EBA Newsletter

October 2011



The Company Advisory Council (CAC)

The first Steering Committee meeting of the Company Advisory Council (CAC) took place on 31st August 20111 in Vienna. Markus Ott (Agraferm Technologies) was elected President, Theo Verleun (DSM) was elected Vice-President.

The fourth Company Advisory Council (CAC) meeting will take place on 14th November 2011 in Hanover alongside <u>AGRITECHNICA 2011</u>. You are more than welcome to join the meeting in room 105/106 in the Convention Center (CC) and share your ideas with us!

For more information on the Company Advisory Council please contact Ms. Ramanauskaite at Ramanauskaite@european-biogas.eu or Phone: +32 2400 1087

Board meeting

The Executive Board meeting will take place on 5 December 2011 in Freising, Germany.

Scientific trainee at EBA



We welcome Agata Przadka in our team. She will be working for 6 months as a scientific trainee in Brussels office. Agata Przadka recently graduated as a Master in Renewable Resources and Regenerative Energies at HAWK in Göttingen, Germany. As an environmental engineer she specialized in biogas and wrote her Master Thesis about anaerobic digestion of organic residues from the industrial production. She made her Bachelor degree at Warsaw University of Life Sciences and the Swedish University of Agriculture Sciences in Uppsala. She is a native Polish and speaks fluently English, and German.

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Project Committee Biomethane for use in transport and injection in natural gas pipelines CEN/TC 408

EBA is granted a liaison status in the project committee CEN/TC 408. President Arthur Wellinger joined the committee on behalf of EBA and will be involved in the development of standards for biogas/biomethane injection into natural gas grids in Europe. Concerning pipeline injection, the standardisation work is linked to implementation of the directive 2009/28/EC on the promotion of the use of energy from renewable sources and amending and subsequently repealing directives 2001/77/EC and 2003/30/EC, specifically concerning Article 16 of the directive.

Events attended by EBA Board Members

7 June, 2011 - kick off meeting of the GGG - Green Gas Grids project

28 June, 2011 - AEBIOM Board meeting

29-30 June, 2011 - AEBIOM European Bioenergy Conference & Dinner Debate at the European Parliament

13 July, 2011 - Future Transport Fuels expert working group meeting, DG Move, European Commission, Brussels

28t August - 1 September - ADSW&EC 2011- International Symposium on Anaerobic Digestion of Solid Waste and Energy Crops

5 October, 2011 – Launch of Ernst & Young report on the EU policy options for addressing Indirect Land Use Change (ILUC) risks from biofuels

7 October, 2011 - BiogasIn Project, High Level Conference in Athens

12-14 October, 2011 - Biogas In Project, High Level Conference in Bucharest and meeting

New members

EBA welcomes new members!

- Agri Capital GmbH, Germany, more
- KEMA, the Netherlands, more

Actually EBA consists of 39 members thereof 23 national associations and 16 associated members

News from Brussels

- High-Level Conference on 'The completion of the EU internal energy market: Getting to 2014', Brussels - on 29 September 2011. Günther H. Oettinger, Commissioner for Energy, organised a one day high-level conference on the completion of the EU internal energy market. The conference discussed the progress made in completing the EU internal energy market and identified further actions that must be taken in order to achieve the European Council's objective of having a fully functioning internal energy market by 2014.

More information

- Sustainability measures at EU level for solid and gaseous biomass used in electricity, heating and cooling - the European Commission will publish a second report on sustainability of solid and gaseous biomass by the end of 2011. The political decision whether the EC will propose the harmonized sustainability scheme is still not taken. If there is a need for such criteria, then one of the main EU questions is whether the sustainability criteria for biofuels is suitable for woody biomass and how to build on existing sustainability systems. The EC is thinking whether to leave 1MW threshold as threshold might become a reason for a leakage of unsustainable biomass as around half of bioenergy for heating is used in small scale heating applications. EC is facing a disapproval of Nordic countries to harmonise the sustainability criteria for biomass. AEBIOM and EBA prepared a common position paper which can be downloaded here.

More information

- The European Parliament calls on the EU to amend the RED to restrict the use of biomass for energy - during the plenary session at the end of October 2011 the European Parliament is going to pass a resolution demanding the European Commission and pleading the Council to

take further actions to restrict biomass for energy to those situations where the calculation of the estimated climate and social impacts of shifting from fossil fuel energy systems to biomass indicates that the shift in fuels will result in significant climate and social benefits.

