have huge price setting power. Setting sustainability standards for the production of agrofuels and for agricultural production overall is key to find a positive way forward, including the applicability of such standards for imports.

Keith Bolin from the American Corn Growers Association noted that the increased demand for agroenergy and commodity price hikes are forcing industrial animal factories to pay the real cost of production for the feedstock. With agricultural trade liberalization, agribusinesses could lower the commodity prices well below the cost of production at the detriment of farmer's incomes. Agrofuels and agroenergy presents for them a possibility for higher incomes and new income sources for farmers. Moving towards locally produced food and agroenergy for local consumption could help to lower the negative balance of trade, slow down the demand and use of fossil fuels and make U.S. farmers less dependent on supplying export markets. Access to a domestic market that pays remunerative incomes is seen as a strategy to pursue. Cost covering and remunerative commodity prices would save taxpayers money. The challenge in the U.S. is to support high commodity prices on the one hand, to reduce energy consumption on the other, and to avoid exploiting developing countries within this context.

Patrick Sadones from the Confederation Paysanne in France and Pedro Christoffoli from the Landless Movement in Brazil – both members of Via Campesina – presented a more critical farmers' view on agrofuels. Both speakers agreed that certain types of agroenergy could be part of a new energy supply, but outlined clearly that without a radical reduction in energy consumption and a radical shift to support more sustainable farming methods, more damage will be done by agrofuels. Without changing the industrial model of agriculture and without halting and reversing the free trade model and trade expansion expressed at the WTO, but also in bilateral and bi-regional agreements, agrofuels as promoted today can only lead to a social and environmental disaster. They are engaged in struggles of resistance at all levels to raise awareness about the need for a sustainable model of agriculture, food and energy production. Many of such struggles exist already today. The challenge is to link these struggles and to build alternatives for agriculture.

Consumer perspective

Karen Lang from the Brazilian Institute for the Defense of Consumers Rights emphasized that current levels of energy consumption in general, and in particular in industrialized countries, are unsustainable. The publicity that ethanol and agrofuels are green and ecological energy makes consumers believe that expansion of consumption can happen without any problem. Such publicity is promoted also in Brazil. Campaigns and mobilizations that focus on the need to reduce the levels of consumption of energy and water are a key element to build the basis for a transformation towards local agriculture, food and energy production that is based on renewable resources.

Environmental perspective

Jutta Kill from FERN, a European Network working on climate change reinforced the critique on the current level of consumption and added that as in other moments of history, technical solutions are presented for systemic problems. While the debate about climate change provides an opportunity to seriously reflect on the current model of production, technical and market-based solutions are presented as the way out, such as Carbon Trading. She also raised the question about whether humanity will be able to transform its economy and society away from a high dependency on fossil fuels. To assess whether agrofuels are an opportunity or danger, it is important to understand the politics of power and the political interests that drive agrofuels and their relation to carbon trading.

In her view, agrofuels are neither about climate change nor about energy security or rural development. If securing an energy supply were the objective of policy makers, they would prioritize the reduction of crude oil. If climate change were the objective of policy makers, they would prioritize efficient use of biomass. The high fossil fuel intensity of industrial farming would be acknowledged and emphasis would be given to decarbonize the current production model. And finally the agrofuels discussion in industrialized countries would be undertaken in the context of parallel and visible action to climate-proof transport policies and priorities. If rural development were the objective of policy makers, they would prioritize locally owned production for local consumption. They would abolish the onerous debt of developing countries and overhaul the global commodities trade that forces countries in the Global South to export crops. And they would support farm practices and methods with the highest potential for job creation rather than support industrialized agriculture that hurts farmers and farmworkers and displaces peasants.

Main Conclusions

In a final discussion with regards to whether agrofuels are an opportunity or a danger and whether they can be part of a new energy mix, participants converged around the following conclusions:

- The central problem to securing access to healthy food for all, to rural development and to sustainable farming practices is the industrial model of

agriculture. This includes the expanding corporate structure in this sector and the related policies that advance this model of agriculture, in particular trade liberalization through bilateral agreements and the WTO. Agrofuels and the current policies promoting the production and use of agrofuels are building on this model and will further exacerbate it, yet they are not the root cause of already existing problems.

