

**Statement for the public hearing on the subject of “Biomass – opportunities and risks for global climate protection, biodiversity, food and nutrition security and poverty reductions”**

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The basis for a good certification system is a properly defined standard containing clear principles and criteria for sustainable production. For the Dutch government the report of the commission “Sustainable production of biomass” is the main reference for sustainable biofuels. This commission, also known as the Cramer Commission after its former chairperson, defined 9 principles for sustainable production of biofuels. These principles fall into 6 themes: Greenhouse gas emissions; Competition with food and local applications; Biodiversity; Environment; Prosperity and Social well-being.

Credible standards should be developed in an accountable transparent process with balanced multi-stakeholder involvement. The Cramer principles could form good basis for sustainability standards, however it was a national initiative. The Dutch government prefers to see the use of an international standard at EU level or on a global level like ISO. This requires an open dialog with producing countries as well as pilots to test the feasibility of the sustainability standard.

Certification is an essential step for proofing compliance with the set of sustainability criteria that are part of a standard. For example by verifying in the field that production does not endanger biodiversity. This requires an credible and trustworthy system with independent third party auditing. In other words, an internationally viable and stringent certification system depends on the sustainability criteria used and the credibility of the certification system that verifies compliance with these criteria. However this does not need to be one single certification system. All certification schemes that reach a sufficient level of sustainability assurance should be used. This will undoubtedly lead to some differentiation between countries and products, as certification schemes are being developed in the local setting, like e.g. RSPO. This will be unavoidable because biofuels are produced from a large array of feedstock coming from all over the globe.

Cooperation with or use of existing ‘round tables’ or existing sustainability schemes, like

e.g. FSC or RSPO, offers the most sensible approach to deal with this large variety. It will probably also be the fastest way to implement certification of biofuel feedstock. An additional advantage of using existing certification schemes is that it is more flexible, has better support and is better adapted to the local situation. However the problem at the moment is that only few feedstock are covered by sustainability schemes that sufficiently guarantee sustainable production.

The main Dutch policy approach to date has been encouraging companies to voluntarily implement sustainability certification of biofuels. To speed up the development of biofuel certification the Dutch government encourages companies, together with NGO's, to set up new or improve existing systems. However, certification remains a responsibility of the private sector. Companies that supply sustainable biofuels are responsible for proofing that production complies with the criteria for sustainable production. An advantage for companies is that certification can help to reduce the administrative burden. Practically, certification of biofuels is a significant challenge. The establishment of these systems will require time and dedicated effort. A five year period seems a reasonable time frame to set up certification. Even after that, learning by doing remains important and interim targets may prove to be necessary.

Setting a binding standard is obviously a stronger government measure to enforce certification of biofuel production. It is also the most direct institutional link with certification, which will require company reporting on the certification system used to monitor that the regulations for biofuel production are met. This is what the European Commission is now proposing in its new directive proposal. It is a good and necessary start, but the proposal does not go far enough to ensure sustainable production. A higher European ambition is necessary. This may however conflict with trade agreements, and therefore should be considered carefully.

Can certification standards avoid competition with food? It can supply information on some of the aspects that are indicators for competition with food, but it can not directly avoid this. Competition with food is the cumulative effect of macro-economic developments and related social changes. One in hundred farms switching from food to biofuel production does not lead to competition, thirty do. Given that certification generally takes place at farm level, this is difficult to avoid with certification. This was emphasised by the Cramer commission and also recognised by the European Commission. Monitoring these effects on a regional or global level will be necessary to assess whether the biofuel target can be achieved without causing competition with food

or lead to other unintended indirect effects, such as biodiversity loss. The Netherlands has the opinion that the European Commission has a primary responsibility to take on this activity. It is not effective that each country does this on itself. Land use planning can also help to reduce the risk of competition with food, by developing new production of energy crops on marginal lands with low conservation value. Bilateral and multilateral agreement focusing on land use planning can directly contribute to this.

Concluding, incentives to come to high and binding standards for biofuel sustainability are the result of government policy and regulation, corporate social responsibility and public pressure. It depends on the regulations governments are able and willing to make, the responsibility companies take and the response of the public. Given that indirect effects are difficult to incorporate within certification schemes, monitoring of these effects, e.g. competition with food, should also take place to as part of sustainable production of biofuels.