

Strengthening the role of agricultural
and forest biomass in all bioenergy
sectors to achieve the EU's 2030
climate and energy goals





Position paper

Strengthening the role of agricultural and forest biomass in all bioenergy sectors to achieve the EU's 2030 climate and energy goals¹

The proposal for a recast of the directive on the promotion of the use of energy from renewable sources (proposal for a RED II Directive) is in contradiction with the EU's objectives concerning the protection of the climate, energy security, and the promotion of a low-carbon and circular economy. Indeed, the Commission proposes to abandon the target to promote renewable energy sources in the transport sector, to reduce or scrap the use of conventional biofuels, to consider waste-based fossil fuels as renewable fuels, to restrict priority access, transmission and distribution of electricity produced from biogas and solid biomass to the national electricity grids, and to establish new sustainability criteria for biomass fuels. The promotion of renewable energy sources (RES) in the heating and cooling (H&C) sector lacks ambition. The rules proposed for the support schemes for electricity of renewable origin could completely exclude European biomass from this sector. Similarly, by introducing additional sustainability criteria and unnecessary administrative burdens there is a risk that European biomass of agricultural and forestry origin will be put at a disadvantage to non-biological energy sources. In summary, the proposal for a RED II Directive provides an EU framework that is less favourable to biomass in the renewable energy sources mix by reducing the market share of biomass and increasing its costs in comparison to the RED I Directive. There are therefore greater risks for investors in the post-2020 period. Biomass is the main source of renewable energy in the EU. This main and regular (not intermittent) source of supply must not be reduced between now and 2030 since agriculture and forestry have potential to produce additional quantities of sustainable biomass in the EU between now and 2030.

For Copia and Cogeca, **the proposal for a recast of Directive (EU) No 2009/28 (Red II proposal) is lacking in ambition in terms of promoting access to the organic carbon market and therefore undermines the achievement of the EU's climate, energy, bioeconomy and circular economy objectives.**

European farming is committed to sustainability and to constantly improving the greenhouse gas (GHG) balance of conventional biofuels. The use of EU-produced agricultural feedstocks in the bioenergy sector is compatible with objectives related to security of food supply, including animal feed, environmental protection, the fight against the negative effects of climate change, energy security and jobs and growth in rural areas. In this respect, chains involving rapeseed-biodiesel-rapeseed meal or sugar beet/cereal-ethanol-dried distillery grains-animal feed are exemplary. Until 2030, biofuels from agricultural biomass will remain the most cost-effective alternative to fossil fuel in order to contribute to the ambitious decarbonisation of the transport sector.



¹ Position paper on the proposal for a directive on the promotion of the use of energy from renewable sources after 2020 (COM(2016)767 final) and on Article 11 of the proposal for a regulation on the internal market for electricity (COM(2016)861 final).

Copa and Cogeca wish to stress that **the implementation of the proposal for a RED II Directive could have negative effects on the agricultural markets, particularly for oilseeds. The sustainability of European agriculture may be affected by the reduction in market shares in the bioenergy sector and by the additional costs that agricultural holdings will face due to the higher costs of meeting the more ambitious GHG reduction target of the non-ETS sectors by 2030.**

Similarly, **the implementation of the RED II Directive could have a negative impact on new and existing forest holdings in terms of administrative burden and costs** because it runs the risk of creating legal and administrative restrictions concerning the multiple uses of forestry biomass. **The implementation of the proposed RED II Directive could harm the competitiveness of the forestry sector as well as its upstream and downstream chains, and thus limit the potential of forests and the forestry sector's contribution to achieving the EU's objectives.**

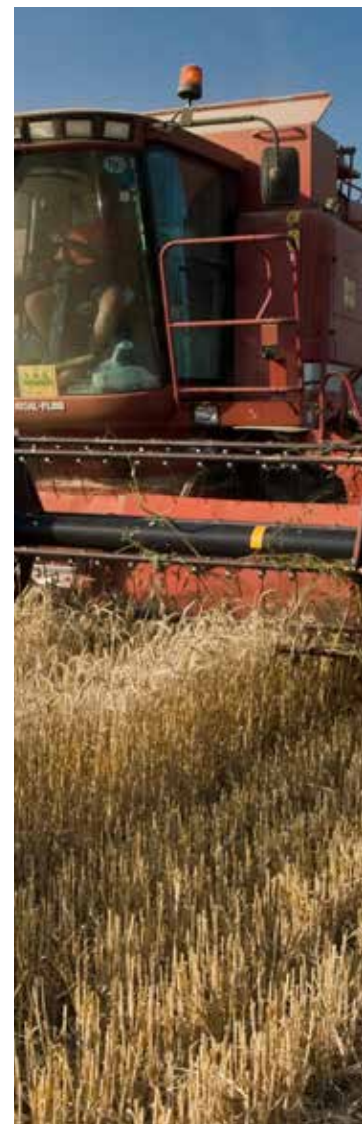
Copa and Cogeca reject the proposal for a RED II Directive in its current form and present the following proposals to the European Council and Parliament so that the initial Commission proposal can be amended.