- Agrofuels can be part of new energy mix provided production and consumption is locally rooted and controlled and is framed into a wider approach of reducing energy consumption. Successful experiences indicate that agrofuels as part of an agroenergy approach can be successful if used in a more efficient way, such as electricity and heat generation. Agrofuels to simply replace fossil fuels for transport as currently promoted has been considered neither environmentally nor socially desirable.
- A strong global campaign that challenges the agro-industrial model and advocates the transformation from fossil fuel based economies to decarbonized economies is needed.
- Several moments for a continuation of a dialogue on agrofuels at a regional or global level and to help building joint work had been mentioned. A few include:
 - A regional dialogue on agrofuels in Africa next to the UNCTAD XII meeting in Ghana, April 2008
 - A regional dialogue on agrofuels in the Americas in the second half of 2008
 - Establishing a discussion group among CSOs who engage in the development of sustainability standards and who are critical of that approach.
- Furthermore events planned for 2008 or 2009 were mentioned where a continuation of the started discussion among the participants or some of them could be continued, including the development of joint actions among those who would like to collaborate. These events were
 - The UN Convention on Biodiversity in Bonn, May 2008
 - The FAO meeting on Climate Change in Rome, June 2008
 - The IBF meeting in Brazil in November 2008

Follow up of these ideas is undertaken by groups interested in this work and shared among the participants according to need and interest.

C) Appendices (List of participants, Agenda of Meeting, List, Biographies of Speakers)

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Agenda
Agrofuels⁶: Opportunity or Danger?
A Global Dialogue on U.S. and EU Agrofuels and Agriculture Policies
and their Impacts on Rural Development in North and South

Agrofuels in the U.S. and the EU

Presently in the U.S. and the EU, the production and use of agrofuels are promoted using different policy instruments. Due to the demand for energy alternatives in the North, driven by limited oil reserves and high oil prices, agrofuels have emerged as lucrative new export crops on the agendas of many developing countries. Brazil has longstanding experience with the production and use of agrofuels, and other countries in the Global South are considering agrofuels as their new domestic energy source. The public debates and the positioning towards agrofuels vary regionally as well as among the different stakeholders – farmers, social movements, environmental and developmental groups, agribusiness, energy companies and automobile manufacturers.

Many farmer organizations in U.S. and EU are responding positively to agrofuels as they see new market opportunities and receive higher prices for their crops. Other farmer organizations question and oppose the development of industrial agrofuels on the grounds of their economical, environmental, and energy inefficiency. In Europe, agrofuel concerns center around limited land use and the resulting competition between food and fuel. Environmentalists and development groups expose the dangers of agrofuels such as promotion of GMO technology, further monoculturalization, destruction of the rainforests, and increased hunger. They are joined by small-scale farmer groups from many developing countries who see their access to land, water, food and other crucial resources threatened by large scale agrofuel production.

As the U.S. and the EU set mandatory agrofuel production targets, it is clear that their roles and responsibilities regarding the development of agrofuels production and the agrofuels market are key. Their policies do not only affect farmers, consumers and the environment in their own countries, but also countries in the Global South. EU

⁶ Initially, with the emergence of producing fuel from agricultural commodities, the term biofuels has been widely used both in developed and developing countries. During the past year, an increasing number of farmer groups, environmental and developmental groups in the Global South and in developed countries started to engage in this issue. More farmers have started to grow crops from which this fuel can be produced and investment to expand this production has tremendously increased. Farmer groups in the South and many environmental and development groups across the globe have started – for different reasons – to call biofuels “agrofuels.” Farmer groups from the South call them agrofuels, as they say fossil fuels have “organic” materials as a basis, and hence are also agrofuels. Environmental groups claim that biofuels suggest – in particular e.g. within the EU where “bio” is often a synonym for “organic” that they are ecologically sustainable. To avoid this misunderstanding of a larger, not well informed public, they decided to use the term agrofuels. With this dialogue meeting taking place in Europe, we decided to honor the local assessment of this term, and decided to use “agrofuels.”

companies are already investing in Southeast Asia to satisfy the EU agrofuels demand. An energy partnership with Africa is also about to be developed. The U.S. government is reaching out to the Latin American countries for agrofuel plantations.

