

BIOFUELS GOALS 'MAY LEAD TO FOOD SHORTAGES'

Parts of the developing world, particularly India and countries in Sub-Saharan Africa, will suffer food shortages if their planned biofuels targets are implemented by 2020, a study has warned.

The study, which looked at 25 countries and geographical regions, including Latin American and the Caribbean, Sub-Saharan Africa and the United States, found that the targets will also affect national wealth.

Our results suggest that the impacts would be significant in developing countries like India and Sub-Saharan Africa, the researchers, based in Ethiopia, Italy and the United States, wrote in the May issue of *Agricultural Economics*.

We find that an expansion of biofuel production to meet existing or higher targets would slightly reduce GDP [gross domestic product] at the global level but with mixed effects across countries or regions, they added.

More than 40 countries have made commitments to meet at least ten per cent of their transportation fuel needs with biofuel by 2020.

Using a simulation model for different economic factors, including type of feedstock, the researchers found that the expansion of biofuels would cause a moderate decrease in world food supply, and more significant decreases in certain developing countries.

Lead author Govinda R. Timilsina, a senior economist with the World Bank, told *SciDev.Net* that the impacts of biofuels depend on a country's economy, energy, and agricultural sectors.

Countries that do not produce enough biofuel feedstock but have ambitious biofuel targets such as India's 17 per cent mandate would not benefit, because they would have to import most of the feedstock, he said.

Timilsina said unless unused fertile lands in developing countries are utilised, more farmers may convert food cropland into biofuel feedstock, which could lead to a decrease in food supply and high food prices.

But Jos Goldemberg of the Institute of Electrotechnic and Energy at the University of So Paulo, Brazil, told *SciDev.Net* that the study's findings are technically controversial, given the substantial evidence that the hike in food prices in 2008 was mainly due to the increase in cost of crude oil, and that increased biofuel production does not lead to shortage of food supply and soaring food prices.

In So Paulo, there has been increase in sugarcane production in the last ten years for generating ethanol, but food production has not decreased, he said, adding that biofuel production is unlikely to cause decreased food supply in countries in Africa and Latin America.

Thomson Sinkala, chairman of the Biofuels Association of Zambia, added that the link between biofuels and food is country-specific. In many African countries, he said, feedstock for biofuel production costs less than its equivalent for food. It is unlikely that a food crop based-feedstock producer would want to sell their produce at 40 per cent below what they can fetch in the food market.

Source: <http://www.scidev.net/global/food-security/news/biofuels-goals-may-lead-to-food-shortages-.html>