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**SG/SD/RT(2007)4**

Organisation de Coopération et de Développement Economiques  
Organisation for Economic Co-operation and Development

**English - Or. English**

**GENERAL SECRETARIAT**

## **Round Table on Sustainable Development**

**BIOFUELS: IS THE CURE WORSE THAN THE DISEASE?**

**to be held at the OECD Headquarters  
Château de la Muette, Paris  
11-12 September 2007**

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**20th ROUND TABLE ON SUSTAINABLE DEVELOPMENT**

**BIOFUELS:  
IS THE CURE WORSE THAN THE DISEASE?**

to be held at the OECD Headquarters  
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11-12 September 2007

**11 September – George Marshall Room**

19:30 Aperitif

20:00 **DINNER**

21:30 After-dinner speeches

**Jack Saddler, Dean and Professor, University of British Columbia,  
Task Leader, IEA Bio-energy Implementing Agreement**

**Tadeusz Patzek, Professor, University of California at  
Berkeley**

**12 September – Roger Ockrent Room**

9:30 **MEETING** (see attached issues sheet)\*

1. Do the technical means exist to produce biofuels in ways that enable the world to meet demand for transportation energy in more secure and less harmful ways, on a sufficient scale and without compromising the ability to feed a growing population?
2. Do current national and international policies that promote the production of biofuels represent the most cost effective means of using biomass and the best way forward for the transport sector?

13:30 **George Marshall Room**

**BUFFET LUNCHEON**

\* *At the Chair's discretion, there will be a fifteen-minute break for refreshments during the session.*

**20th ROUND TABLE ON SUSTAINABLE DEVELOPMENT****BIOFUELS:  
IS THE CURE WORSE THAN THE DISEASE?**

Biofuels have been championed as an energy source that can increase security of supply, reduce vehicle emissions and provide a new income stream for farmers. These claims are contested, however. The background paper presents salient facts and figures to shed light on two fundamental questions:

1. *Do the technical means exist to produce biofuels in ways that enable the world to meet demand for transportation energy in more secure and less harmful ways, on a sufficient scale and without compromising the ability to feed a growing population?*
  - a) The background paper concludes that the potential of conventional technologies for producing ethanol and biodiesel to deliver a major contribution to the energy demands of the transport sector without compromising food prices and the environment is very limited. *Is this an accurate conclusion?*
  - b) One reason that biofuels are promoted as a serious solution to the twin challenge of climate change and energy security is the notion that first-generation biofuels will soon be supplanted by more-advanced technologies. *How rational is it to promote the production of first-generation biofuels as a means to foster the development of the second?*
  - c) The paper assumes it is unlikely that biofuels will become competitive without government support. Feedstock prices will remain high, either because of the many demands on cultivable land or because of the logistical costs of collecting waste and residual material, placing a floor in the production costs of both conventional and advanced technologies. Competitive production of biofuels will, therefore, remain limited to a few regions and niche markets. *Is this a reasonable assumption?*
2. *Do current national and international policies that promote the production of biofuels represent the most cost effective means of using biomass and the best way forward for the transport sector?*
  - a) Lowering trade barriers to biofuel imports allows developing countries that have ecological and climate systems more suited to biomass production to exploit their comparative advantage. At the same time, it will unleash powerful incentives to replace natural ecosystems such as forests, wetlands and pasture land with dedicated bio-energy crops as long as environmental values are not adequately priced and subsidies distort OECD markets. *Should trade in biofuel (feedstocks) be liberalised, and if so, how?*
  - b) The experience with certification schemes to date suggests that – under strict conditions – they can be useful to promote best practices, however, certification cannot be trusted as a safeguard to ban unsustainable production. *Is this a reasonable conclusion and what are the policy implications for mandatory biofuel (blending) targets and the efforts to create a certification scheme for biofuels?*
  - c) *What can be done to ensure a more sustainable development of the biofuels industry?*