Copa and Cogeca ask for the promotion of the use of feedstocks of biological origin in all bioenergy sectors under the RED II Directive.



■ Conventional biofuels and liquid and gaseous fuels of renewable origin

- The share of RES in transport in the Member States in 2030 cannot fall below the 10% laid down in Directive (EU) No 2009/28, which is the baseline in 2021. **Fuel providers therefore need to be asked to include at least a 15% minimum share of RES in transport by 2030, including conventional biofuels**, in order to send an ambitious and consistent signal concerning the decarbonisation of transport. **All energy content multiplication factors must be removed for all types of transport.**
- **The maximum 7% share of conventional biofuels which was decided on by the Council and EP in the compromise on Directive (EU) No 2015/1513 must remain unchanged at EU level until 2030.** Within this framework, conventional biofuels of European origin which produce high-quality protein and fodder co-products must be given preference. **That is why the Member States themselves must be obliged to set an appropriate objective on the promotion of the use of conventional biofuels in land transport.**
- **It must be possible for Member States to include conventional biofuels of European origin in the EU's RES target that are produced with European feedstocks and which generate co-products rich in plant protein, in animal feed or in cellulose, but which exceed the 7% threshold.** This should be done in order to truly launch the transition towards a bioeconomy and a circular economy, and to ensure the long-term viability of existing industrial tools.
- **Differentiation between the different conventional biofuel sectors** as part of the renationalisation of the promotion of the use of conventional biofuels as proposed by the Commission **must be rejected** because it has a negative impact on European farmers' ambition to provide sustainable solutions to the fight against climate change.
- There should be special safeguard measures which apply to biomass imports from third countries which have proven sustainability problems, in particular direct and illegal land use changes, such as deforestation, and greenhouse gas emissions from cleared peatland. **For imports of biomass from third countries that have a high risk of land use change (LUC) factors, there needs to be a methodology to apply penalties to the GHG emission values.** Such a procedure complies with European rules and does not breach WTO rules. **In addition, palm oil mill effluent and empty palm fruit bunches must be removed from the list of feedstocks that are eligible for the production of advanced biofuels (Annex IX, Part A, point g).**
- **No Member State must be allowed to go under the 2021 baseline. This is why, on the one hand, a specific European credit guarantee mechanism needs to be established in order to encourage investment in advanced biorefineries and to thereby launch the transition to the bioeconomy and circular economy. On the other hand, the minimum share of fuel produced from new RES (renewable electricity, advanced biofuels and biogas) in the transport sector must be set to at least 3% in 2021 and rise to at least 8.3% in 2030.** Of this total share, the contribution of advanced biofuels and biogas produced from the feedstocks listed in Annex IX Part A must be increased from 2024 onwards, on the basis of the Commission proposal, by 1 per cent per year, and must therefore be increased to 4.6% in 2030. Copa and Cogeca ask for the following to also be included in Part A of Annex IX: animal fats classed in categories 1 and 2 according to Regulation (EC) No 1069/2009 and residues from olive oil extraction. Animal fats classed in categories 1 and 2 according to Regulation (EC) No 1069/2009 should therefore be removed from Part B of Annex IX.



Copa and Cogeca ask for starch B and C derived from the processing of wheat, green juices and pulp from sugar beet processing to be included in Part B of Annex IX. The maximum contribution of biofuels produced from the feedstocks listed in Part B of Annex IX should be increased from 1.7% to 4% in order to take into account the addition of eligible feedstocks.

