



# Successful and Unsuccessful Biofuel Policies Around the World



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# Current 2<sup>nd</sup> gen. biofuel policies

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- United States:
  - EISA Act – mandates for cellulosic & other renewable fuels; cellulosic tax credit renewed until 2017
  - Almost constant litigation, eg. EPA's decision to recognize blend wall issues is under litigation
- European Union:
  - Aspirational target of 0.5% by 2020, MS will set their own targets
  - Italy: advanced biofuel mandate: 0.6% by 2018
- Brazil:
  - No 2<sup>nd</sup> gen. incentives
  - Well positioned to fill the US 'other advanced biofuel' RFS mandated volumes with sugarcane ethanol
- Canada: no mandatory targets

# 1<sup>st</sup> Lesson from 1<sup>st</sup> generation biofuel

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Government / business coordination is an  
essential precondition

Ex: US and Brazil 1<sup>st</sup> generation

- US: Addressing previous historical failures, a 1987 report recommended building an industry/government collaboration network
- Brazil: 'Pro Alcool' program built strong ties between state and industry

# 2nd Lesson from 1<sup>st</sup> generation biofuel

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- 2 -

Framing is highly significant for public  
acceptability

Ex: Food vs fuel media controversy

- Positive frame needs to rally diversity of interests, yet foster cohesion
- Low public awareness means more opportunity to frame public image
- Potential frames: 'green jobs', GHG reduction, leadership on the world stage re. 'climate action'