More information

- Future Transport Fuels on 13th July 2011 DG Move (European Commission) organised the 6th expert group meeting with focus on the draft report of the European Expert Group on Future Transport Fuels to be finalised in October 2011. All stakeholders, amongst them EBA with its President Arthur Wellinger ahead, chapter by chapter introduced their comments. In EBA contribution to the report Arthur Wellinger highlighted the importance of the harmonized standards for biomethane. Today about 200 biogas upgrading plants and injection points are existing in Europe. With the opening of the European gas market in 2007, harmonisation of standards for biomethane use became vital. Harmonised standards will have to ensure flexible technical specifications in order to become a driving force rather than excessive regulation and further barrier. EU Standards for biomethane will lead to distinct reductions of investment and operation costs. Within the IEE GreenGasGrid project, Wellinger is participating in the CEN group mandated by the Commission to establish such norms. The
- Common letter of EBA and German Biogas Association (FvB) on the use of manure in biogas plants for green energy production lately transposition of the Waste Framework Directive 2008/98/EC (WFD) raised a discussion on use of manure in biogas plants for renewable energy production. In the common letter EBA President Arthur Wellinger and Managing Director of the German Biogas Association Claudius da Costa Gomez asked four EU Commissioners to personally intervene that manure is not turned into waste if intended to be digested in agricultural biogas plants. By including manure to be digested in biogas plants into the Waste Framework Directive, there is reason to fear that this excellent input material will no longer be used in biogas plants. This would be a substantial obstacle to the future development of agricultural digestion. The letter can be downloaded <a href="https://example.com/here-energy-production-new-absolute-energy-production-new-abso

next FTF expert group meeting will take place on 20th October 2011. More information

- Energy use of biomass from agriculture is an important element of the Common Agricultural Policy (CAP) - the Polish Presidency highlights the promotion of measures aimed at increasing the generation of energy mainly from by-products and waste generated by agriculture during food production. It is worth remembering that such development of renewable energy poses no threat to food security. Active participation of agriculture in energy generation will also contribute to the diversification of energy sources and thus will increase energy security of the entire EU. The appropriate use of existing potential of renewable energy sources may significantly improve the energy balance of the European Union and provide an impulse for sustainable growth. On this occasion the Polish Presidency organised the conference 'Energy use of biomass from agriculture as an important element of the Common Agricultural Policy' held on 16 July 2011 in Sopot, Poland. The meeting was attended by member state agriculture ministers, representatives of the European Council and Commission and the European Parliament, together with the Parliament and state administration of Poland. The aim of the conference is to expand the discussion on issues connected with the development of renewable energy sources in rural areas and the use of community agricultural biomass resources for energy purposes.
- The Common Agricultural Policy is due to be reformed by 2013 after a wide-ranging public debate the Commission presented on 18 November 2010 a Communication on 'The CAP towards 2020', which outlines options for the future CAP and launched the debate with the other institutions and with stakeholders. On 12 October 2011 the Commission presented a set

of legal proposals designed to make the CAP a more effective policy for a more competitive and sustainable agriculture and vibrant rural areas. More information

- Energy Taxation - the European Commission is aiming to introduce the CO2 tax at EU level. The energy tax will be split into two parts: CO2 tax and energy consumption tax. The Commission is expecting the revised Directive to enter into force in 2013. Presently, Sweden, Denmark, Finland and Ireland apply a carbon tax, and some other Member States are planning to introduce it. The Scandinavian countries support the Commission's proposal whilst Germany and Poland are concerned that their coal and steel industries would be disproportionately affected by the proposed tax. The Commission's proposal is also facing opposition from the UK. It is important to recall that taxation is one of the very few areas where unanimity is required, under the Lisbon Treaty. Hence, unanimity is required at the Council for the proposal to be adopted, and consequently, the UK government can, in fact, veto it. The Government must, therefore, veto such proposal otherwise UK taxpayers will face another tax. Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania and Slovakia would benefit from an extended transitional period, till January 2021, to introduce CO 2-related taxation.