- **Public support for conventional biofuels must continue after 2020 as they are a very effective way of decarbonising transport.**
- **Waste-based fossil fuel must not be included in the obligation to incorporate a minimum share of renewable energy imposed by Member States on fuel suppliers, nor should it be counted in the EU RES target.**
- The modification of Annexes IX and X must be a competence of the EP and the Council and not the European Commission.
- The obligation to reduce GHG emissions from fuels based on fuel providers, as defined by Directive (EU) No 2009/30, has proven to be an effective tool for greater climate efficiency. **Copa and Cogeca ask to maintain a European objective to decarbonise fossil fuels beyond 2020 and to link the proposal to the RED II Directive. In addition, the EP and Council should invite the Commission to propose an EU strategy in favour of the standardisation of fuels with a high biofuel content.**



■ Biogas and biogas for electricity production

Copa and Cogeca propose the following:

- **Maintain priority access, transmission and distribution for electricity produced from biogas of biological origin and solid biomass of European origin in the proposal for a regulation on the internal market for electricity (COM(2016)861 final). The removal of priority access, transmission and distribution for renewable electricity produced from solid and gaseous biomass of European origin is not justified as such electricity helps to ensure the balance of the grid. This is not the case for non-biological sources which vary according to climate conditions.**
- **In the proposal for a RED II Directive, consider the priority to inject biomethane in the infrastructure of the existing gas grid as an additional measure to allow for greater flexibility and to reduce GHG emissions in farming.**
- **Maintain the possibility of financial aid through feed-in tariffs for electricity produced using solid and gaseous biomass fuels.** If this is not the case, technologies used to convert biomass into energy will be forced off the market and the EU's bioeconomy and circular economy objectives will suffer, as will climate and energy targets.
- **Exclude gaseous biomass fuels from sustainability criteria if they have electrical power capacity below 1 MW or annual electricity production of 8,000 MWh, and include a grandfather clause for existing installations.**
- Invite the Commission to **propose default greenhouse gas values for biogas production systems using a large range of feedstocks which are representative of the functioning of biogas installations** and in particular slurry, sugar beet, cereals other than maize, straw and grass, etc. For simplicity's sake, **there should be a table for renewable compressed biomethane (CNG) which is used in the transport sector. This table would be equivalent to the tables "Biogas for Electricity" and "Biomethane for Transport".** This should help to facilitate the inclusion of biogas in the energy mix provided by fuel providers.



■ Heating and cooling (H&C)

Copa and Cogeca propose the following:

- **Make it obligatory at Member State level to increase the share of RES in the H&C sector by 1 percentage point of calorific energy value each year, with the exception of Members States in which the share of renewable energy sources in the H&C sector is already above 60%.**
- **Maintain the threshold of electricity, heating and cooling installations by using solid biomass fuels at a thermic power of 20 MW; high-yield cogeneration installations under this threshold are excluded from sustainability criteria. Include a grandfather clause for existing installations.**



■ Sustainability criteria and GHG emission reductions for biofuels, bioliquids and biomass fuels

- **Maintain the possibility to use agricultural biomass harvested from drained European peatlands before 2008 for energy purposes, as is permitted under current legislation.** Thus, Article 17.5 of Directive (EU) No 2009/28 must be maintained as it stands after 2020.
- **The Commission must be invited to first examine the implementation of existing national and European policies and rules which guarantee the sustainability of supply of EU forest biomass before taking any action with a view to developing a new legislation, which would be synonymous with additional unnecessary burden for forest managers and owners.** Copa and Cogeca consider that the following principles must be respected during the interinstitutional discussion of the Commission proposals on the sustainability of forest biomass².
 - ◆ Do not jeopardise the principle of subsidiarity which applies to legislation on forests.
 - ◆ Do not duplicate existing legislation or safeguards.
 - ◆ The risk-based approach must be feasible and an evaluation of the criteria must take place at national/sub-national levels.
 - ◆ Voluntary certification systems must remain voluntary.
 - ◆ The criteria proposed for forest biomass are ambiguous.
 - ◆ Administrative and economic burden must be avoided.
 - ◆ A timeframe must be established to review the effectiveness of the risk-based approach.
- **The minimum greenhouse gas reduction threshold of 60% for liquid and gaseous biofuels, bioliquids and gaseous biomass fuels, and of 80% for heating, cooling and electricity produced from solid biomass must be left unchanged.** This prevents projects from being excluded due to excessively stringent and counterproductive criteria for biomass of agricultural and forest origin as regards the transition to the bioeconomy and the circular economy. Copa and Cogeca reiterate the fact non-biological energy sources are not subject to any sustainability criteria at all.
- **Remove the possibility offered to Member States to impose additional sustainability criteria on biomass.** In a similar vein, the Member States should not be allowed to set capacity thresholds lower than in the Directive, so as to prevent distortion of competition.

