



**SPAIN:
Biofuels - Good for Business, Bad for the Poor, Say Activists**

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MADRID, Nov 9 (IPS) - Making fuels from plants is strongly supported by the business community in Spain, but equally strongly criticised by environmental organisations because of its negative impact on food production.

Bill Glover, environmental performance director for U.S. aircraft maker Boeing, recently said in Madrid that within five or 10 years, the use of biofuels in commercial aviation will be feasible, and will help to reduce carbon dioxide (CO2) emissions caused by air transport by 50 percent.

He added that air transport is responsible for 1.5 percent of European Union CO2 emissions, according to statistics from 2006, while land transport accounts for 52.8 percent.

This is because a car carrying two people uses on average six litres of fuel per 100 kilometres, while an aeroplane filled to 80 percent capacity does not consume as much per passenger, he said.

The importance attached to biofuels in Spain is borne out by the Spanish transnational corporation Abengoa Bioenergy, which has just opened a 35 million dollar pilot plant for biofuels production in the midwestern U.S. state of Nebraska.

The plant is designed to produce 50 million litres of bioethanol (fuel alcohol to substitute for gasoline) a year, using waste biomass unsuited for use as food, according to a company spokesman.

In February, Abengoa signed an agreement with the U.S. Department of Energy, which is to finance half of the project investment.

In preliminary trials, the company produced biofuel from wheat straw, forestry waste and food plant residues. Javier Salgado, the head of Abengoa, says that in one decade's time, ethanol will substitute for gasoline on a massive scale and supply 40 percent of the world's fuel consumption.

Meanwhile, one of Spain's foremost agricultural organisations, the Agrarian Association of Young Farmers (ASAJA), is calling biofuel production into question. On Oct. 31 it asked the authorities to inspect local industries producing biodiesel from sunflower seeds.

Sunflower farmers who have contracted to supply the biodiesel manufacturers are discontented because they are receiving 30 euro cents (45 cents of a dollar) less per kilogram than the market price for food use, and the biodiesel industry will not raise the price.

The secretary general of ASAJA in Castilla-La Mancha, José María Fresneda, told a press conference that sunflower oil may be being imported to make biodiesel, and the association suspects that no difference is being made between imported oil destined for food use or for industrial use.

Biodiesel plants received incentives from regional administrations to amortise their installation costs, "with money out of taxpayers' pockets," and are set to make a big profit from the price differential, Fresneda said.

Furthermore, the biofuel companies are not interested in supporting sunflower production in Spain, "because once they have their infrastructure in place, they can just as easily import sunflower oil from other countries," he said.

Spain and Brazil agreed in late October to develop joint projects for biofuels production, and for increasing energy saving, according to Spanish Minister for Industry, Trade and Tourism Joan Clos.

The first step will be to set up a working group to study how to make the best use of the experience of both countries in this field. Brazil has "great experience" in ethanol production, and Spain could contribute know-how in wind and solar energy, said Clos, who visited the South American country and met with President Luiz Inácio Lula da Silva.

At a meeting with business leaders, he pointed out that Spain has become Brazil's second largest investor, with 40 billion dollars invested by Spanish companies.

But some civil society organisations are severely critical of biofuels. The spokeswoman in Spain for the non-governmental Intermón Oxfam, Marisa Kohan, told IPS that the EU's plans to increase the use of biofuels "could be disastrous for some of the world's poorest people."

The EU target is to replace at least 10 percent of vehicle fuel with biofuels by 2020. If it succeeds, the present consumption of biofuels would increase by a factor of 10, and the bloc would have to import biofuels made from crops like sugarcane and palm oil in developing countries.

But producing commodities for biofuels in developing countries could lead to the displacement of poor farmers from their land, the destruction of their way of life, more exploitation of workers, and deteriorating food security, Kohan said.

A report by Oxfam International says that "as much as 5.6 million square kilometres of land -- an area more than 10 times the size of France -- could be in production of biofuels within 20 years in India, Brazil, South Africa and Indonesia alone."

The report quotes Abet Nego Tarigan, deputy director of Sawit Watch, an Indonesian non-governmental organisation representing communities, farmers and plantation workers affected by palm oil plantation development, who said that "decisions on biofuels made in Europe are directly affecting millions of people in Indonesia."

"In the relentless pursuit of biofuel gold, big powerful palm oil companies are callously clearing communities from land they have farmed for generations," he said.

"The proposed EU policy will only make things worse, pushing more people into poverty and concentrating land in the hands of a few," Tarigan concluded. (END/2007)