This two and a half day meeting shall bring together farmer groups, environmental and consumer organizations, and development organizations from the U.S., EU and the Global South in order to continue a global dialogue on agrofuels which began in May 2007. It will assess the impacts of agrofuels and farm policies in the respective regions, and examine issues that have not yet been publicly addressed in depth. The meeting will offer a space to discuss the feasibility of agrofuel promotion and the criteria and elements on how to ensure a sustainable approach to agrofuels, that takes into account the interests of farmers, citizens and the environment both in the South and the North.

Objective of the meeting:

- To gain a better understanding of policies and instruments in the U.S. and EU that promote the production and use of agrofuels in their regions and elsewhere
- To gain a better understanding of the different actors and their interests, in particular corporations (agribusiness, energy companies and automobile manufacturers, etc.)
- To examine impacts of increased agrofuels production on rural development, small farmers, food security, the reduction of greenhouse emissions, commodity and food prices, etc.
- To define to what extent and with which criteria agrofuels can be part of a “renewable energy shift” in the U.S., the EU and the Global South, and what this would imply for policies and instruments used by the U.S. and the EU
- To define a possible sustainable vision for a agrofuels and agroenergy, that takes into account the interests of farmers, consumers and the environment in the U.S., the EU and the Global South

Date: 12 to 14 December 2007
Venue: Hotel Christophorus-Haus, Schoenwalder Allee 26
D-13587 Berlin-Spandau
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Wednesday 12 December 2007

Agrofuels and Rural Development in the South

13.30

Welcome to participants, setting the context, and introduction of objectives of the dialogue and agenda for the meeting

14:00 – 16.00

Agrofuels in Africa – Current dynamics and views of different actors

What positions and strategies do African governments have regarding agrofuels? What is the strategy and approach of the U.S. and EU governments? What are farmers and other civil society groups thinking?

- **Abdallah Ramadhan Mkindi, Participatory Ecological Land-use Management (PELUM), Tanzania**
- **Lorna Omuodo, Vanilla Jatropha, Kenya**
- **Issah Mohammed, SEND Foundation, Ghana**
- **Karen Hansen-Kuhn, Action Aid US**
- **Tom Kucharz, Ecologistas en Accion, Spain**

Facilitator: Alexandra Spieldoch, IATP

16:00 – 16.30 **Coffee Break**

16:30 – 17.30

Perspectives from Latin America and Asia

Comparison of the situation on agrofuels in their regions such as the role of imports, export promotion, domestic use, corporate strategies, impacts on small farmers. What are their governments' strategies regarding agrofuels and Africa?

Sergio Schlesinger, FASE, Brasil

Tham Bun Hak, REE-Mongkol Borei & Tiolong Saumura, Cambodia

Facilitator: Liane Schalatek, Heinrich Boell Foundation

17.30 – 18.30

What is the impact of agrofuels on small-scale farmers and rural development in the South, especially in Africa?

General Discussion

19:00 Dinner

Thursday 13 December 2007

09.00 to 11.00

Agrofuels on the rise: markets, key actors, and political forces promoting the expansion of agrofuels in the U.S. and the EU

Objective: to provide an overview of the current dynamics in the agrofuels sector – the key actors and their interests, potential production sites, the markets, what technologies are promoted, and agrofuels' contribution to mitigate or enhance climate change

Nina Holland, Corporate Europe Observatory, Netherlands
Raya Wijedona, WorldWatch Institute U.S.

Facilitator: Tobias Reichert, Germanwatch

11.00 to 11.30 **Coffee break**

11.30 to 13.00

Policy fields and policy instruments to promote the production and use of agrofuels in the U.S. and the EU

Objective: to provide an overview of the different policy fields and instruments used to promote agrofuels and how those policies are linked (agriculture policies, trade policies, energy policies, scientific policies, development policies etc.), including the state of discussions in these policy arenas

Speakers

Florian Schöne, Naturschutzbund, Germany
Jetta Wong, Environmental and Energy Study Institute, U.S.

