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Committee on the Environment, Public Health and Food Safety

2006/2082(INI)

18.9.2006

OPINION

of the Committee on the Environment, Public Health and Food Safety

for the Committee on Industry, Research and Energy

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

Draftsman: Liam Aylward

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SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety 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. Welcomes the Biomass action plan and the EU Strategy for Biofuels; stresses that there is a need to develop cost-effective opportunities for increased use of biomass in energy applications, in order to combat climate change and GHG emissions; to contribute to reducing dependency on the finite resource oil; to promote sustainable and affordable energy supply and to enhance security of supply and technology and economic development within the EU;
2. Is firmly convinced that the production and further development of biomass and biofuels will provide a positive stimulus for competitiveness and the labour market in Europe;
3. Stresses that promoting biomass and biofuels helps to give a boost to rural areas; underscores the fact that, in particular for small and medium-sized holdings in agriculture and forestry, using biomass for energy production will open up new prospects alongside food production;
4. Considers that this should be achieved through prioritising research, development and demonstration on those biomass applications which have been shown to deliver the greatest and most cost-effective GHG reduction and energy savings performance; and through the creation of a dedicated market in order to improve profitability by means of information campaigns; particular attention should be given to the development and promotion of win-win solutions where biomass production can be combined with habitat restoration, low input agriculture and environmentally friendly land management;
5. Agrees with the Commission that the use of biomass in stationary applications such as power, heating and cooling can contribute optimally to the achievement of the EU's stated objectives of reducing fossil energy dependency and GHG generation;
6. Stresses that any cultivation of energy crops should not jeopardise European and third countries' abilities to achieve environmental priorities such as halting the loss of biodiversity, protecting forests, preventing soil degradation and achieving good ecological status of its water bodies;
7. Is worried that there is a risk of an increased demand for the cheapest commodity crops currently available on the world market, which could lead to further, substantial increases in tropical deforestation and other clearing of biodiversity rich ecosystems. Asks therefore for the introduction of a mandatory environmental certification for sustainable cultivation and production of both domestic and imported bioenergy;
8. Stresses that bio-energy production should always comply with good agricultural practice, and should not affect domestic food production within the EU and in third countries; considers that incentives should be limited to those applications of biomass which provide the highest efficiency and environmental and climate benefits;

9. Calls on the Commission, before it sets production requirements for imported biofuels, to examine whether the requirements are in keeping with World Trade Organisation rules;
10. Points out that the use of forest biomass must not lead to increased pressure on natural forests and must always be promoted in ways that are compatible with the enhancement of the ecological quality of forests; stresses that sustainability in forestry cannot be limited to harvesting less than the natural re-growth while ignoring biodiversity; considers that biomass production must not lead to the expansion of artificial forest plantations at the expense of high nature value habitats such as wet meadows, bogs, semi-natural steppe and Mediterranean maquis;
11. Urges the Commission and the Member States to give priority to the selection and promotion of those bio-components which ensure the most efficient carbon balance and are the most energy efficient; considers it urgent for the Commission to make a study on their energy life cycle from "seed to wheel" and also to prioritise research in the field of bio-refinery, second-generation biofuels and in crop optimisation without restricting the continued existence and further development of first-generation biofuels;
12. Stresses the need for maximum use of bioenergy products, for both thermal and electrical energy production, with a view to a high level of efficiency, which will benefit the environment;
13. Urges the Commission to comment on all the expected costs and benefits of encouraging biomass production within and outside the EU;
14. Considers that given the conflicting demands on biomass from waste, it is important that bio-energy should not be used as an excuse to promote waste incineration over more resource saving options such as reuse, recycling or composting;
15. Considers that biofuels should not be a replacement for fuel efficiency standards in vehicles; expects the car industry to do its utmost to attain a target of 140 g CO₂/km by 2008/9; urges the Commission to monitor progress and take further measures to achieve the EU target of 120g/km by 2010;
16. Stresses that an effective and successful energy policy involving the opening-up of national energy markets is possible only with European and international coordination; welcomes the Commission's signal for a coordinated approach. Stresses the need for flexibility for Member States to develop their own policy within an EU framework. Calls on Member States to encourage the development of national biomass action plans reflecting the full range of biomass-to-energy options, to build biomass boiler-houses and to prioritise energy-related investments under the structural and cohesion funds; recognises the importance of public procurement and tax exemptions for the promotion of biomass and biofuels;
17. Urges Member States to seek and compare best practice in the promotion of biomass and biofuels production and usage by means of the open method of coordination;
18. Calls on the Commission to propose the necessary legislative and regulatory measures in order to reach the agreed EU target of 25% renewables by 2020 and to remove any unjustified barriers to the market of biomass and biofuels without compromising the

environmental and health considerations on which such measures were based;

