

Submission to the Local Government and Environment Committee on the Biofuel Bill

NCWNZ is an umbrella organisation representing 46 Nationally Organised Societies and National Members. It has 28 branches throughout the country attended by representatives of those societies and some 150 other societies. The Council's functions are to serve women, the family and the community at local, national and international levels through research, study, discussion and action.

Introduction

NCWNZ has had an interest in the subject of climate change since 1988. A resolution passed in 1994 urged the Government to use greater speed in implementing legislation to meet its commitments under a variety of United Nations Conventions, including the Conventions on Biodiversity and Climate Change. In 2001, NCWNZ passed a resolution "urging the Government to ratify the Kyoto Accord". NCWNZ submissions written in 2001 and 2002 requested urgent attention to improvement in rail freight and the use of alternative fuels. NCWNZ welcomes the opportunity to comment on the Biofuel Bill, which amends Acts that refer only to petroleum based fuels. This submission has been prepared by the Environment Standing Committee following consultation with the wider membership.

Specific comments:

Clause 9 - Part 3A Biofuel Obligation

New section 34G(2)(e) Definition of qualifying biofuel

The Council strongly agrees that sustainability standards need to be met, particularly those that include ensuring against undue environmental harm and impinging on food production. Another standard which needs to be considered is the energy used in the production of the biofuels. An evaluation of biofuel production by David Pimentel (Professor of Ecology and Agriculture at Cornell University) and Tad Patzek (Professor of Civil and Environmental Engineering at the University of California-Berkeley) found *the production of corn uses up 29% more fossil energy than the fuel produced, wood biomass 57% more, soybeans 27% more and sunflower 118% more. (January 2008 AgResearch website)*. This would appear to eliminate these materials from consideration.

New section 34W Civil penalty for breaching section 34K

New section 34X Civil penalty for breaching section 34M(2)

The majority of members commenting thought that if the Government is sincere in its intention to reduce emissions and dependency on oil, then it does need to have measures in place to ensure that oil companies selling fuel in NZ will comply. Any legal requirement must have penalties for non-compliance.

Clause 10(2) Regulations

Motorists will be concerned about the performance of their vehicles, and they will want assurance that the fuels are blended correctly. NCWNZ supports the provision of information on the "quality" and "suitability" of the petroleum-blend products.

NCWNZ does, however, note the concern of the motor vehicle import industry regarding unknown engine compatibility of early model Japanese vehicles and biofuels. While no consumer likes bearing increasing costs, unfortunately taking steps to mitigate climate change will involve such outcomes. Importing more energy efficient vehicles, capable of utilising biofuels needs to become standard practise for the import industry, if NZ continues with ethanol.

Part 2 Miscellaneous amendments

Clause 21 Schedule 3 amended

There was universal agreement from those responding that biofuel should not be imported into, or exported from, New Zealand. The true financial and carbon cost of doing this would greatly outweigh any benefits from the use of the fuel, and so would be adding to the problem. The outcome of any action must be to restrict greenhouse gas emissions, both in New Zealand and overseas.

While it is understood that an economic or market incentive, such as making biofuel free of excise was needed as a “cherry” for the petrol industry, such an incentive should not be continued if it acts as a market incentive for importing more biofuel over and above what New Zealand can produce, particularly from its existing, current waste products.

Over time the economic incentives have to be directed towards New Zealand better meeting its own needs, the use of tallow for biodiesel to meet the transport industry’s needs for example, although NCWNZ strongly supports the increased use of rail and ships for transport of goods. Other comments received included that funding could be given to support biodiesel production from residue materials such as cellulose, sewage, and dairy effluent. The problem with tallow is that it has temperature limitations. It must also be remembered that it is bad farming practice to remove all residue materials from the land; some must be returned to the soil.

Members support the use of waste products for biofuel production, for example the use of whey and corn (unsuitable for human consumption). The members do not necessarily support the expansion of the dairy industry to accommodate greater whey production for biofuel without there being robust environmental impact assessment undertaken. Areas are already experiencing water shortage and recreational fishers have been signalling for some time that the dairy industry has been afforded too great water rights in some areas, particularly when such rights extend over decades.

General comments

- While Biofuels were seen as reducing emissions and helping with continuity of supply, the amount proposed at the moment will not make much difference to climate change.
- The true costs of biofuels, in growing, fertilising etc. may offset the benefits.
- To meet its obligations under Kyoto, New Zealand has to comply, but actual results should be continually monitored to ensure savings are positive.
- The development of biodiesel and biofuels/blends is supported, but it must be realised that, in the future, there will be only enough biofuels for limited use, such as for farmers and emergency vehicles. It would need a very large amount of land to provide biofuels for the sort of individual transport that New Zealand enjoys at present.
- NCWNZ strongly supports the inclusion of specified environmental and sustainability standards and would like to see the energy involved in producing such biofuels listed as as one of the criteria to be met.
- The production of ethanol from food crops is not supported by NCWNZ.
- There were some comments from those who did not want large scale use of biofuels, because of the impact on food production, whether here or overseas. One comment was that “the world prefers to feed cars rather than people.” It was felt that the development of expanded public transport was much more important than the use of biofuels.
- Using biofuels to replace petroleum, if all the undesirable outcomes from their production is

considered, seems to be a pennywise, pound foolish way of addressing the problem.

- It was also suggested that the removal of catalytic converters from cars should be stopped.
- There was support for encouragement of electric vehicles for short journeys and public transport, providing the supply of renewable electricity generation continues to increase.

Adverse publicity for biofuels has been frequent, for instance:

- The Report “The False Promise of Biofuels” from the International Forum on Globalization and the Institute for Policy Studies by Jack Santa Barbara, Chairman and Director, September 2007, is now available. It concludes “*that a new paradigm is required. The data on agrofuels indicates that they have much lower net energy returns than other renewables, as well as more negative environmental impacts.*”
- BBC World Headline News on 15 January 2008 stated that: “*European Union admits it got it wrong over biofuels. There is environmental embarrassment since the Union failed to see the problems caused... some biofuels barely cut carbon emissions and some reduce rainforest area...*”
- “*The road to hell is paved with biofuels*” by Simon Upton. The Dominion Post 09/10/07
- “*The bad oil – how the palm oil industry is killing the world's orang-outans*” by Carmel Egan, The Dominion Post, 24/11/2007

Conclusion:

NCW supports the Government making provision to ready the population for a change in lifestyle, away from the use of private cars. The provision of public transport should not be left to private companies. Initially, it will need to be subsidised, and attention should be given to the security of car parks at train stations, to encourage the use of trains. Measures could be introduced to encourage the use of public transport such as - cars could be banned from city centres, petrol could be rationed and carless days reintroduced.

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