Facilitators: Alexandra Strickner, IATP

13.00 to 14.30 Lunch

14.30 to 16.00

Agrofuels and its impact on commodity and food prices & Agrofuels and the expansion of the agroindustrial model, land use and small-scale farming systems. What are the impacts for rural development?

Commodities/Food Prices: to what extent do agrofuels contribute to the increase of commodity and food prices? What are other factors? How to assess the critique on increased commodity and food prices from e.g. OECD, industry and consumers in relation to their interests, and what can be a way forward?

Expansion of agroindustrial model: to what extent do agrofuels contribute to the expansion of the agroindustrial model and its negative impacts? What are other factors of the advancement of that model? What is needed to halt this overall trend? Will the critical debate and work around agrofuels help to stop this trend? How could this work be an element to trigger a broader resistance against the agroindustrial model?

Speakers

For Commodity Prices and Food Security:

Daniel de la Torre Ugarte, University of Tennessee, APAC

Mirella Salvatore, FAO

For Expansion of agroindustrial model:

Philipp McMichael, Cornell University, U.S.

Sergio Schlesinger, FASE, Brasil

Facilitation: Liane Schalatek, Heinrich Boell Foundation

16.00 to 16.30 Coffee Break

16.30 to 18.30

Small working group discussions

WG: Agrofuels and its impact on commodity, food prices and land use. What impacts for rural development?

Objective: to provide a more in-depth discussion of the current dynamics of agrofuels and commodity and food prices; to highlight the positive and negative aspects of that dynamic (including the gender dimension); and to identify agrofuels' role in current price increases, and identify other contributing factors.

WG: Agrofuels and the expansion of the agroindustrial model, land use and small-scale farming systems. What are the impacts for rural development?

Objective: to contextualize the environmental impacts of agrofuels within the larger context of the current agro-industrial model (or asked differently: will the problems addressed by the environmental community stop if agrofuels would not be promoted?)

Friday 14 December 2007

9.00 to 10.00

Presentation of key findings/results of working groups of previous day

10.00 – 11.30

Civil Society perspectives on agrofuels: opportunity or fate?

Can agrofuels play a positive role in a new energy approach?

If so, can there be a common vision for a sustainable agrofuels model, that is supportive to the realization of human rights?

Objective: to hear different perspectives and concerns from CSO groups from the U.S., the EU and the global South (farmers, environmentalists, consumers etc.) and to debate the different views

Speakers

- **Patrick Sadones, Confederation Paysanne/CPE, France**

- **Pedro Christoffoli, Landless Movement (MST), Brazil**
- **Jutta Kill, FERN, UK**
- **Shelby Matthews, COPA/COGECA, Europe**
- **Keith Bolin, American Corn Growers Association**
- **Karen Lang, Instituto Brasileiro de Defesa do Consumidor (IDEC), Brazil**

Facilitator: Alexandra Spieldoch, IATP

11.30 to 12.00 Coffee Break

12.00 to 13.30

Towards a joint strategy on agrofuels and related policies (in working groups)

Presentation and discussion of visions/proposals that could promote an alternative vision on agrofuels, that is in the interest of family farmers, citizens and the environment

Elaboration of possible joint next steps

13.30 to 15.00

Lunch

15.00 to 16.30

Presentation of the discussions and results in working groups

16.30 to 17.30

Definition of next steps

Closing of meeting

Biographies of Speakers

Tham Bun Hak

A rural electricity

producer in the Northwestern province of Banteay Meanchey of Cambodia who provides electricity for the domestic use of around 100 families with a network of electrical wires.

Keith Bolin, President

American Corn Growers Association

acga@acga.org

www.acga.org

Keith Bolin of Manlius, IL, has farmed at his present location since 1978. He and his wife, Barbara, have been married for 29 years and have 4 children; and 2 grandchildren. They own and operate the family farm where Keith and his 3 older brothers grew up. They have an outside hog operation that are raised under Animal Welfare Institute standards and are antibiotic and growth hormone free, and they also raise corn, oats, and alfalfa. In addition, they also have a small cow/calf herd.