² For further details see the position paper FP(17)1531 (rev.2)

■ Calculation of the greenhouse gas impact of biofuels, bioliquids and biomass fuels

Copa and Cogeca propose the following:

- **Maintain the obligation for Member States to provide typical GHG emissions for crops at NUTS 2 level from 01/07/2021 onwards.**
- **Take into account the value of the last IPCC report³ for nitrous oxide (N₂O) which is 265 eq. rather than 298.**
- **Maintain the existing legal provisions** in Annex V Part C point 15 of Directive (EU) No 2009/28 **relating to reducing emissions through carbon capture and storage in point 15 Annex V.C and VI.B.**
- As regards the rules for the production of renewable liquid fuels from renewable electricity (for example, the chemical synthesis of methane with surplus renewable electricity or biomass fuels such as wood pellets), **it must be possible for producers of these fuels to declare the total electricity of renewable origin that is produced on and in direct connection to the production site throughout the life cycle of these fuels when calculating their GHG emissions, even if the electricity generating installation is also connected to the general electricity grid.**
- **Maintain** unchanged point 19 of Annex IV.C of Directive (EU) No 2009/30/CE **concerning the value for the fossil fuel reference** for transport in points 19 of Annexes V.C and VI.B: “the fossil fuel comparator EF shall be the latest available actual average emissions from the fossil part of petrol and diesel consumed in the Community as reported under the present Directive.” “.
- Take into account the potential GHG reduction achieved by substituting nitrogen fertiliser of fossil origin with digestate which results from the anaerobic digestion of crops and perhaps biowaste. This is part of the circular economy’s objectives.
- The modification of Annexes V and VI must be a competence of the EP and the Council and not the European Commission.



³ IPCC Assessment Report AR5 from 2013

ANNEX

Analysis of the Commission proposals and evaluation

■ Conventional biofuels⁴ and liquid and gaseous fuels of renewable origin

The Commission's proposals

- The Commission proposes to reduce the obligation for fuel providers to offer a minimum share of fuel produced from RES from 10% in 2020 to 1.5% of fuel produced from RES (electricity of renewable origin, advanced biofuels and biogas) in the transport sector in 2021. This obligation would increase progressively to 6.8% in 2030 (Article 25.1). There is also a proposal to exclude conventional biofuels from this obligation, but not advanced biofuels derived from palm oil mill effluent and empty palm fruit bunches (Annex IX. A.g), even though palm oil presents greater risks in terms of sustainability than European feedstocks. In addition, the Commission proposes to cap the contribution of conventional biofuels at 7% in 2021 and to gradually reduce it to 3.8% in 2030 (Article 7.1).
- The Commission also proposed to introduce waste-base fossil fuels under the obligation to include renewable energy in the transport sector (Article 25.1). On the other hand, the maximum contribution of advanced biofuels from animals fats classed under categories 1 and 2 according to Regulation (EC) No 1069/2009 and from molasses would be capped at 1.7% (Article 25.1 b and Annex IX – Part B).
- To calculate the share of RES in transport, which in actual fact only concerns road and rail transport, the Commission proposes to inflate the figure with the quantities of renewable energy in the aviation and maritime sectors by multiplying the energy content by a factor of 1.2 (Article 25.1.b).
- With the “Clean Energy for All Europeans” package, the Commission has not simultaneously proposed a strategy to monitor and reduce GHG emissions from fuels throughout their lifecycle as in Directive 2009/30 amending Directive 98/70/EC (fuel quality) for the post-2020 period. The Commission also overlooks the issue of quality and standardising fuels with a high biofuel content.

Evaluation of the Commission's proposals

- Copa and Cogeca are alarmed by the fact that the share of biofuels from RES should increase between 2021 and 2030 from 1.5% to 6.8%, which is far below what the Member States must achieve with conventional biofuels in 10 years by 2020. As a result, the Commission proposal does not make it possible to increase the share of RES in transport which counts towards the EU's target on promoting renewable energy sources to reach 27% by 2030 (EU RES).
- There is more a less a consensus in Europe about the considerable negative effects of palm oil production on the climate due to the GHG emissions which result from illegal land use changes, deforestation and the burning of peat. The extremely negative carbon footprint of palm oil production also threatens European production of biodiesel from European oilseeds.