19. Believes that the Intelligent Energy for Europe programme will help to support local projects relating to energy saving and appropriate use of natural resources.

SHORT JUSTIFICATION

In order to increase the share of renewable energy in Europe and to reduce the oil-dependency the European Commission urges through the EU Biomass action plan (COM(2005)628) and the Communication on the EU Strategy for bio fuels (COM(2006)34), to improve the production and use of bio-energy in Europe and in third countries.

The main aim of the Action Plan on Biomass is to reach the target of 150 *mtoe* (*million tonnes of oil equivalent*) by 2010, more than double of the rate of 2003 (69 *mtoe*).

Development of this type of energy, mostly obtained by cereal, sugar, oil seed crops, waste oils, wood and wood residues will lead, following the action plan, to an increase of 5% of the share of renewable energy use within the EU to the 6% reduction of imported energy reliance and, would allow a CO₂ emissions reduction of 209 mt per year with important benefits for the air quality.

Use and production of biomass is expected to play a significant role in employment (250 000 people) mostly in rural areas as well as in energy price reduction.

The EU plan provides a wide set of measures (31 actions) to improve the development of biomass production and use mainly in three areas: transport, electricity and heating.

Member States have to play an important role in extending the use of biomass, by providing national biomass action plans as well as tax exemptions and public procurement procedures.

Concerning biofuels, the EU Strategy proposes to promote the production of a wide range of products derived from biological material (vegetal oils and animal fats) which is used in a liquid form especially as a replacement of fossil fuel, within the EU and in third countries (also as an alternative for developing countries affected by the sugar regime cuts). It provides a series of measures to improve cost-effective production and in particular second generation raw products for biofuels as well as financing research directed to optimise crop production. The Commission initiative is focused mainly on increasing the demand for biofuels by setting obligations requiring fuel supply companies to incorporate a given percentage of biofuels in the fuel they place on the market. National targets shares for Member states and stricter infringements procedures are inserted on the same purpose.

Your draftsman appreciates the approach taken by the Commission with regard to the aim and the measures of the bio-fuel Strategy and the Biomass Action Plan and in particular welcomes the opportunity for EU Member States to work together in demonstrating leadership to its constituents in a time of instability regarding energy supply and climate change.

A proper intervention is needed now, in order to provide Europe with an effective alternative and clean Energy policy including exploiting efficient bio-energy.

This would allow some important environmental benefits like GHG emissions cuts as well as the reduction of fossil fuel dependency. Another important aspect of this kind of energy generation is that its production can be obtained by small scale processors at urban and rural level. This important characteristic enables small communities in Europe and in third countries to produce their own energy by using natural resources provided by their own territory.

These district scaled plants provide important savings on transport costs which are fairly unsustainable in some third developing countries and also, indirectly, on air pollution produced by means of transport.

As the Commission proposes, it is important to act on the demand side, increasing the need of bio-energy, by setting obligations and target rather than providing generalized subsidies to "energy crops".

To ensure more efficient production and use, research on second generation biofuels should be enhanced. These new technologies offer the possibility of using a wider range of agricultural and forest waste as raw material and could lower the pressure on land as well as the need for biofuel imports. Therefore incentives and tax exemptions should address these kinds of more cost-efficient productions.

Nevertheless, to take full advantage of bio-energy, the Commission and all relevant actors should take the following serious concerns into account:

First of all, we need to ensure that bio-energy production should not create environmental harm. This strategy and the derived increase of demand of bio-energy may entail some risks like overexploitation of grounds, e.g. by setting-aside good practices like rotation of crops; as well as the destruction of forest and ecosystem especially in third countries, mainly in tropical areas. Monocultures induced by external demands in developing countries may cause devastating forest clearance, with environmentally but also socially destructive effects like it happened for example, as outlined by many NGO's, in South East Asia for the palm oil industry.

