

EUROPEAN PARLIAMENT

2004



2009

Committee on Agriculture and Rural Development

2006/2082(INI)

13.9.2006

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on Industry, Research and Energy

on EU Strategy on Biomass and Biofuels
(2006/2082(INI))

Draftsman: Willem Schuth

PA_NonLeg

SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. considers that the production of biomass and renewable energy contributes to the reduction of energy dependency (as regards both oil and biomass imports) and promotes the diversification of energy sources, as prescribed in the Commission Green Paper, "Towards a European strategy on the security of energy supply" (COM(2000)0769) but must also be accompanied by more general thinking about our energy consumption and hence our way of life and methods of production with a view to consuming energy more efficiently (through the use of more renewable energy), but above all, consuming less energy; stresses that tackling the problem of climate change must be an objective of all measures in the field of bioenergy;
2. considers that the replacement of fossil fuels leads to economic opportunities and comprises ecological and social aspects;
3. considers that the production of biomass and biofuels could contribute significantly towards the attainment of Europe's climate control objectives;
4. stresses that support for the promotion of energy crops was introduced as part of the reform of the common agricultural policy (CAP);
5. highlights the potential offered by the use of agricultural by-products, forestry products and waste for the production of heating, cooling, fuels and electricity; considers, however, that the production of biomass and biofuels should not displace the main role of agriculture, which is to produce food;
6. considers that Community support is required for the promotion of biomass and biofuels obtained from a variety of organic waste, in particular forestry waste, waste derived from the treatment of waste water, solid urban waste and edible oils;
7. calls on the Commission to eliminate any obstacles based on European legislation so as to render possible and to promote fermentation of manure or organic waste to produce biogas;
8. stresses that, when exploiting agricultural by-products, energy crops and forestry products and waste, attention must be devoted to the aspects of energy efficiency and sustainable development; considers, therefore, that these products should primarily be used in the most efficient way, for the purpose of obtaining heat;
9. stresses the importance of market mechanisms that allow biomass energy sources to become competitive on a sustainable basis ;(deletion)
10. calls on the Commission to make further efforts to bring together product standards and support for renewable raw materials throughout the EU, in order to promote an internal market for renewable energy sources;

11. considers that the quality of biofuels (in particular biofuels used as a petrol substitute in the transport sector) must be monitored by suitably equipped laboratories and that investment must be made at European level in the technological modernisation of the laboratory infrastructure used to monitor the quality of fuels in a neutral, disinterested fashion;
12. points out that biofuels require specific trials, which call for investment, for which reason structural and cohesion funds must be assigned to investment not only in investment projects but also in infrastructure which will enable the quality of the products in question to be maintained;
13. calls on the Commission to present a proposal for a directive on heating and cooling from renewable energy sources as soon as possible and recalls its resolution of 14.2.2006 with recommendations to the Commission on heating and cooling from renewable sources of energy¹ and the decision of the Economic and Financial Affairs Council to authorise Member States to apply a reduced rate of value added tax to the supply of district heating of renewable origin;
14. stresses that the best possible regulatory environment should be created for the use of biomass in order to boost the production of biomass in a way which is sustainable in terms of ecology, economics and international food security and to ensure that it is used more effectively, for example by promoting cogeneration;
15. believes that the resources devoted to Community rural development priorities could help boost the use of renewable energy and will help to combat climate change; stresses, however, that rural development funds are available for a holistic approach to the economic revitalisation and ecological safeguarding of rural areas and their natural resources; stresses that Member States must consider provisions for aid or provide tax concessions under their national rural development programmes and other budgetary appropriations;
16. supports the conclusions of the March 2006 European Council that an effort should be made to increase the share of renewable energies to 15% and the share of biofuels to 8% by 2015;
17. calls on the Commission to devote extra attention to small-scale biofuel projects within the primary agricultural sector, such as mobile distillation and fermentation, which could have a major impact on the future processing of primary by-products;
18. considers that in the case of bio-refineries, mechanisms should be devised which will encourage the installation of infrastructure enabling resources to be fed promptly into conversion plants or - should bio-refining be linked to the energy crop - enabling products to be made promptly available for final use;
19. believes that creating an EU market for biofuels would reduce the dependence of Europe's energy supply and would offer an opportunity to develop alternative sources of income not only for our farmers but for our rural economies as well;

¹ *Texts Adopted*, P6_TA (2006)0058.