⁴ Also see the document “Phasing out first-generation biofuels: what is at stake?” BI(16)9769 (rev.5)

Including secondary flows of palm oil production in the mandate for advanced biofuels will not improve the global carbon footprint of palm oil production. On the contrary, it will encourage further investment in this sector beyond any EU control.

- Copa and Cogeca note the removal of the target to promote RES in transport. Thus the minimum mandatory EU requirement to decarbonise the transport sector by 2030 will be abolished. Copa and Cogeca believe that this will lead to an increase in the share of fossil fuel in the transport sector. Consequently, agriculture and the LULUCF sector would have to bear the costs of the transport sector not reducing its GHG emissions as part of the target to reduce GHG emissions by 40% in 2030 compared to 1990 levels.
- In 2015, after fierce debates, the share of conventional biofuels which count towards the 2020 targets was limited to 7% of the energy used in road and rail transport in 2020. To forego such quantities of conventional biofuels, without an equivalent replacement, is a strategic error according to Copa and Cogeca. The instability of the EU's policy regarding the promotion of RES in transport creates a climate of uncertainty, which is unfavourable to investments in other renewable fuel sectors and in the biogas sector. The development of advanced biofuels also depends on the strength of the conventional biofuel market. Finally, it is important to note that the marketability of biofuels also depends on standard blends (for example, B7 and E5) used across large areas of the EU as well as on distribution logistics and the costs associated with specific blends. Gradually reducing the maximum contribution of conventional biofuels on a year-by-year basis throughout the EU is simply not a feasible approach under the current market conditions.
- Additionally, the energy efficiency policy will lead to a drop in energy consumption and fossil fuels. This is a welcome development for fossil fuels; however, it is harmful to investments in sustainable conventional biofuels - their market share would decrease proportionally due to the 7% cap. It is in the EU's interest to launch a transition towards a strong bioeconomy and to secure the conventional biofuel market without any additional negative environmental impacts.
- Support for waste-based fossil fuels makes fossil fuels more competitive, which goes against the greenhouse gas reduction target and against the promotion of the use of renewable energy sources. That is why waste-based fossil fuels should not be included in this legislative proposal.
- The contribution of renewable electricity in renewable liquid fuels used in means of transport other than electric vehicles would be limited by the restrictive rules that have been proposed, which is not in step with the expected development of the electricity market in the future.
- The energy content multiplication factors generate artificial RES contributions, which do not really exist. Copa and Cogeca regret the absence of a proposal which aims to maintain a GHG emission reduction target in fuels after 2020 as in Directive (EU) No 2009/30 and also regret the lack of an EU strategy to develop standards for fuels with a high biofuel content.
- The list of feedstocks eligible for the production of advanced biofuels and biogas for transport should include a wider range of agricultural residues than molasses in order to enable European agriculture to contribute to achieving the EU's objectives.



■ Biogas and biogas for electricity production

The Commission's proposals

- The Commission proposes the remove priority access, transmission and distribution for electricity produced from renewable energy sources from 2021 (Article 16 paragraphs 1 to 8 of Directive (EU) No 2009/28). Only small installations and high-yield cogeneration at 0.5 MW in 2021, and at 250 KW and 125 KW in 2026 in regions where the total power of these prioritised production installations is above 15% of the production capacity installed should be able to derogate from this, as well as demonstrative projects with innovative technologies (Article 11⁵).
- The Commission proposes to continue to allow Member States to extend the existing gas grid infrastructure to biogas (Article 20.9).
- The Commission has proposed very liberal and competitive rules to grant financial aid to electricity produced from RES (Articles 4 and 5).
- The Commission proposes that sustainability criteria for fuels from gaseous biomass and a threshold for GHG emission reductions be respected in installations with electrical capacity equal to or exceeding 0.5 MW (Article 26.1).
- In Annex VI, the Commission proposes default GHG reduction values for fuels from biomass, for electricity produced from biogas, and for biomethane for transport there are only values for wet manure, maize and biowaste. However, there are no default values for substrates such as slurry, sugar beet, cereals other than maize, straw and grass.

