



Directorate-General
for Energy
and Transport



EUROPEAN
COMMISSION



BIOFUELS: Current European Policy Developments

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- **Technology support in FP7: Status and future strategy**
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The new Legislative Framework: RED

(COM (2008) 19)

- **Binding national targets 20 % share of RES in final energy consumption, 20 % increase in energy efficiency**
- **10% renewable energy in transport mandatory target confirmed**
- **Sustainability criteria and monitoring for biofuels; harmonised approach with Fuel Quality Directive**
- **Member States national action plans – in 2010**
- **System of cooperation and flexibility mechanisms with Member States or third countries and “statistical transfers” between Member States to help reach targets cost effectively except transport**



Biofuels sustainability scheme & monitoring

- **Apply to single consignments of biofuel**
- **Single EU scheme**
- **Applies to both EU production and imports**
- **Applies to biofuels and bioliquids, review for other bioenergy by end of 2009**
- **Accompanied by monitoring rules in the EU and third countries**



● Greenhouse gas impact

● Sustainability criterion:

- » Minimum requirement for GHG saving, relative to fossil fuel, of at least 35%. **50% and 60% for new installations as of 2017. For plants operating in Jan 2008 start in Apr 2013.**
- » For current plants only after **April 2013**
- » Rules for calculation of GHG saving
- » Use of default values to reduce administrative burden

Land with high carbon stock and high biodiversity value

No biofuels from carbon rich or biodiverse land

- Land use change (positive and negative) is counted in the greenhouse gas calculation
- Commission to report in 2010 on how to address indirect land use change (special clauses for plants built before 2013)
- Commission to report on compliance with environmental and social sustainability criteria of major biofuel exporting countries
- Bonus of 29 g CO₂/MJ for biofuels from degraded/contaminated land



Current legal and political issues

Renewable Energy Directive (COM (2008) 19)

- **Biofuels from waste, residues, non food cellulosic material, and lignocellulosic material will count twice for RES transport target**
- **Mass balance approach for certification of sustainability**
- **EC will negotiate bilateral and multilateral agreements**
- **Establishment of a committee for sustainability of biofuels**



Social sustainability

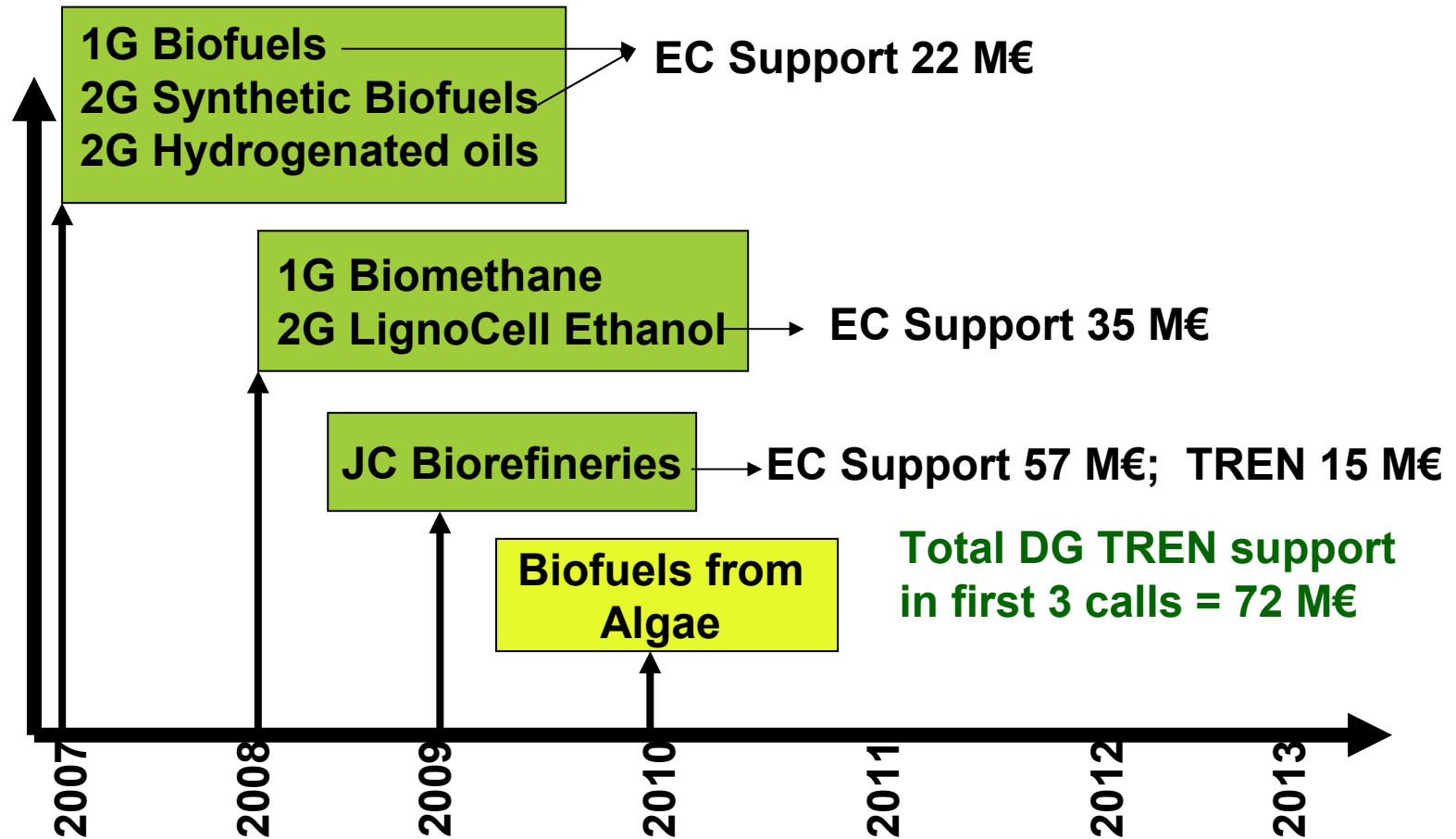
- **Companies to report on certain social aspects—again, Commission to determine what reporting is appropriate, relevant and not an excessive administrative burden**
- **Commission monitoring on the same issues**
- **Commission monitoring the impacts on food security**
 - ▶ **Therefore no criteria, but monitoring rules**