20. stresses that, in the interests of sustainability, when exploiting biomass, encouragement should be provided for exploitation as close as possible to the location where the agricultural raw material originates, thus eliminating energy waste caused by transport; calls on the Commission and Member States, therefore, to use rural development funding for the purpose of converting rural public institutions to use bioenergy as a heat source;
21. considers it to be important to harmonise the implementation of Directive 2003/30/EC of the European Parliament and of the Council of 8 May 2003 on the promotion of the use of biofuels or other renewable fuels for transport¹ (the Biofuels Directive) in all Member States;
22. supports the announcement by the Commission that it will review by the end of 2006 the limit values for the biofuel content of petrol and diesel fuels, which impede the wider use of biofuels, in the context of Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels²;
23. emphasises the importance of making the indicative targets set in the Biofuels Directive obligatory and urges to set new, more ambitious and long-term targets until 2020, in order to create investor confidence and ensure long-term support for farmers and businessmen investing in the industry; notes that the indicative targets must be based on careful analyses of the sustainable production potential of biofuels and be linked to efficient environmental protection measures;
24. stresses the importance of adopting by 2010 a binding figure of 5.74% for the indicative targets set in the Biofuels Directive;
25. believes that the EU should aim for a mandatory rather than a voluntary structure to promote biofuels and suggests the introduction of a mandatory minimum percentage of 5.74% for the proportion of biofuels to be blended in all fossil fuels;
26. stresses that the introduction of a mandatory percentage must not result in the disappearance of or reduction in the existing incentives for the production of biofuels in the EU;
27. considers that measures such as further tax incentives, investment subsidies and duties, as promising ways to promote biofuels; urges that action to promote energy crops be accompanied by monitoring of their impact on the agricultural environment and biological diversity and that these measures be put in place for a sufficiently long duration in order to ensure industry confidence and stimulate investment;
28. considers that as a priority the technical specifications laid down in Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC³ - in particular the limits on ethanol, ether and oxygenated-compound content and on vapour pressure and the volumetric fraction of biodiesel - should be amended in order to allow

¹ OJ L 123, 17.5.2003, p. 42-46.

² OJ L 350, 28.12.1998, p. 58. Directive as amended by Directive 2000/71/EC (OJ L 287, 14.11.2000, p. 46).

³ OJ L 350, 28.12.1998, p. 58. Directive as last amended by Regulation (EC) 2003/1882 (OJ L 284, 31.10.2003, p. 1).

mixtures of biofuels and conventional fuels exceeding 5%;

29. calls on the Commission to encourage the addition of biofuels to traditional fuels in every Member State by amending Community provisions on excise duty;
30. stresses the importance of the use of fiscal measures, such as tax exemptions, but calls on the Commission to be on the alert for distortions of the market and to take action against them;
31. calls on the Commission to consider developing a transparent, public database at EU level, which should include records of best practice relating to the use of biomass (renewable raw materials and organic materials from farming and forestry) for the production of biofuels, heat and electricity and relating to the impact of processes on climate and which should include data on the origin and ecological impact of the cultivation of the raw materials used, in order to be able to assess the desirability of processes and replicate throughout the EU those initiatives which are of proven utility;
32. welcomes the Commission's initiative to develop a "Biofuel Technology Platform" and the Commission's support of projects such as BioXchange, an Internet biomass trading floor, which brings together supply and demand for biomass in Europe;
33. considers that research and development in the area of biomass and biofuels must encompass large-scale projects concerned with the medium-term implementation of demonstration units, but that research must also be conducted into more fundamental domains in less-explored areas, which are regarded as promising, in particular pyrolysis and biotechnology involving genetic mutation;
34. urges the Commission to abolish the set-aside scheme and devise new incentives for energy crops;
35. notes that the cultivation of renewable raw materials must also be carried out in accordance with best practices and that the cross-compliance rules apply to such cultivation;
36. urges the Commission to extend the list of crops eligible for cultivation for the production of biofuels in the support systems, to ensure that the most suitable energy crops are selected at local and regional level and to encourage fermentation of manure;
37. considers that in this area, great importance should be attached to developing an energy-crop promotion strategy involving the creation of incentives for the introduction of crops with carefully selected plants, which are compatible with specific soil and climate characteristics and which can be quickly rotated, so that land use can be diversified and the principles of agricultural multifunctionality can thus be observed;
38. welcomes the Commission's initiative to make sugar production for bioethanol eligible for CAP support schemes;
39. calls upon the Commission to remove the barriers to the development of energy crops in the new Member States, which apply a simplified single area payment scheme;

