

Joint Statement on the Commission Proposal on the Recast of the Renewable Energy Directive

We, European Associations representing several food and animal feed sectors ask the European Parliament to remove molasses from Annex IX of the Commission proposal on the Renewable Energy Directive. We believe that the Commission proposal to promote use of molasses for biofuels, through its inclusion in Annex IX, will divert molasses from well-established food and animal feed applications.

Molasses is a co-product of sugar production and, as a food and feed material, it has been used for decades for the production of:

- **Yeast**, an essential ingredient in the food sector. In baking it gives us our daily bread; through brewing it brings us our glass of beer; through fermenting it produces European-famous wines.
- For **animal nutrition** purposes, molasses is a highly valued energy-rich taste enhancer with pellet-binding qualities that increase the palatability and the homogeneity of feed, reducing the dusty nature of feed.
- **Citric acid**, a natural antioxidant used to preserve the taste and appearance of food and beverages hereby contributing to the reduction of food waste.
- **Amino acids** for human and animal nutrition as flavor enhancing and protein balancing feed additives and other applications.

In the food sector, regional specialties such as Belgian and Dutch *speculoos* and the *cassonade* would not be possible without molasses. Molasses are already used as a feedstock for first generation biofuel production. The Commission proposal to include molasses in Annex IX will only artificially incentivise its use for biofuels, at the expense of the molasses used in human and animal nutrition and put at risk the existence of traditional sectors of the European bioeconomy.

The European yeast, fermentation, brewery and bakery industries ask the European Parliament and the Council to remove molasses from Annex IX for the following reasons:

- Molasses is neither a waste nor a residue but it is a food and feed material with a high nutritional and financial value. In line with circular economy and resource efficiency principles, **high value food and feed uses** should be prioritised over low-value energy uses.
- There is **not sufficient** molasses to cover the additional demand for biofuels triggered by its inclusion in Annex IX. The EU currently already needs to **import more than 1.5 million** tons of molasses every year resulting in a structural deficit in the supply of molasses.¹

¹ According to the OECD/FAO Agricultural Outlook 2017-2026, the European Union will need to annually import much more than 1 million tonnes of molasses in the coming 8 years. In 2017, the EU would import almost 2 million tonnes of molasses. http://stats.oecd.org/Index.aspx?datasetcode=HIGH_AGLINK_2016



- The inclusion of molasses in Annex IX would likely entail significant **indirect greenhouse gas emissions** associated with the need for the fermentation, bakery, brewery and animal feed industries to replace, when possible, molasses with other feedstocks.²
- By limiting the availability of molasses for several industrial sectors, the Commission policy is endangering the **competitiveness** of several sectors, such as the European yeast and fermentation industry, which heavily rely on molasses for the production of food and feed products. This would result in increased imports of products, such as yeast and citric acid, from third countries with significant job losses all over Europe.
- There has not been an impact assessment on the consequences arising from the inclusion of molasses in Annex IX, in contradiction with the stated Commission commitment to **evidence-based policy**.
- The inclusion of molasses in Annex IX will slow down the development of **truly advanced biofuels** coming from waste and residues which do not have competing uses.

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² International Council on Clean Transportation (ICCT), "Potential greenhouse gas savings from a 2030 greenhouse gas reduction target with indirect emissions accounting for the European Union", *WORKING PAPER 2017-05*, (5 May 2017), pp. 1-26. Available online: <http://www.theicct.org/potential-savings-2030-GHG-reduction-target-EU>



About us

Confederation of European Yeast Producers (Cofalec)

COFALEC is the confederation of yeast producers that represents the EU yeast industry in Europe. With 33 factories scattered through the European Union, one million ton of yeast produced each year and more than 30% of the production exported outside Europe, the yeast industry is an important player of the European food industry. Yeast is a natural living micro-organism used in traditional fermented products (bread, wine, beer) and more recently in human and animal health (probiotics).