Keith serves on the Bureau Valley School Board and has served on the Board of Directors of the American Corn Growers Association. He has been a featured speaker for the last 5 years at the Bug House Debates in Chicago speaking about agriculture issues and their effect on the consumer; he has traveled to Romania speaking out against Smithfield hog facilities and their negative impact on local economy and culture. The American Corn Growers Association is a supporter of locally owned renewable energy. Keith was instrumental in procuring grant money for the Bureau Valley School District to construct a wind turbine adjacent to its newly constructed high school. Bureau Valley is the first school district in Illinois to use wind energy to power its high school. The American Corn Growers Association believes strongly in the right of ALL farmers to be able to make a living from their land and livestock (food sovereignty).

Pedro Ivan Christoffoli, Member of Production and Environmental MST Sector

Landless Movement (MST), Brazil

www.mstbrazil.org/

pedroivanc@gmail.com

Pedro Ivan Christoffoli is an activist of MST since 1987. He is a member of the Production and Environmental MST Sector. He holds a university degree in agronomy, a Master degree in Administration (Management) from the Universidade Federal do Parana (UFPR Brasil). Currently he is doing also a Doctorate at the Universidade de Brasilia (UnB - Brasil) in Sustainable Development.

Karen Hansen-Kuhn, Food and Hunger Policy Analyst
ActionAid International, Washington, DC, USA
www.actionaidusa.org
Karen.Hansen-Kuhn@actionaid.org

Karen has over fifteen years of research, coalition building and advocacy experience on trade, integration and economic policy. She has published articles on US trade and agricultural policies, the impacts of structural adjustment programs in Latin America, and women and food crises. Prior to joining ActionAid International USA, she was the international coordinator of the Alliance for Responsible Trade (ART), a U.S. multi-sectoral coalition promoting just and sustainable trade, and a founding member of the Hemispheric Social Alliance (HSA). A former Peace Corps volunteer in Paraguay, she speaks fluent Spanish. She holds a B.S. in International Business from the University of Colorado and a masters degree in International Development from The American University. Located in Washington, DC, ActionAid International USA's mission is to create change on behalf of the poor and disenfranchised worldwide. In so doing, AAI USA advocates reforms that speak directly to decision-makers on key policies such as poverty reduction, trade, education, agriculture, and the expenditure of federal, IMF, and World Bank funds.

Nina Holland,
Corporate Europe Observatory
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www.corporateeurope.org

Nina has a masters in Environmental Studies at Utrecht University (1999), thesis on the EU life patents directive. She joined the ASEED Europe GM campaign for some years and worked in organic farming and seed saving projects. The work for Corporate Europe Observatory included research into software patents and fluorinated gases industry. She started to support work by GRR et al on soy production in Argentina and Paraguay, part of which was establishing www.lasojamata.org. This work evolved into the current campaign on agrofuel by CEO and many others.

Mohammed Issah,
Social Enterprise Development, SEND
issahmed@yahoo.com

Mohamend Issah is a development practitioner with experience in agricultural extension and rural development in Ghana. He has been involved in a number of community based research on the impact of trade agreements and policies on small holder farmers. Has been engaged in trade policy advocacy for the past five years with a focus on influencing policies to improve the livelihood of small scale producers in the agricultural sector. Has be working with the Social Enterprise Development (SEND)Foundation of W/A as the Trade Policy Advocacy officer. SEND Foundation is a advocacy organisation operating

in the West African sub-region since 1998 with a mission to promote livelihood security and equality of men and women through participatory methodologies and public policy advocacy.

Jutta Kill, Climate Campaigner

FERN

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www.fern.org

www.sinkswatch.org

FERN is a non-governmental organisation which works to achieve greater environmental and social justice, focussing on forests and forest peoples' rights in the policies and practices of the European Union. Jutta Kill, whose formal education is in forest ecology, has worked as climate campaigner for FERN since 2000 and is co-founder of the Durban Group for Climate Justice. FERN's climate campaign has contributed significantly to the Durban Group critique of carbon trading as an unsuitable instrument to tackle climate change in a just and effective manner and has become a leading voice in exposing the failings of carbon 'offset' schemes and proposing just and effective alternatives to offset trading. Since 2005, FERN's climate campaign has begun to document and analyse the impacts on local livelihoods of EU biofuel targets and why such an approach is likely to exacerbate the forest crisis and delay meaningful action towards a climate-proof transport and energy policy in the EU.

