

# UNILEVER'S POSITION ON BIOFUELS



## Background

The first-generation biofuels currently available are made by processing crops or animal byproducts (termed biomass) to produce alternative energy sources to fossil fuels. Demand is increasing for certain crops and biomass used in biofuels, such as bio-diesel and bio-ethanol, stimulated by public policy programmes with mandates and subsidies.

## Context

Government energy policies are accelerating demand for liquid or gaseous biofuels for use as transport fuels. Currently two-thirds of the rapeseed crop in the EU is used for biodiesel. In the US, bio-ethanol is using 40% of the nation's maize crop.

First-generation biofuels made from vegetable oils often create more greenhouse gas emissions than the fossil fuels they replace. Second-generation biofuels, made from non-food ingredients such as wood, straw, residues and waste matter, are still in development and are not yet available at large scale.

We are concerned about the impact of first-generation biofuels on food security, climate change and biodiversity. The change of land use from growing food to biofuel production may contribute to increasing food prices and food shortages.

## Unilever's position

Unilever supports a move to more sustainable biofuels. We believe the development of a new generation of biofuels which do not compete with food crops is essential. Second-generation biofuels, and the use of electric cars with renewable electricity (wind, solar, etc), would provide renewable energy while minimising the impact on food security.

We support other innovative low-carbon technologies such as the use of solar, wind, water, wood, pulp, straw, residue and waste to create power.

We believe governments have the responsibility to subject their renewable energy policies to a full lifecycle impact assessment. Some 45.8% of the energy we use at Unilever comes from renewable sources.