The development of environmental taxation is in most countries driven by the development of energy taxes, which amount to 70% of environmental tax revenues on average in the EU. In Finland, energy taxation has been restructured to take into account the energy content and CO2-emissions of energy products. Ireland introduced a tax on CO2- emissions, and Slovakia introduced a tax on ETS quotas allocated free of charge. Several countries have implemented changes to car taxation. Austria, Belgium, Finland and the Netherlands have increased the CO2-incentives in car registration tax. In the case of Belgium and the Netherlands, this has taken the form of a reduction for cars with CO2 emissions in specific brackets. This leads to the price of selecting a car with marginally larger emissions rising sharply at kink points. In Finland, the annual vehicle taxes were also changed to take the CO2 emissions of each vehicle into account.

Sources:

European Foundation

European Economy 5|2011 Tax reforms in EU, Member States 2011 'Tax policy challenges for economic growth and fiscal sustainability'

New feed-in tariffs in Germany

On 8th July Germany finalized its Renewable Energy Law (EEG 2012) - the new version of the law will go into effect on 1st January 2012.

More information

Biogas development in the Czech Republic

In the Czech Republic by the end of July 2011 a total capacity of biogas plants reached 128 MW. Due to this fact the Czech government decided to issue a new bill with strict rules for the purchase of energy from RES and the disbursement of subsidies. This draft should be discussed in Parliament in September. Additionally the government retroactively cancelled investment subsidies for the agro entrepreneurs applied during the 2011 call, investment subsidies for non-agro biogas investors applied during the 2011 call and proposed 50% reduction on feed-in tariffs next year.

More information is available in Czech:

<u>Ministry of Agriculture of the Czech Republic</u> <u>Ministry of Industry and Trade of the Czech Republic</u>

EBRD invests in Croatia's first biogas project

EBRD is financing Croatia's first biogas project. The Bank is providing a €5 million loan to Agrokor, a leading agribusiness company in South-eastern Europe, to support the construction of a combined heat and power generation plant that will use biogas as primary fuel. The project is expected to be completed by September 2012 and will be in full compliance with EU environmental regulations. Located in Gradec, 40 km outside the capital Zagreb, the plant will be fuelled by organic waste, by-products of Agrokor's food production process. It will have a generation capacity of 1 MW of electricity, which will be supplied to Croatia's power grid and will also produce up to 1 MW of heat. More information

Romania and Ukraine suspended from Kyoto carbon trading

The UNFCCC compliance committee found 'irregularities' in Romania's 2010 greenhouse gas emissions data, and ruled that its national emissions inventory had been inadequately kept. The country has now been suspended from Kyoto's carbon market until it can present an adequate monitoring system. Prime Minister Emil Boc announced he will fire the head of Romania's environmental protection agency. 'Romania will prepare a revised version of the national inventory and send it to the UNFCCC and based on its evaluation will then ask to reinstall eligibility as soon as possible,' the environment ministry said in a statement.

Another Eastern European country, Ukraine, also had its carbon credit trading rights suspended after the UNFCCC found that it had under-reported its greenhouse gas emissions. Kiev had reportedly failed to act on earlier warnings that it was in non-compliance. Oleksii Khabatuik, the head of Ukraine's emissions inventory, said that the country would appeal the decision. More information

Energy crops

The pressure is building to find an alternative to corn as the main feedstock for biogas production. Unfortunately, the revisions adopted in Germany's Renewable Energy Act will not help much. While the bonus in German Renewable Energy Act (EEG) created a boom in energy crops for biogas production across Germany, in some areas the result has been increasing monotony on farmland and landscapes.

Source: New Energy magazine, No.4 / August 2011

Public consultations

- Climate Action

Reducing CO2 emissions from road vehicles

Consultation on reducing fluorinated greenhouse gas emissions – Further action at EU level

- Clean Transport

Clean Transport Systems (CTS) initiative

Publications

- REN 21 Renewable Global Status Report 2011 is available to download here
- The Global Trends Report 2011 is available to download here
- EurOberver Biofuels Barometer is available to download <u>here</u>
- IEA, Task 37, Biogas from Crop Digestion publication is available to download here

Upcoming Events

- Biogas11 Congress, Austrian Biogas-sector gathering
November 24-25, 2011, Chamber of Economy in Styria (Graz), Austria
More information
Invitation
Program



- Global Biogas Congress, Capitalising on New Market Opportunities for Commercialising Biogas

November 28-30, 2011, Sheraton Brussels Hotel, Brussels, Belgium As a member of EBA you will get 10% discount for the entrance ticket More information



- Biogas 21st Convention and Trade Fair January 10-12, 2012, Exhibition Center Bremen, Germany More information