

### **3<sup>rd</sup> meeting of the GBEP Task Force on Sustainability**

Sao Paulo, 19 November 2008

Grand Hyatt Hotel

#### **Chair Conclusions**

The GBEP Task Force on Sustainability held its third meeting on 19 November 2008. Brazil, France, Germany, Italy, Japan, Netherlands, Sweden, Switzerland, UK, USA, European Commission, FAO, IEA, UN Foundation, UNCTAD, UNEP, UNFCCC and WBCSD participated in the meeting. The meeting was chaired by the United Kingdom, the leading partner for this work.

The Chair introduced the discussion paper which had been circulated by the Secretariat on 11 November. Partners had submitted a range of comments, including suggestions regarding criteria definitions, cross-cutting recommendations, weighting and organisation of criteria and implementation of the final sustainable development framework. The Chair thanked Partners for their helpful suggestions which it would be appropriate to consider once the criteria were agreed. In order to make best use of the limited time available, the Chair suggested focusing efforts at this meeting on agreeing the “scope text” and the nature of the wording for the criteria, and to make as much progress as possible towards agreement of the criteria, starting with those that had not been discussed in the previous meeting of the Task Force (Rome, 25-26 September 2008).

#### **Scope text**

It was generally agreed that the scope text circulated by the GBEP Secretariat on 11 November was a good starting point for discussion. The Chair thanked the USA, who had taken the lead in drafting the revised scope text, and other Partners for contributing to its development since the 2<sup>nd</sup> meeting of the Task Force. Three proposed changes were discussed:

- i) There was a proposal to change the “may not” of the second sentence to “shall not” in order to strengthen the message that the GBEP criteria and indicators should not be used to inhibit trade in biofuels. Although some Partners questioned the use of mandatory language (in view of GBEP’s voluntary remit), it was recognised that since the statement reiterated existing multilateral trade obligations, GBEP was not altering the nature of these obligations. Therefore, the proposed change was accepted by consensus;
- ii) Various Partners wanted to make it clear that the work of the Task Force was intended to be made available to interested parties other than GBEP Partners. Following a brief discussion, the Task Force agreed to delete the explicit reference to “GBEP members” in the first sentence in order to clarify that other non-GBEP parties could use the criteria and indicators in the context of international co-operation;
- iii) The Task Force agreed to amend the second sentence to make it clear that the GBEP criteria and indicators should also be used to inform policy decisions in addition to conducting analyses.

With these three amendments the Task Force agreed upon the “scope text” (see Annex A) that will be forwarded for endorsement to the Steering Committee on 15 December 2008.

### **Nature of the wording of the criteria**

Several Task Force members supported the more descriptive language in the version of the criteria circulated by the Secretariat on 11 November while others favoured more neutral language. The Chair stressed the importance of getting agreement at this meeting on the nature of the language in order to allow discussion of the criteria to progress. Following debate, the Task Force agreed that discussion of the criteria should proceed on the basis of neutral language on the condition that directionality would be explored during the iterative process of developing the criteria and indicators, and in producing the report of the Task Force’s work.

A related issue that emerged in the discussion about the nature of the wording of the criteria concerned the scope for allowing trade-offs between different criteria or indicators in considering whether bioenergy is sustainable. It was agreed to return to this theme at a later date.

### **Discussion of the content of the criteria**

The UK proposed a restructuring of the current criteria into two categories: policy drivers or policy or aspirational goals and secondary, or regulatory, effects or issues. Whilst the need for a discussion of the structure of the output was recognized by several Partners, it was agreed that this discussion should take place at a later meeting. The UK’s offer to circulate a discussion paper on this for a future meeting was accepted.

In light of the conditional agreement to use neutral language, the Task Force decided to focus discussion on the draft criteria in the right-hand column of Annex B of the background document circulated by the Secretariat on 11 November 2008, as this was a good starting point for the further development of the criteria. Discussion of these draft criteria started with the Energy Security Basket followed by the Social Basket. The tables in Annex B of this document show three columns:

- i. the draft criteria as they were at the end of the 2<sup>nd</sup> meeting of the GBEP Task Force on Sustainability in Rome, 25-26 September 2008;
- ii. the neutral version of the draft criteria in Annex B of the background document for the 3<sup>rd</sup> meeting of the Task Force, circulated on 11 November 2008; and
- iii. the criteria as they were at the end of the Sao Paulo meeting (further to discussion on Social and Energy Security Baskets).

#### *Energy Security*

The Task Force agreed to reduce the criteria of the Energy Security Basket to a single one entitled “Energy security”. The three existing criteria would be revisited during the discussion on indicators. Several Partners proposed moving the “Energy security” criterion to the Economic Basket, but consensus could not be reached on this, so it was decided to leave “Energy security” as a standalone criterion pending further discussion of the overall structure of the criteria.

## *Social Basket*

Only two criteria were discussed at length and resulted in temporary conclusions being reached. Several Partners made comments on other criteria, and these are summarised in the third column of the tables in Annex B.