Evaluation of the Commission's proposal

- The production of biogas from livestock effluent is essential to improve the sustainability of animal products (dairy products and meat) in the future. Additionally, the use of digestate as constituent material of mineral fertilisers makes it possible to reduce the use of mineral fertilisers and to improve the phytosanitary management of crops. The GHG balance of livestock and plant production could be improved by this. To enable European farming to make its full contribution to the EU's objectives, the proposed RED II must make it possible to promote biogas from agricultural feedstock and residues to a greater extent.
- The removal of general priority access, transmission and distribution for renewable electricity sources is rejected. This can only be justified for non-biological energy sources that vary according to climate conditions. However, given that renewable energy produced from solid and gaseous biomass can meet the market demand at a specific point in time, priority access, transmission and distribution for such renewable energy of European origin should be maintained post 2020.
- The rules proposed concerning the financial aid for renewable electricity could completely exclude electricity produced with fuels derived from biomass because the structures of operators and the biological origin of fuels are not comparable with non-biological sectors such as wind and solar.
- Most biogas installations exceed two or threefold the threshold of 0.5 electric MW that the Commission has proposed due to the process of providing greater flexibility⁶, which will become even more pronounced after 2020.

⁵ Proposal for a Regulation of the European Parliament and Council on the Internal Electricity Market COM(2016).

⁶ Providing greater flexibility means putting methods in place which allows producers to adapted to the demand of electrical grid owners. Demand fluctuates throughout the course of the day and supply varies due to the intermittent nature of renewable energy sources such as wind and solar.



- Similarly, when establishing the methods to enable greater flexibility, there must also be promotion of the conversion of electrical energy of renewable origin into chemical energy in the form of methane molecules.
- In biogas installations, often a mixture of substrates is used, which does not have the same composition every day. If the operator of the plant himself has to calculate the greenhouse gas emissions from the substrate crops which are overlooked by Annex VI, this will lead to significant administrative burden which will be unmanageable.

■ Heating and cooling (H&C)

The Commission's proposals

- The Commission aims for greater promotion of RES in the heating and cooling (H&C) sector after 2020 than before 2020. To that end, it proposes to allow the Member States to increase the share of renewable energies by one percentage point annually in calorific energy value from 01/07/2021 onwards (Article 23.1), and under certain conditions to allow renewable energy providers to access collective heating and cooling systems (Article 24.4).
- The Commission also proposes that solid biomass fuels respect sustainability and greenhouse gas emissions savings criteria if used in installations with thermal power equal to or exceeding 20 MW (Article 26.1), and that they comply with a minimum GHG emission reduction threshold of 80% as of 01/01/2021 (Article 26.7).

Evaluation of the Commission's proposal

- In their position paper [BI\(15\)7395 \(rev.7\)](#), Copa and Cogeca stress the importance of promoting the use of agricultural and forest biomass in the H&C sector as this can provide an alternative source of income for farmers and forest holders and create employment in rural areas. This approach would ensure consistency between EU energy, climate and agricultural policies and would support investments in the bioeconomy and the circular economy; one of the many difficulties the bioeconomy has is establishing mass supply chains. They consider that the Commission proposal in this sector lacks ambition.

■ Sustainability criteria and GHG emission reductions for biofuels, bioliquids and biomass fuels

The Commission's proposals

The Commission proposes to:

- Make the criterion on peatland protection more stringent. Agricultural biomass harvested from European peatland which existed in 2008 cannot be used, even when no new drainage takes place (Article 26.4)
- Adopt a risk-based approach for forest biomass sustainability criteria (Article 26. 5 and 6).
- Establish reduction thresholds for GHG emissions of at least 70% for installations which produce biofuels and bioliquids which are in operation from 1st January 2021 onwards, and of at least 85% for heating, cooling and electricity installations which are in operation from 2026 (Article 26.7).



- Draw a distinction between the GHG reduction threshold for biofuels and other liquid energy sources on one hand; and electricity production and heat produced from biomass on the other hand (Article 26.7).
- Allow the Member States to establish additional sustainability criteria for biomass fuels (Article 26.10).