● **Practical operation of the scheme**

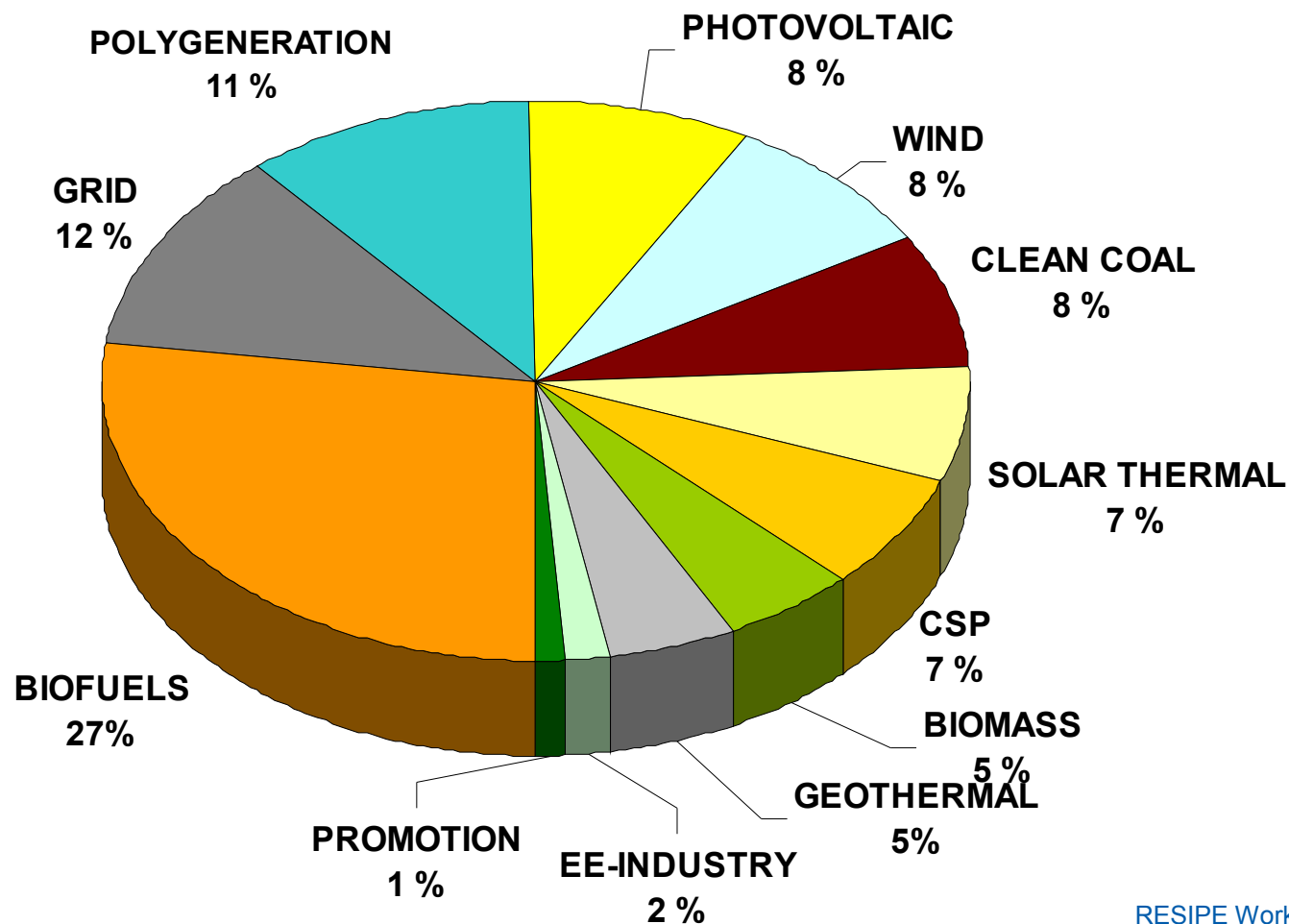
- **Enforcement of the sustainability criteria – responsibility of Member States**
- **The Commission can accredit international agreements and voluntary schemes as sufficient proof. Member States must accept this evidence.**
- **Member States will report on several issues such as impacts on biodiversity, water and soil, achieved GHG savings, imported biofuels etc.**