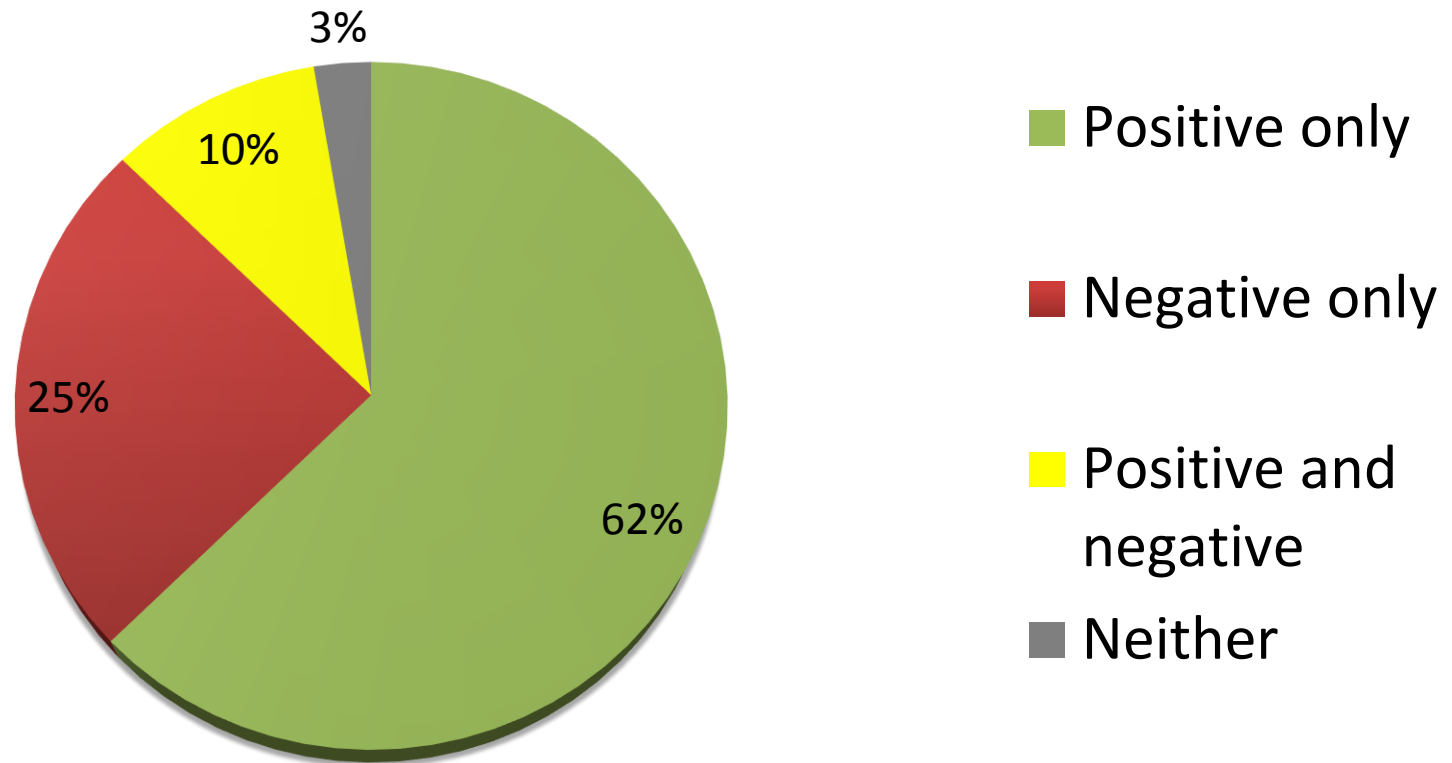
# Public opinion on biofuel policy

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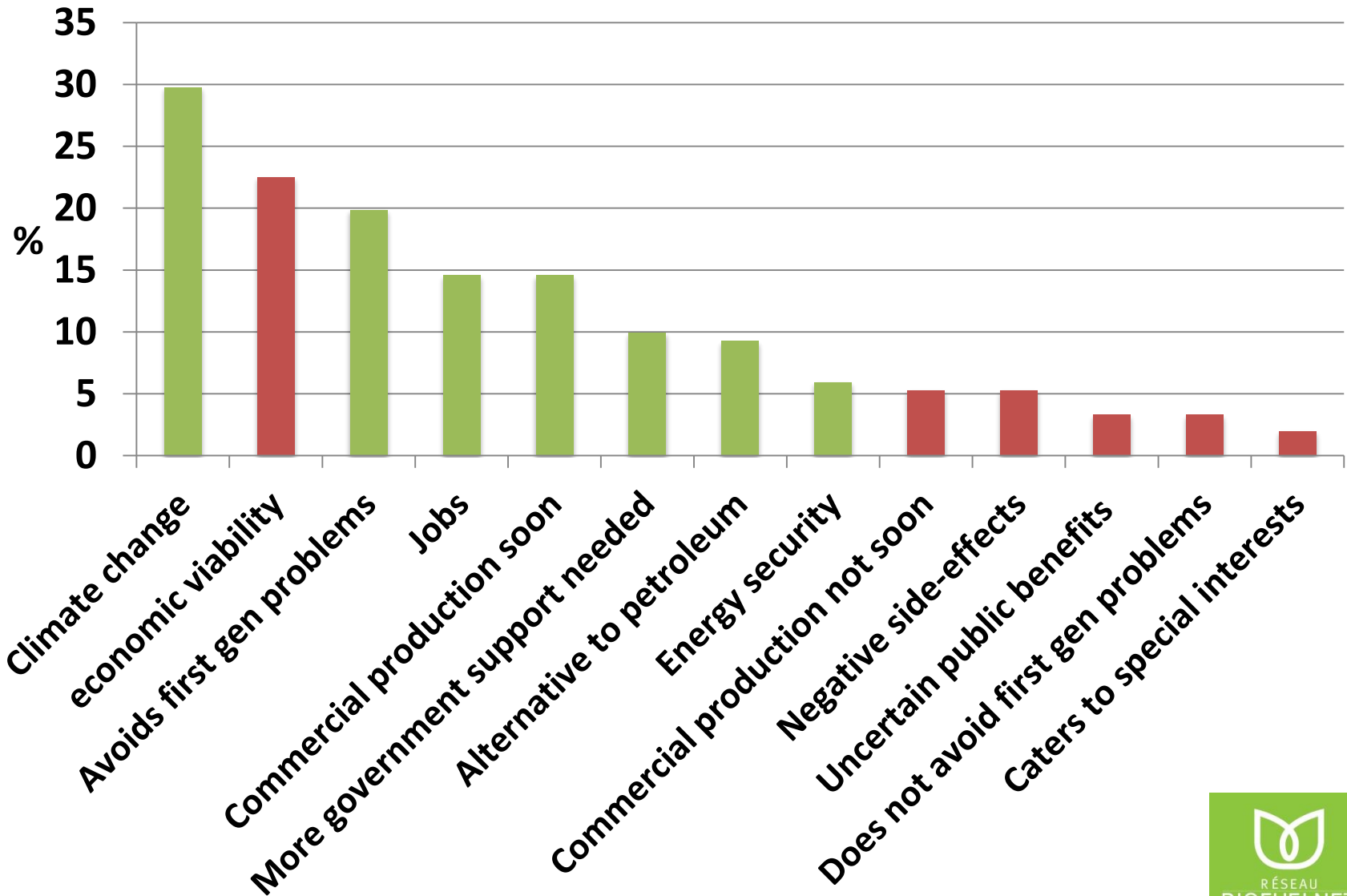
- US public opinion is polarized :
  - Biofuel policy used to enjoy bipartisan support
  - Republicans became less supportive of biofuel policy over time: anti-tax movement, subsidies became politically toxic
- Canadian public opinion is NOT polarized
  - and not likely to become polarized if biofuel become more salient
  - Support is more robust with Canadians that perceive climate change as a significant risk

Source: Dragojlovica and Einsiedel, 2014 and 2015

# Framing in Canadian newspapers (2010-2016)



# Framing in Canadian newspapers (2010-2016)



# 3<sup>rd</sup> Lesson from 1<sup>st</sup> generation biofuel

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The need for a 'socially robust' scientific analysis of benefits

(environmental, economic, and social)

Ex: ILUC debate

- Foster goodwill regulatory dialogue
- Trustworthy databases
- Define sustainability by focusing on efficient land use and GHG performance



# Regulatory dialogue

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- US 1997 national lab study: corn industry provided more up-to-date data that changed the prevailing negative view on energy content and GHG reduction
- Brazil's 'ethanol diplomacy': defended the GHG reduction properties of sugarcane ethanol around the world, including with the US EPA

# The Canadian conundrum

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- Long term policy commitment is needed for deployment of 2<sup>nd</sup> generation biofuel
- Requires more collaboration among industry players and coordination between industry and government
- However:
  - Business culture in Canada is competitive
  - Federal-provincial relations are a challenge

# The conundrum, cont'd.

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- Intergovernmental relations are key:
  - Canada: less centralized federation than US, Brazil
  - Bioeconomy: provincial and federal jurisdiction
  - First Nations' input needed
- Industry-government concertation at the sector level is possible despite firm-centered business culture (Atkinson and Coleman: State, Business, and industrial change in Canada)
- Requires:
  - investment in government expertise that will help provide clear leadership and vision
  - internal industry coordination: single interlocutor for government, division of tasks, internal discipline

# Thank you

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