40. urges the Commission to ensure that full support is given to research and development of second generation biofuels in parallel with research on, for example, crop refinement and improved crop raising methods for first generation biofuels;
41. considers that, from a long-term, perspective in which hydrogen becomes a direct alternative for use in electricity-generating fuel cells and a raw material used in the production of liquid fuels, technology platforms should encompass options which involve different types of resources;
42. supports the introduction of an EU certification scheme in order to ensure not only product quality but also minimum environmental and social responsibility requirements; suggests that any certification system should apply in a non-discriminatory way, both to domestically produced and to imported biofuels and that the production and use of biofuels should be globally positive for the environment;
43. urges the Commission to ensure that sound labour practices are rigorously adhered to in third countries, with particular regard to the exploitation of workers and children on sugar cane plantations;
44. considers that particular importance should be attached to upholding sound environmental practices in third countries such as Brazil (where extensive areas of natural habitat are being destroyed in order to enable sugar cane to be grown), for example in the vital Cerrado and Mata Atlântica ecosystems, which are regarded as extremely important to the conservation of biological diversity;
45. calls on the Commission to increase the priority given to the recognition of the non-trade concerns as part of a future WTO agreement; notes that this would enable the EU to ensure that imported biofuels meet certain sustainability criteria, predominantly in the environmental field;
46. stresses the need for appropriate Community management of biofuels imports and asks the Commission to consider putting in place qualified market access arrangements for biofuel imports from third countries, in order to allow the biofuel industry in the EU to develop and become competitive while applying high environmental standards;
47. considers Community taxation of biofuel imports to be required only if the competitiveness of Europe's biofuels industry is endangered by environmental and social dumping;
48. calls upon the Commission to monitor the impact of demand for biofuel, green electricity, heating and cooling on commodity and by-product prices, their availability for competing industries and the impact on food supply and prices, in the EU and in developing countries, and, in the event of price rises which result in food shortages in poorer countries or among poorer sections of the population, to take immediate regulatory action;
49. calls on the Commission to step up the feeding of biogas into the gas network and the use of biogas as a fuel by means of appropriate incentives and thus to make a further contribution to reducing dependence on energy imports;

50. calls on the Commission, in general, not to encourage the development of intensive cultivation of renewable energy resources with a one-sided emphasis on production, which would have a disastrous environmental, economic and social impact and would not, therefore, contribute to the European sustainable development strategy;
51. stresses the need for an EU-wide information policy on biomass and biofuels;
52. Calls on the Commission to set up and provide support for a pilot programme for the use of first and second-generation biofuels;
53. considers that, with a view to the implementation of the sugar reform and the discontinuation of sugar beet cultivation in the EU, an analysis needs to be made of exactly how existing potential for producing biofuels from sugar beet and other alternative crops might be enhanced;
54. calls on the Commission to take action with a view to reaching a compromise on biofuels between the motor vehicle and petroleum industries at the earliest opportunity, in line with the principle 'biofuels for cars, not cars for biofuels'.

PROCEDURE

Title	EU-Strategy on Biomass and Biofuels		
Procedure number	2006/2082 (INI)		
Committee responsible	ITRE		
Opinion by Date announced in plenary	AGRI 6.4.2006		
Enhanced cooperation – date announced in plenary	-		
Drafts(wo)man Date appointed	Willem Schuth 21.3.2006		
Previous drafts(wo)man	-		
Discussed in committee	25.4.2006	21.6.2006	12.9.2006
Date adopted	12.9.2006		
Result of final vote	+: 38 -: - 0: -		
Members present for the final vote	Vincenzo Aita, Marie-Hélène Aubert, Peter Baco, Thijs Berman, Niels Busk, Luis Manuel Capoulas Santos, Giuseppe Castiglione, Joseph Daul, Albert Deß, Gintaras Didžiokas, Carmen Fraga Estévez, Duarte Freitas, Jean-Claude Fruteau, Ioannis Gklavakis, Lutz Goepel, Bogdan Golik, Friedrich-Wilhelm Graefe zu Baringdorf, Esther Herranz García, Elisabeth Jeggle, Heinz Kindermann, Stéphane Le Foll, Kartika Tamara Liotard, Albert Jan Maat, Mairead McGuinness, Rosa Miguélez Ramos, Neil Parish, María Isabel Salinas García, Agnes Schierhuber, Willem Schuth, Czesław Adam Siekierski, Csaba Sándor Tabajdi, Marc Tarabella, Kyösti Virrankoski, Janusz Wojciechowski, Andrzej Tomasz Zapałowski		
Substitute(s) present for the final vote	Bernadette Bourzai, Zdzisław Zbigniew Podkański, Armando Veneto		
Substitute(s) under Rule 178(2) present for the final vote	-		
Comments (available in one language only)	-		