Tom Kucharz,

Ecologistas en Accion

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Karen Lang, Researcher

Instituto Brasileiro de Defesa do Consumidor (IDEC)

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Karen has a Masters degree in Political Science from the University of Montreal. Prior to assuming her current position in Idec in November 2006, she conducted research on social and labour movements in Brazil and Argentina and worked in the field of international cooperation. As a researcher for Idec, she works in the areas of international trade agreements, water and sanitation, intellectual property rights (*versus* access to medicines) and sustainable consumption.

The Brazilian Institute for the Defence of Consumers (IDEC) is a non-governmental organisation that has been fighting for consumer rights in Brazil since 1987. Idec became involved in the promotion of sustainable consumption in 1998. Its activities in this area

include elaborating training programs on the subject for teachers and guides, providing information to consumers regularly through its website (www.idec.org.br) and monthly magazine and participating in campaigns organized in conjunction with other Brazilian and international NGOs.

Shelby Matthews, Director for Commodities and Trade
COPA-COGECA
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Shelby Matthews is Director for Commodities and Trade at COPA-COGECA. COPA-COGECA brings together over 70 farm organisations from the 27 countries of the EU representing some 20 million farmers and their co-operatives. She has over 20 years experience working on EU agricultural policy issues, is COPA-COGECA's WTO expert and is currently responsible for work on the long-term development of the Common Agricultural Policy including the current policy review - the Health Check. She is an economist by training and formerly worked at the National Economic Development Office in London.

Philip McMichael
Cornell University, US
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www.cornell.edu

Philip McMichael is a Professor of Development Sociology at Cornell University. His research focuses on the politics of the global food regime, including analysis of the transnational food sovereignty movements. His book, *Development and Social Change. A Global Perspective*, is in its fourth edition (2008), and he has edited *New Directions in the Sociology of Global Development* with Frederick H. Buttel, *Food and Agrarian Orders in the World Economy* (1995), and *The Global Restructuring of Food Systems* (1994). He is past president of the Research Committee on the Sociology of Agriculture and Food of the International Sociological Association, and is currently on the executive board of the Global Studies Association.

Abdallah Ramhadan Mkinidi
Participatory Ecological Land-use Management – PELUM
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Lorna Omuodo,
Vanilla Development Foundation, Kenya
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Lorna Omuodo is programme officer and founder of the Vanilla Development Foundation of Kenya. Since 2004 the Foundation is also active in the promotion of agrofuels in Kenya. To date the leading sponsor of the organization is the World Bank (through the Kenya Agricultural Productivity Project). Lorna Omuodo has experience in community development and programme development for 22 years. She used to work as a sociologist at the University of Punjab, India.

Patrick Sadones,

Confederation Paysannes, France

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www.espoir-rural.fr

Patrick Sadones farms cheese. He holds different degrees in agronomy. In 2004 he founded the Association EDEN – Sustainable Energy in Normandie. Within this association he and its members work on a better understanding of the potential impacts of agrofuels. A first critical analysis on agrofuels was published in 2005, looking among others on the energy balance of agrofuels. He has participated in various public debates around agrofuels throughout the past couple of years.

Mirella Salvatore,

United Nations Food and Agriculture Organization FAO

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www.fao.org

Mirella Salvatore, PhD Statistician is the Bioenergy Officer (Knowledge Management) for the Bioenergy and Food Security Project at the United Nations Food and Agriculture Organization (FAO) which integrates food security concerns into the assessment of bioenergy potentials in various developing countries. Mrs Salvatore joined FAO in December 2002 as Consultant of the Environmental Assessment and Management Unit. She worked on the Poverty Mapping Project funded by the Government of Norway as statistician, GIS expert and KM. Before coming to FAO, she was research in D'Annunzio University, mainly interested in spatial econometrics analysis for the convergence of income in EU countries.