Therefore, in order to ensure the sustainability of the production of bio-energy a mandatory environmental certification is needed which could be the appropriate tool to control the environmental impact of plantations. This may be the only way we can avoid the creation of solely a cost-oriented market which would encourage destructive and unsustainable practices mostly in third countries.

In addition, it should not be underestimated that environmental certification could guarantee EU production against an unfair competition, based on environmentally unsustainable production in third countries. The EU should improve its effort to make sure that also at international level and especially within the WTO such kind of certification should be considered admissible.

A second concern is unclear definition of biomass in the legislation of some Member States. Inorganic waste can be considered as such. It should be made clear that the simple by-product of waste incineration should not as such be considered as biomass.

Thirdly, as far as the impact of this strategy on agriculture and CAP reform is concerned, it should be stressed that some measures are taken in order to support crops destined to biodiesel feedstock: in particular by allowing them to be cultivated in non set-aside land as well as by providing energy crop payments as a special investment for energy crops grown on non set-aside land.

Nevertheless the agricultural production of biofuels should not affect soil fertility and therefore should always comply with good environmental practices and sustainable cultivation methods.

Your draftsman welcomes the initiative of organizing the European Biomass Conference and Exhibition, the 15th edition of which will be held in Berlin in May 2007, as a unique opportunity to gather all actors involved in the development of a sustainable production of biomass. In this regard we would suggest that the Committee on the Environment, Public Health and Food Safety should participate in this important workshop in order to be updated on the recent developments in this field.

Finally, the Renewable Energy Project is a project tailor-made for the European Union. Just as the Common Market and the Introduction of the Euro were necessary, but a pipedream for many at the time, Renewable Energy Common Policy is next. In a world of high oil prices, increasing dependency on a few external non-stable suppliers, new concerns relating to long-term availability of fossil fuels and the urgency of new greenhouse gas emissions, this can no longer be a pipedream but an urgent reality. We need long-term, well thought through sustainable policy on Renewable Energy and we need to provide leadership now.

PROCEDURE

Title	Strategy on Biomass and Biofuels
Procedure number	2006/2082(INI)
Committee responsible	ITRE
Opinion by Date announced in plenary	ENVI 6.4.2006
Enhanced cooperation – date announced in plenary	
Drafts(wo)man Date appointed	Liam Aylward 25.4.2006
Previous drafts(wo)man	
Discussed in committee	12.7.2006
Date adopted	13.9.2006
Result of final vote	+: 49 –: 1 0: 0
Members present for the final vote	Adamos Adamou, Georgs Andrejevs, Liam Aylward, Irena Belohorská, John Bowis, Frieda Brepoels, Martin Callanan, Dorette Corbey, Chris Davies, Avril Doyle, Mojca Drčar Murko, Edite Estrela, Anne Ferreira, Matthias Groote, Françoise Grossetête, Gyula Hegyi, Caroline Jackson, Dan Jørgensen, Christa Klač, Eija-Riitta Korhola, Holger Kraemer, Urszula Krupa, Aldis Kušķis, Marie-Noëlle Lienemann, Peter Liese, Jules Maaten, Linda McAvan, Marios Matsakis, Riitta Myller, Péter Olajos, Miroslav Ouzký, Dimitrios Papadimoulis, Vittorio Prodi, Dagmar Roth-Behrendt, Guido Sacconi, Richard Seeber, Kathy Sinnott, Jonas Sjøstedt, Bogusław Sonik, María Sornosa Martínez, Antonios Trakatellis, Thomas Ulmer, Anja Weisgerber, Anders Wijkman
Substitute(s) present for the final vote	Bairbre de Brún, Hélène Goudin, Rebecca Harms, Jutta D. Haug, Miroslav Mikolášik, Bart Staes, Claude Turmes, Thomas Wise
Substitute(s) under Rule 178(2) present for the final vote	
Comments (available in one language only)	...