

EFG

European Fermentation
Group



Brussels,
23rd September 2020

Press release

Review of Annex IX in the European Directive for Renewable Energy: the *Molasses for Food Alliance* again identifies high risk of losing essential raw material against biofuels producers

We, European Associations representing industries from the food and animal feed sectors, recall that molasses should not be included in the Annex IX of the Renewable Energy Directive (REDII), in the context of its ongoing review due by June 2021. Unfortunately, and despite evidences provided to the consultants in charge of the review, molasses continue to be identified, not as a food & feed product, but as a waste and residue and will be further investigated against the eligibility criteria established in articles 28 and 29 of REDII¹.

According to REDII, the share of biofuels and biogas for transport produced from the feedstock listed in Annex IX may be considered to be twice its energy content. For this reason, once a feedstock is added to the Annex IX, it is increasingly diverted over time from its traditional uses to produce biofuels exclusively.

We argue that molasses do not fulfil the eligibility criteria for inclusion to the REDII Annex IX for the following reasons:

- **Molasses are crop-derived food and feed products:** molasses are part of the feed catalogue² and are classified as food and food ingredient in a large number of legislations, for instance in Chapter 17 of Custom Nomenclature³. Molasses are also recognised as safe for human consumption and not subject to any hazard classification under the European Regulation for Classification, Labelling and Packaging (CLP, n° 1272/2008).
- Molasses & low-green syrup are neither waste nor residues, but **deliberately produced** by the sugar processing industries and have a high nutritional and financial value;
- In line with circular economy principles and the Waste Hierarchy as established under Article 4 of the Waste Framework Directive⁴, **high value food and feed uses should be prioritised over low-value energy uses;**

¹ Summary report of first stakeholder consultation on new feedstocks for advanced biofuels published (EU RED II – Annex IX). Second round of consultation now open, 04/08/2020, https://www.e4tech.com/uploads/files/AnnexIX_StkCons_R1_Results_V2.pdf

² Commission Regulation (EU) 2017/1017 of 15 June 2017 amending Regulation (EU) No 68/2013 on the Catalogue of feed materials.

³ Council Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff.

⁴ Directive 2008/98/EC on waste (Waste Framework Directive)



- **The EU already faces a structural deficit⁵ of molasses and needs to import more than 1.8 million tons of molasses every year.** This deficit is already causing less investment in Europe from the fermentation industries due to the reliance on non-European feedstocks;
- If molasses were further diverted from their current uses to produce even more biofuels, the other industries that use them will be severely impacted, **through market distortion effects**;
- Including molasses to the annex IX **would threaten the yeast and fermentation industry in its entirety**, as this would put their raw material supply in complete jeopardy;
- **This inclusion would likely entail significant indirect greenhouse gas emissions** associated with the need for various sectors to replace - only when possible⁶ - molasses by other feedstocks⁷. It would also generate indirect land-use change related emissions, because of the need to increase sugar beet production.
- A 2017 study from ICCT (International Council on Clean Transportation) states that the **bioethanol produced from molasses would not meet the 70% greenhouse gas (GHG) reduction** threshold of the EU REDII if all GHG lifecycle analysis emission is taken into account⁸.
- Lastly, **including molasses to Annex IX would divert resources away from the development of truly advanced biofuels** made from well-defined waste and residues and which need significant technological investments to get onto the market.

In 2018, the European Parliament and the Council of the European Union agreed that molasses had to be removed from the European Commission's proposal on the recast of the directive. The decision of the EU co-legislators is today blatantly ignored in the context of the ongoing review of the REDII annex IX.

For all the above-mentioned reasons, and in line with the Green Deal political agenda to bring society and the economy into circularity, the European yeast, fermentation, brewery, feed, chocolates, confectionery and fine bakery wares industries urge the European Commission and its mandated consultants not to include molasses in the Annex IX, today and in all future reviews.

⁵ According to official statistics ([OECD/FAO Agricultural Outlook 2018-2027](#)), the European Union will need to annually import on average 1.8 million tons between 2018 and 2027.

⁶ There is to date no alternatives to low-green syrup and molasses for the production of yeast.

⁷ 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>

⁸⁸ Indirect greenhouse gas emission of molasses ethanol in the European Union, ICCT, 27th September 2017

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Annex - What are molasses and low-green syrup? What are they used for?

Molasses and low-green syrup are co-products of sugar production and, as a food and feed materials, they have 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**, sugar products are highly valued energy-rich taste enhancers which increases pellet stability, palatability and the homogeneity of feed. It also helps with controlling dust emissions of compound feed production inside factories.
- **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 flavour enhancing and protein balancing feed additives and other applications.
- **Confectionary products and regional food specialties** such as Belgian and Dutch **speculoos** and the **cassonade**.

For more information about what we do, visit our websites: <https://www.molassesforfood.eu/>.

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