Technology support in FP7: Status and future strategy

● FP7 Calls: Strategy for the Biofuel Calls 2007-2010



DG TREN Budget Distribution per Sector for the 2007 Call Total 89 M€





Ongoing projects

a) Ongoing contracts on Synthetic Biofuels FP7 Call 2007

- **FP7 Ongoing Contract - EC Support 7.8 M€**

OPTFUEL Contract Consortium led by VW



● FP7 Ongoing Contract - EC Support 8.2 M€

BIO DME Contract Consortium led by VOLVO



- FP6 Ongoing Contract – 3.2 M€
Synthetic Bio Methane**



Based on the Güssing ICFB technology

Biomethane will be used in transport (buses) and fed into a NG pipeline.

Co-processing biomethane with natural gas



Demonstration projects

b) Proposals recommended for support in the 2008 Call on ethanol from lignocellulosics

Preliminary Results

Four proposals (out of 10) have been recommended by the external evaluators for EC support.

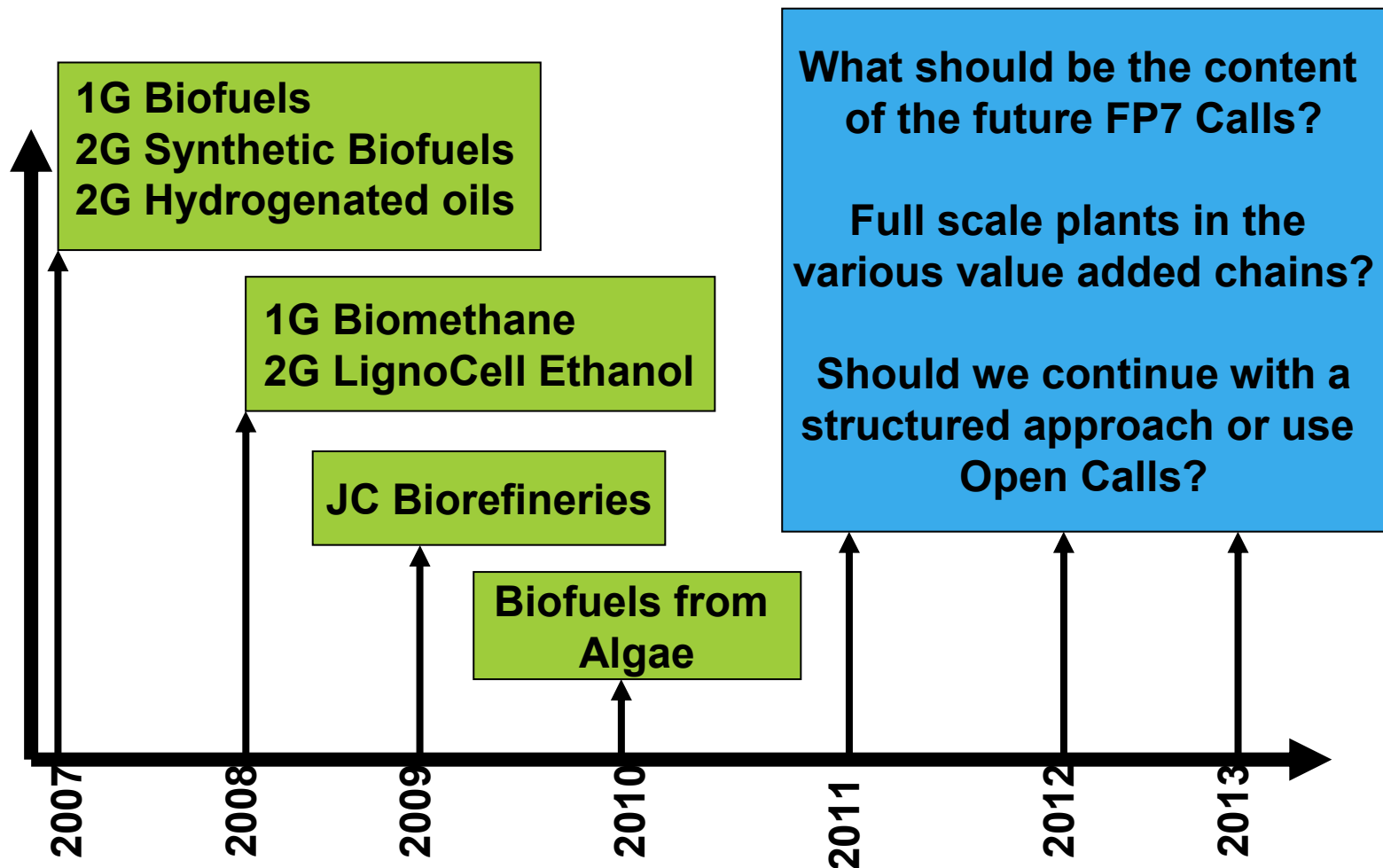
The recommended EC support varies from 8.6 to 9.1 M€; total support = 35 M€.

The proposed technologies address industrial scale plant capacities of 15,000 to 50,000 tonnes/year.

The technologies address resources from various biomass feedstocks as well as waste streams.

The plants are to be located in 4 different EU countries

● FP7 Calls: Strategy for future Calls



The SET-Plan Measures

- **Joint strategic planning**
 - **Steering group + Information System**
- **Effective implementation:**
 - » **European Industrial Initiatives:** strategic technology alliances.
 - » **European Energy Research Alliance**
 - » **Trans-European Energy Networks and Systems of the Future**
 - » **Transition planning**
- **Increase in resources, both financial and human.**

● **The European Industrial Bioenergy Initiative**

Currently under preparation in coordination with the Biofuels Technology Platform and other Biomass Associations

Expected total recommended budget in the range of 4-8 billion €



The future of the sector

The Commission is of the opinion that the portfolio of these 7 contracts, those being undertaken under the research part of FP7 and those to be approved in the 2009 and 2010 FP7 Calls will form the basis of the European Industrial Bioenergy Initiative.

The support provided by the political framework of the RES Directive and the implementation of the European Industrial Bioenergy Initiative will be the main tools to ensure market deployment of 2nd generation biofuels technologies.

Summary and Outlook

The Commission strongly supports the development of 2nd generation biofuels with legislative actions and technological support for the industry.

The 7 contracts and those to be approved in future FP7 Calls may form the basis of the European Industrial Bioenergy Initiative.

The industry has to take a leading role in the development of the technologies and their subsequent deployment.

A photograph of a vast field of bright yellow flowers, likely rapeseed, stretching to the horizon. The sky is a deep blue, filled with scattered white and grey clouds. The overall scene is bright and clear, suggesting a sunny day.

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Thank you for your attention