Tioulong Saumura

Tioulong is a Member of the Cambodian Parliament interested in community development, in fighting against deforestation and monocultures of commercial crops. She will translate for Mr. Tham Bun Hak who speaks only Khmer.

Sergio Schlesinger, Economist, FASE consultant,

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Sergio Schlesinger coordinates the Working-Group on Trade and Environment of the Brazilian Forum of NGOs and Social Movements for the Development and Environment. He is a member of REBRIP, the Brazilian Network on trade. Among his recent works is - the publications "O grão que cresceu demais" and "O Brasil está nu," dealing with soy and its impacts,
- several texts on poultry production in Brazil and international trade, focusing on the Brazil-European Union negotiations and
- a text and booklet about agrofuels: soy biodiesel, vegetable coat from eucalyptus and ethanol from sugar-cane.

Daniel de la Torre Ugarte, Research Associate Professor, APAC - Associate Director Agriculture Policy Analysis Center (APAC), University of Tennessee, USA
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Dr. Daniel De La Torre Ugarte is an Associate Professor at the Department of Agricultural Economics of the University of Tennessee; he is also the Associate Director of the Agricultural Policy Analysis Center. Originally from Peru, where got his degree in economics. He came to the U.S. and completed his Ph.D. in agricultural economics at Oklahoma State University in 1992. Dr. De La Torre Ugarte primary areas of research have focused on the analysis of U.S. agricultural policy; the synergism of agricultural and energy policy; the international impacts of U.S. agricultural policy; and the consequences of trade liberalization in agriculture.

He is engaged in international dialogues with academics, farm organizations, non-governmental organizations, policy makers, and international organizations to develop mechanisms that would allow agricultural trade and bioenergy to contribute to global food security and sustainable economic development.

Raya Widenoja, Research Associate
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Raya Widenoja joined the Worldwatch Institute in 2007 to continue the Institute's work on sustainable biofuels development. She holds a Master of Arts in Law and Diplomacy from the Fletcher School at Tufts University, a Certificate in Sustainable International Development and has concentrated on development economics and environmental and natural resource policy.

She has been working among others for the Global Development and Environment Institute, Medford MA, USA, the International Network for Bamboo and Rattan, Beijing,

USA and the American Chamber of Commerce in Germany, e.V., Frankfurt am Main, Germany.

Her interests are in Biofuels, renewable energies and carbon sequestration with forestry and land-use change, Forestry, water and land-use in China, European environmental and social policy, Microfinance and poverty reduction and Institutional and policy frameworks for sustainable development

Jetta Wong, Policy Analyst
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Jetta joined EESI in July 2005 as a Policy Analyst working with EESI's Agriculture and Renewable Energy program. Her responsibilities include: writing *BCO: Bioenergy, Climate Protection, Oil Reduction*; monitoring the reauthorization of the Farm Bill and implementation of its existing energy provisions; primary EESI researcher on a three-organization project studying effective marketing incentives for biopower, biofuels and biobased products; and monitoring and advocacy related to the Renewable Fuels Standard and other bioenergy policies. Jetta works with many agriculture/energy coalitions including the Harvesting Clean Energy Network, the Western Forestry Leadership Coalition, the Forests in the Farm Bill Coalition, and a sustainability coalition for an increased or altered renewable fuels standard. Jetta presents at conferences, organizes Congressional briefings, facilitates "Dear Colleague" letters, and responds to requests from numerous Congressional offices, policy groups and other stakeholders. She is the designated biomass expert for RenewableEnergyAccess.com. She contributed to the Biofuels backgrounder for a joint meeting of grantmakers and has reviewed and contributed to numerous biomass policy documents.

She has worked for Mercy Corps in Uzbekistan helping rural residents explore the use of biogas digesters and as the Environmental Coordinator for ReCellular, where she instituted a company-wide Environmental Management Policy and promoted and expanded recycling programs. She has a B.S. in Natural Resources and the Environment, with an independent study in Environmental Philosophy, from the University of Michigan. She also has studied agriculture and sustainable development in Costa Rica and Brazil. Currently, she is pursuing a Masters Degree in Legislative Affairs at the George Washington University Graduate School of Political Management.

