

Position Paper of the European Industrial Hemp Association (EIHA): 29th of April 2011

Despite growing demand from automotive and (bio-)plastic industries the European Natural Fibre Sector is suffering from the wrong policy framework

EIHA sees an urgent need for a level playing field for bio-based materials

During the last five years bio-based plastics and composites have shown a double digit growth per year. Natural fibres are part of this success, natural fibre reinforced plastics, also called bio-composites, are for example widely used in the European automotive industry. Bio-Composites are the easiest way to go green: Price competitive to alternatives, light weight (up to 30% lower weight), very good mechanical properties, high bio-based share up to 80% and proven processing technology. Also the LCA data is excellent due to a recent META-LCA by nova-Institute (Germany): Hemp fibre reinforced plastics show considerable energy and greenhouse gas (GHG) savings in comparison with their fossil-based counterparts. When biogenic carbon storage is taken into account savings between 30 and even 75% can be reached.

Although today most of the natural fibres are used to reinforce fossil-based plastics the demand from the bio-based plastic industry is rising due to the increase in mechanical properties at a low price for durable applications. Another increasing application is insulation material, where European hemp and flax fibres substitute glass and mineral wool.

But despite this growing demand and interest, European hemp and flax fibres cannot profit from this development, in contrast: the whole European Natural Fibre industry is suffering from the wrong policy framework and the cultivation areas of hemp and flax have been decreasing over the last few years!

There are two main reasons for this unwanted development in contrast to the aim of greening the European industries:

1. Hemp and flax are suffering from the strong ongoing support of bioenergy and biofuels during commercial production (quotas, tax incentives, green electricity regulations and more). Without comparable support bio-based materials will suffer from under investment from the private sectors. The recent policy leads to a market distortion regarding feedstock availability and costs: The high and increasing prices for arable land can only be paid by highly subsidised energy crops. Under the existing policy framework hemp and flax cannot offer the same profit for farmers, the result is an ever decreasing cultivation area.
2. On the other hand European hemp and flax fibres are in a completely unprotected competition to imported exotic fibres like jute, kenaf or sisal, which cannot even show a sustainability certification like imported biofuels. The social and environmental standards of these tropical fibres are often low. EIHA is claiming for a binding sustainability certification for all imported (and domestic) natural fibres to guarantee a fair competition.

Changes in the political framework should be made as soon as possible. Next year another financial challenge has to be managed: The processing aid for hemp and flax (small compared to bioenergy and biofuel support), which could partly rebalance the unfair competition to energy crops and imported exotic fibres, will end due to the recent reform of the Common Agriculture Policy (CAP). This could lead to a crucial and worrying situation for the European natural fibre industry – despite the great demand and potential for green materials.

Because of this situation EIHA is strongly supporting the Policy paper on Bio-based Economy in the EU: “Level Playing Field for Bio-based Chemistry and Materials”, written by different bio-based experts and supported by many associations, companies and universities involved in the bio-based economy. (see www.bio-based.eu/policy/index_en.php)



John Hobson, President of the European Industrial Hemp Association (EIHA)

P.S.: Join the biggest event on industrial hemp worldwide - the 8th International Conference of the European Industrial Hemp Association (EIHA), May 18th–19th 2011, near Cologne, Germany: www.eiha.org/8

Brief information about Hemp fibres:

- Hemp fibres have one of the best mechanical properties of all natural fibres.
- Hemp fibres are available from stock and even an increasing demand can be guaranteed by contracts and an annual enlargement of the cultivation area.
- Hemp fibres can be delivered at an attractive and constant price, the production is only for industrial applications (bio-composites, insulation), it is not dependent on other markets like textiles
- Hemp fibres are produced to a high social standard with a low environmental impact. Investments during the last years have lead to the most modern decortication plants in the world.
- A Meta-LCA study conducted by nova-Institute, Germany, shows that Hemp fibre reinforced plastics exhibit considerable energy and greenhouse gas (GHG) savings in comparison with their fossil-based counterparts. When biogenic carbon storage is taken into account savings between 30 and even 75% can be reached. A sustainability certification plan is ongoing, the first time for a natural fibres.

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