

Brussels,
20th May 2020

Review of Annex IX of the European Directive for Renewable Energies: Joint Statement on molasses, low-green syrup and other non-extractable sugars

We, European Associations representing industries from the food and animal feed sectors, take the position that molasses, low-green syrup and other non-extractable sugars should not be included in Annex IX of the Renewable Energy Directive, in the context of its ongoing review due by June 2021.

In view of the ongoing stakeholders consultation prepared by *E4Tech*, we urge the interested parties and authorities not to include sugar products in the Annex IX.

Our rationale

- Molasses & low-green syrup are neither waste nor residues, but food and feed materials 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 in the EU to cover the additional demand for biofuels that would inherently be triggered by its inclusion in Annex IX. The EU currently already needs to **import more than 1.8 million** tons of molasses every year resulting in a structural deficit in the supply of molasses¹;
- The inclusion of molasses & low-green syrup 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 possible², molasses by other feedstocks³ or indirect land-use change related emissions, linked to the need to increase the sugar production;
- Limiting the availability of molasses & low-green syrup for several industrial sectors would endanger their **competitiveness**. For instance, the European yeast and fermentation industry heavily relies 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, and thus less investment in Europe;
- Thus far, there has been no impact assessment prepared on the consequences arising from the inclusion of molasses in Annex IX; this scenario would therefore contradict the European Institutions commitment to **evidence-based policy making**⁴;

¹ According to official statistics ([OECD/FAO Agricultural Outlook 2018-2027](https://www.oecd-ilibrary.org/agriculture-and-rural-development/oecd-fao-agricultural-outlook-2018-2027)), the European Union will need to annually import on average 1.5 million tons between 2018 and 2027.

² There is to date no alternatives to low-green syrup and molasses for the production of yeast.

³ 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>

⁴ *Interinstitutional Agreement of 13 April 2016 on Better-Law Making*, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2016:123:FULL&from=EN>



- **The inclusion of molasses in 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;
- Adding molasses and low-green syrup to the Annex IX would also be **contrary to the principle of the Waste Hierarchy**, as established under the Article 4 of the Waste Framework Directive⁵, and that favours reuse over low-energy uses; and
- Last but not least, **the European Parliament and the Council of the European Union** agreed in 2018 – on the basis of all the arguments above mentioned – that molasses had to be removed from the European Commission’s proposal on the recast of the directive for renewable energies.

Promoting or providing incentives for the use of these sugar products for biofuels, through their potential inclusion in Annex IX, would divert them from well-established food and animal feed applications. This would only artificially incentivise the use for biofuels, at the expense of molasses and low-green syrup used in human and animal nutrition and put at risk the existence of traditional sectors of the European bioeconomy.

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 recommend that molasses should remain excluded from Annex IX, today and in all future reviews.

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

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⁵ Directive 2008/98/EC on waste (Waste Framework Directive)



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*.

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 countries and provides a voice to represent the united interests of Europe's 10,000 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 National Associations members 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, please visit CAOBISCO's [website](#)

European Sugar Users (CIUS)

CIUS represents the European sugar-using food and beverage industries with more than 15 000 companies across Europe. Members range from artisan, small-and medium sized enterprises to large multinationals. CIUS members purchase and use almost 70% of the European annual consumption of sugar through its incorporation in a wide variety of added-value products and provide direct employment for over 700,000 people.

- For more information, please visit CIUS [website](#)