Evaluation of the Commission's proposal

The Commission's proposals could have the following consequences:

- This could exclude bioenergy obtained from biomass (e.g. grass used in anaerobic digestion) from the markets which comes from large amounts of agricultural land in some Member States. Given the growth of the population and global food demand, agricultural soils need to be kept in a good production state in order to ensure food supply in all EU Member States.
- It could lead to interference between the RED II legislation and existing certification tools in the forestry sector. European forest owners and managers are convinced that all aspects addressed by these proposed sustainability criteria are sufficiently covered by SFM principles developed by the Member States in the framework of the FOREST EUROPE process and already incorporated into national forest regulations. The sustainability of forests and their products is further confirmed by various voluntary systems, such as certification schemes for forest management and Eco labels for forest-based products. In addition, the implementation of the EU Timber Regulation and of the EU Biodiversity Strategy in the Member States is also contributing to ensure the implementation of SFM. Carbon accounting related to the use of forest biomass for all uses, including bioenergy, is included in the LULUCF framework and provides sufficient proof at EU level that greenhouse gas emissions and removals from forest resources are being accounted for.
- It could result in an arbitrary and unjustified increase in the GHG emission reduction thresholds from 2021 for biofuels and bioliquids and from 2026 for solid biomass fuels.
- It could undermine the goal of achieving a harmonised sustainability system for biomass at European level. Due to this proposal, the free trading of biomass within the EU and fair rules for market actors would no longer be guaranteed. This would result in distortion of competition.

■ Calculation of the greenhouse gas impact of biofuels, bioliquids and biomass fuels

The Commission's proposals

- The Commission proposes to make it optional for the Member States to provide typical greenhouse gas emission value resulting from the cultivation of agricultural feedstock at NUTS 2 level (Article 28.2).
- The Commission introduces changes to the methodology used to calculate GHG emissions in Annex V Part C point 4 and Annex VI Part B point 4. Thus the accounting of CO₂, which is captured and which serves to replace CO₂ in other sectors, is limited to the CO₂ whose carbon comes from biomass and is used in transport for biofuels and in energy and transports for biofuels and biogas (point 15 of Annex V – Part C and Annexe VI – Part B). The value for nitrous oxide (N₂O) in CO₂ equivalent has not been updated (point 4 of Annex V - part C and Annex VI - part B).



- The Commission proposes restrictive rules for the accounting of the consumption of electricity not produced within the fuel, gaseous fuel and solid fuel production plant (point 11 of Annexes V.C and VI.B).

- The Commission proposes to maintain the fossil fuel reference value at 94 g CO₂ eq. / MJ (point 19 of Annexes V.C and VI.B).

The Commission proposes to grant a 45g CO₂/MJ credit to biogas from manure to take into account its lower GHG emissions, as the manure undergoes anaerobic digestion. This corresponds to an improvement in manure management and agricultural practices. (Annex VI – Part B – point 1 page 72)

- The Commission proposes to take into account GHG reductions linked to the improvement of various agricultural practices if and only if they contribute to an increase in carbon stocks in soil which is proven or which will certainly happen in the future (Annex VI – Part B – point 6).
- The Commission grants itself permission to modify the methodology (Article 18.6).

Evaluation of the Commission's proposal

- The obligation for Member States to provide typical GHG emissions for crops at NUTS 2 level is vital because the same bases for calculation are needed to prevent obstacles to trade.
- The proposed changes to the methodology worsen the GHG balance of biofuels.
- The use of the average emission intensity of the production and distribution of renewable electricity in a defined region does not make any provision for biomass producers that purchase specifically renewable energy.
- Maintaining the fossil fuel reference value at 94 g CO₂ eq /MJ does not make it possible to take developments on the fossil fuel market into account or to correctly account for the contribution of renewable fuels to the decrease in greenhouse gas emissions. The performance of the biomass/bioenergy chain is expressed in terms of a reduction of GHG emissions compared with a reference value for fossil fuels. The lower the reference value for fossil fuels, the worse the performance of the biomass.
- The Commission considers that it is only the treatment of manure through anaerobic digestion that brings about GHG gains. It does not take into account the potential GHG reduction potential achieved by substituting nitrogen fertiliser of fossil origin with digestate which results from the anaerobic digestion of crops and perhaps biowaste. Regardless of the share of organic matter in the soil, organic matter which has undergone anaerobic digestion provides additional organic nitrogen which would not have been available without biogas production. This is part of the circular economy's objectives.
- The modification of Annexes V and VI must be a competence of the EP and the Council and not the European Commission.



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