### 1. Direct and indirect impacts of trade policies

One Partner proposed that the criterion “Direct/indirect impacts of trade policies”, which was proposed in the 1<sup>st</sup> meeting of the Task Force in Rio de Janeiro, should be reinserted in square brackets in order that it might be further discussed at a later date. They said this was in order to allow analysis of the impacts of trade policies of developed countries on bioenergy production in developing countries in particular, and any resultant social implications. Various Partners expressed different views so that the Chair proposed to include the criteria in square brackets in the Social Basket and to discuss it later, but to register the range of views on the issue, including one Partner’s opposition to it being included in this (or any) Basket, as a footnote in the draft criteria matrix.

### 2. Food security

The majority of Task Force members supported retaining “food security” as a specific criterion. One Partner (although noting the importance of food security) disagreed on the basis that “food security” was a subjective concept which did not lend itself to the development of science-based indicators. This Partner proposed the alternative formulation “Food, feed and fibre supply”, which was acceptable to one other Partner. During the ensuing discussion several Partners recalled the ongoing global debate on food security, and the political commitments given many governments, including the G8 Leaders, to addressing this problem and the important role that sustainable biofuels should have in this. In light of this, they felt it was essential to include a “food security” criterion. One Partner said there were four components to food security – availability, access, utilisation and stability – which went beyond the concept of supply. A number of compromise solutions were suggested, including retaining “food security” in the Social basket and placing “feed and fibre supply” in the Economic basket. However, due to lack of time, it was not possible to reach consensus on this issue. It was agreed to include both formulations side by side in square brackets in the Social basket pending further discussion, as follows: [Food security][Food, feed and fibre supply], and to record the range of views in the Chair Conclusions.

## **Next steps for the Task Force on Sustainability**

In concluding, the Chair congratulated the Task Force members on reaching agreement on the scope text and the nature of the language for describing the criteria, as this was essential to allow progress to be made on the criteria themselves. He noted that while the Task Force had made good progress since its first meeting in June 2008, the large amount of work that still lay ahead meant that it would be a challenge to finalize the criteria and indicators by April 2009 as originally planned. The Chair agreed to consider this matter further and discuss these issues with members through email correspondence and at the Steering Committee meeting in Rome on 15 December 2008.

The date and location of the next meeting of the Task Force on Sustainability will be discussed at the next Steering Committee meeting.

**Scope text for criteria and indicators  
developed by GBEP**

*Final agreed text:*

**This work is intended to provide relevant, practical, science-based, voluntary sustainability criteria and indicators to guide any analysis undertaken of bioenergy at the domestic level. The criteria and indicators themselves, when made part of such analysis, should be used with a view to informing decision making and facilitating the sustainable development of bioenergy and, accordingly, shall not be applied so as to limit trade in bioenergy in a manner inconsistent with multilateral trade obligations.**

*Final text showing changes to version circulated on 11 November 2008 for discussion in Sao Paulo:*

This work is intended to provide relevant, practical, science-based, voluntary sustainability criteria and indicators to guide any analysis ~~that a GBEP member chooses to undertake~~ of bioenergy at the domestic level. The criteria and indicators themselves, when made part of such analysis, should be used with a view to **informing decision making and** facilitating the sustainable development of bioenergy and, accordingly, ~~shall~~**may** not be applied so as to limit trade in bioenergy in a manner inconsistent with multilateral trade obligations.

**Results of discussion in the 3<sup>rd</sup> meeting of the GBEP Task Force on Sustainability on the draft sustainability criteria**

**Environmental Basket**

<b>Draft criteria (TF 25-26 September 2008)</b>	<b>Neutral criteria for discussion in Sao Paulo (circulated 11/11/08)</b>	<b>Draft criteria at end of 19 November 2008 (no detailed discussion in Sao Paulo)</b>
Greenhouse gases (GHG)	Greenhouse gas emissions [from bio-energy compared to fossil fuels]	Greenhouse gas emissions [from bio-energy compared to fossil fuels]
Soil fertility/productive capacity of the land	Productive capacity of the land	Productive capacity of the land
[Land-use change][Carbon stocks][Deforestation]	Direct and indirect impacts arising from bio-energy related land-use change	Direct and indirect impacts arising from bio-energy related land-use change
Air quality	Air quality	Air quality
Water quality/ quantity	Water availability, use efficiency and quality	Water availability, use efficiency and quality
Biodiversity and ecosystem conservation	Biological diversity, ecosystems and landscapes	Biological diversity, ecosystems and landscapes
[Bio-safety/GMOs]		
Productive capacity of ecosystems and landscapes		

**Economic Basket**

<b>Draft criteria (TF 25-26 September 2008)</b>	<b>Neutral criteria for discussion in Sao Paulo (circulated 11/11/08)</b>	<b>Draft criteria at end of 19 November 2008 (no detailed discussion in Sao Paulo)</b>
[Resource use and conversion efficiency and productivity/land availability]	Resource availability and resource use efficiencies in bio-energy production, conversion, distribution and end-use	Resource availability and resource use efficiencies in bio-energy production, conversion, distribution and end-use
Economic/rural development	Economic development and balance of trade <i>or</i> payments	Economic development and balance of trade <i>or</i> payments
[Policy support framework]	[Policy and regulatory support framework]	[Policy and regulatory support framework]
Balance of payments		
	Technological capability and access, including RD&D and innovation	Technological capability and access, including RD&D and innovation