For more information, please visit Cofalec's [website](#)

The European Fermentation Group (EFG)

The **European Fermentation Group** is the voice of the European fermentation industry *vis-à-vis* EU institutions, national governments, and civil society. The main objective of the EFG is to ensure that EU policies promote the competitiveness of the fermentation industry contributing to the development of a sustainable European bioeconomy. Our companies mainly produce citric acid, lactic acid, vitamins, amino acids for animal feed and penicillin for antibiotics.

For more information, please visit the European Fermentation Group's [website](#)

The Brewers of Europe

Based in Brussels, The Brewers of Europe brings together national brewers' associations from 29 European Member countries and provides a voice to represent the united interests of Europe's 7500 breweries. The Brewers of Europe promotes the positive role played by beer and the brewing sector in Europe and advocates the creation of the right conditions to allow brewers to continue to freely, cost-effectively and responsibly brew and market beer across Europe.

For more information, please visit The Brewers of Europe's [website](#)

International Association of Plant Bakers (AIBI)

The International Association of Plant Bakeries was founded in Paris in 1956. At present, 16 national member organizations are affiliated to AIBI. The association's headquarters have been set up in Brussels Grand Place since the beginning of 2011. The markets for bread and pastry products have become more integrated over the years and the AIBI must take this development into account. AIBI holds contacts to key Members of the European Parliament and the European Commission services. The association's presence in Brussels also facilitates the collaboration with other chain partner associations located here.



For more information, please visit AIBI's [website](#)

European Confederation of National Bakery and Confectionery Organizations (CEBP)

CEBP is the craft association of the national Bakery and Confectionery Associations in the EU member states. CEBP represents more than 190,000 small and medium-sized enterprises with more than 2 million employees in Europe.

One of our main tasks is to inform and convince the European Administration and the European Parliament about the local and regional importance of small and medium-sized enterprises through our interlocutors. The object is to reduce the endless number of regulations coming from the EU pushing small and medium-sized enterprises out of the food market. Furthermore, CEBP focuses on special tasks such as the hygiene law, the complete food law etc.

For more information, please visit CEBP's [website](#)

European Feed Manufacturer's Federation (FEFAC)

The European Feed Manufacturers' Federation (FEFAC) was founded in 1959 by five national compound feed associations from France, Belgium, Germany, Italy and the Netherlands.

FEFAC membership today consists of 24 national associations in 23 EU Member States as full members as well as Associations in Switzerland, Turkey, Norway, Serbia and Russia with observer/associate member status. The European compound feed industry employs over 100,000 persons on app. 3,500 production sites often in rural areas, which offer few employment opportunities. Farm animals in the EU-28 consume an estimated 480 million tonnes of feed a year, of which about 30% are produced by the compound feed manufacturers. Turnover of the European compound feed industry is estimated at 50 billion €.

FEFAC is the only independent spokesman of the European Compound Feed Industry at the level of the European Institutions. FEFAC holds observer status in CODEX Alimentarius.

For more information, please visit FEFAC's [website](#)

European Former Foodstuff Processors Association (EFFPA)

The European Former Foodstuff Processors Association was established in January 2014 and represents 4 national associations (UK, NL, DE, FR), 3 full member companies (BE, IT, ES), 2 associate member company (CA, US) and 1 observer company (GR). EFFPA estimates approximately 3.5 million tonnes of former foodstuffs annually are processed into animal feed in the EU with a sector turnover of over € 1 billion for 2016. EFFPA strives to strengthen the position of the Former Foodstuff Processing industry



as a responsible partner in the food and feed chain, advocating the contribution the sector makes to the circular economy.

For more information, please visit EFFPA's [website](#)

Association of Chocolate, Biscuits and Confectionery Industries of Europe (CAOBISCO)

CAOBISCO is the Association of Chocolate, Biscuit and Confectionery Industries of Europe.

Our mission is:

- to support our member companies' freedom to market their products in a flexible and responsible manner and;
- to support the development of an innovative, sustainable, competitive and creative chocolate, biscuit and confectionery industry in Europe that represents the values of our member companies.

With 15 member National Associations as well as direct member companies and affiliated members, CAOBISCO is the voice of more than 12.700 European chocolate, biscuit and confectionery manufacturers all over Europe.

For more information on CAOBISCO, please visit CAOBISCO's [website](#)