



Canadian
Renewable Fuels
Association



European
Bioethanol Fuel
Association



United States
Renewable Fuels
Association



Brazilian Sugar
Cane Industry
Association

November 11th, 2007

The Honorable Ban Ki-moon
Secretary-General
United Nations
Secretariat Building, Room S-3800
New York, NY 10017

Dear Mr. Secretary-General:

As representatives of the world's leading ethanol producers, we are deeply concerned with the Interim Report of the United Nations Special Rapporteur on the Right to Food submitted to the General Assembly on August 22 and with Mr. Jean Ziegler's public declarations to the international media in late October.

The apocalyptic statements made by the Special Rapporteur, calling biofuels production a "crime against humanity" and a "recipe for disaster," are not only unjustified but also unacceptable to those of us who contribute to this emerging industry and millions of people around the world who benefit from renewable biofuels everyday.

In the interest of building a constructive dialogue and highlighting the positive impact that a dynamic and robust biofuels market can have on the world, we would like to outline some of the most disconcerting misrepresentations in this interim report.

Biofuels do not lead to famine. The report preys on the food vs. fuel debate, claiming that biofuels are responsible for current and future significant increases in food prices and suggesting that biofuels will lead to widespread hunger in poor countries. As Nobel Prize winner Dr. Amartya Sen pointed out ten years ago, worldwide hunger does not result from insufficient food production but rather from low income and unemployment, which limit the access to food. Lack of infrastructure, weak institutions and misguided public policies also contribute to the unequal distribution of food around the world.

As you may recall, a 2005 report presented to the UN's Committee on Agriculture noted that agriculture and forestry products such as sugarcane, maize and manure could become leading sources of energy, a key element in achieving the Millennium Development Goals of eradicating extreme poverty and hunger and ensuring environmental sustainability. The 2005 report also anticipated a significant switch from a fossil fuel to a bioenergy-based economy that would benefit not only the rural poor but also the whole planet, since biofuels can help mitigate climate change.



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Blame petroleum, not agricultural prices. The report ignores the fact that food prices have increased far less than petroleum prices. Over the last three years, when biofuels gained momentum, agricultural prices have gone up by 7% while oil prices jumped by more than 70%. In fact, the sharp increase in oil prices is largely responsible for the increase in food prices. Moreover, higher oil prices are the result of rising demand in fast growing emerging countries like China and India, adverse climatic conditions in some regions, and speculation on international markets. Contrary to the interim report, higher agricultural prices provide additional income to farmers in developed and developing countries negatively affected by low international prices during many years. Moreover, we should not fail to recognize that the agricultural production model of large scale is an option that allows better returns due to economies of scale, which in turn would increase significantly agricultural productivity.

Biofuels drive social and economic improvements. When referring to labor conditions and other concerns, the interim report selectively highlights isolated cases that do not reflect the overall situation and direction prevailing in countries producing biofuels. For instance, the report fails to mention the social improvements, the job opportunities and the income growth that are associated with the growing biofuels industry. It is not happenstance that so many government leaders are exploring initiatives in the area of production of biofuels around the world — they all see an opportunity to increase their countries wealth by diversifying away from costly foreign petroleum dependency.

As several respected and independent bodies such as the International Monetary Fund, the World Bank, The Food and Agriculture Organization of the U.N. (FAO), and the Inter-American Development Bank have recently corroborated, biofuels offer an opportunity to developing countries to revitalize agricultural production, to expand and diversify exports, and to produce a domestic source of electric power through co-generation. This last effort will bring electricity to rural areas that currently are unconnected to national distribution networks and can dramatically reduce oil import costs for these countries. And lest we forget, by replacing imports of crude oil or refined products with locally produced biofuels, many countries can save large sums of money can be allocated to the local economy instead of fuel imports.

Biofuels can help ameliorate the climate crisis today. As this year's Nobel Peace Prize Laureates remind us, global warming is a pressing challenge that needs to be addressed without any further delay. Biofuels provides one of the most sensible and attractive solutions to date, particularly considering biofuels' contribution to the reduction of CO₂ emissions, which has been repeatedly confirmed by several respected international studies, including by the International Energy Agency. Imposing a five-year moratorium on one of the most practical and immediate alternatives to reduce greenhouse gas emissions runs counter to the very urgency of our climate crisis. The United Nations has been in the forefront of the international organizations raising concerns about climate change and global warming. We hope it will continue to do so and leverage the work of biofuels in this mission.



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Mr. Secretary General, we urge the United Nations to review the Interim Report of the Special Rapporteur on the Right to Food with a focus on sound science, credible studies, and a comprehensive view of the biofuels sector rather than unsupported assumptions and selected anecdotes. We stand ready to participate in this revision process. Specifically, each signatory to this letter plans to submit additional comments and recommendations to the Special Rapporteur to address specific inaccuracies and concerns regarding its policy recommendations.

At a time when countries around the world are seeking alternatives to the economic and environmental problems caused by oil dependency, we trust that the United Nations will do its part to encourage governments around the world toward a sensible and constructive approach for biofuels that our members have pursued and millions of consumers – poor and rich – have learned to expect.

With hopes for a more sustainable energy future, we remain

Sincerely,

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