## Social Basket

Draft criteria (TF 25-26 September 2008)	Neutral criteria for discussion in Sao Paulo (circulated 11/11/08)	Revised criteria at end of 19 November 2008 (partially discussed)
Direct/indirect impacts of trade policies		[Direct and indirect impacts of trade policies] <sup>1</sup>
Food security	Food security	[Food security] [Food, feed and fibre supply]
Land and water rights	Formal and customary land tenure and water rights and access to natural resources	<p>Land and water rights</p> <p><i>Summary of comments:</i></p> <p><i>Suggestion to keep reference to land tenure.</i></p> <p><i>Suggestion to change to “Property and use rights and access to land and natural resources (water, forests and genetic resources)”, where the bracketed text could be removed if included at indicator level.</i></p> <p><i>Suggestion to remove as covered by the last criterion in this Basket, reworded to include compliance with relevant legal and institutional frameworks.</i></p> <p><i>Comment that if this criterion is eventually subsumed into the last criterion of this Basket, then the issues should not be lost and should be maintained at indicator level.</i></p>
Worker rights/ILO	Human and labour rights	<p>Human and labour rights</p> <p><i>Summary of comments:</i></p> <p><i>Suggestion to change to “Human and labour conditions”.</i></p> <p><i>Suggestion to change to “Labour conditions”.</i></p> <p><i>Suggestion that this criterion could be deleted as already covered by the “Human health [and safety]” criterion, and also the last criterion in this Basket if re-worded to include compliance with relevant legal and institutional frameworks.</i></p>

<sup>1</sup> One Partner did not support the inclusion of this criterion in the baskets, and suggested that it should be addressed as a cross-cutting consideration or recommendation in the report to accompany the final criteria and indicators.

		<p><i>Suggestion to keep reference to labour rights.</i></p> <p><i>Comment that if this criterion is eventually subsumed into the “Human health [and safety]” criterion, then the issues should not be lost and should be maintained at indicator level.</i></p>
Job creation/ opportunities	Rural and social development	Rural and social development
Income generation		<p><i>Summary of comments:</i></p> <p><i>Suggestion to keep this criterion as worded.</i></p>
Quality of incomes		
Creation of sustainable livelihoods		<p><i>Suggestion to replace with “Workforce capacity” and move some of the issues included under rural and social development (such as job creation) into the Economic Basket.</i></p>
Social equity		<p><i>Suggestion to keep and statement that job creation is an important element.</i></p>
Workforce capacity		<p><i>Comment that this criterion covers different issues from the economic development criterion in the Economic Basket, and that if the two criteria are merged, then these different perspectives should be maintained.</i></p>
Rural development		
Local/rural energy security	Equity of access to energy at the local level	Equity of access to energy at the local level
Improvement of energy access		<p><i>Summary of comments:</i></p> <p><i>Suggestion to remove “Equity of”.</i></p> <p><i>Suggestion to remove this criterion and include in the “Energy security” criterion.</i></p>
Health benefits	Human health [and safety]	<p>Human health [and safety]</p> <p><i>Summary of comments:</i></p> <p><i>Suggestion to delete this as covered in air quality and human and labour rights.</i></p> <p><i>Suggestion to keep it and remove square brackets.</i></p> <p><i>Suggestion to keep reference to human health.</i></p>
Legal and institutional compliance	Institutional, policy and legal framework	<p>Institutional, policy and legal framework</p> <p><i>Summary of comments:</i></p>

		<p><i>Suggestion to remove criteria and include as a cross-cutting recommendation.</i></p> <p><i>Suggestion to change to “institutional, policy, legal and financial framework”.</i></p> <p><i>Suggestion to change “framework” to “frameworks”.</i></p> <p><i>Suggestion to add “and good governance”.</i></p>
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## Energy Security Basket

Draft criteria (TF 25-26 September 2008)	Neutral criteria for discussion in Sao Paulo (circulated 11/11/08)	Draft criterion at end of 19 November 2008
Energy access (national, local/rural)	Contribution of bio-energy to meeting national energy requirements	<p><b><u>It was agreed to leave “Energy security” as a standalone criterion pending further discussion on the overall structure of the criteria framework.</u></b></p>
Net energy balance	Displacement of non-renewable energy sources and fuels	
Displacement of non-renewable energy sources and fuels		
Diversification of energy supply [Energy diversification and supply]	Energy mix and diversification of energy supply	
[Energy efficiency]		
[Technology access]		
[Natural resources]		

## Good Governance

The Task Force was content to continue working on the basis that issues relating to good governance be discussed in the context of the criteria proposed in the Environment, Economic, Social and Energy Security Baskets of Annex B of the background document for the 3<sup>rd</sup> meeting of the Task Force on Sustainability, and of suggestions about cross-cutting recommendations, to be considered at a future meeting.