

Practical implementation of biofuels sustainability criteria in the EU

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- Introduction
- Implementation of the RED in Member States
- Overview of developments
- Voluntary certification schemes
- Standardization

Introduction

- MS must transpose RED regulation into national law by December 5, 2010
- RED and FQD first legislation to include sustainability criteria (Articles 17, 18, 19 & 21)
- Some aspects are not yet clear
 - Definition of highly diverse grassland
 - If/how to include ILUC
- Some aspects give rise to many questions
 - What are "residues and wastes"
 - Details on interpretation of "mass balance system"

Introduction

- Two forums have been created for exchange of information on implementation of (biofuels parts of) the RED:
 - o <u>CA-RES</u>
 Concerted Action on Renewable Energy Sources see <u>www.ca-res.eu</u>
 Working Group 8: RES in transport and biofuels
 - o <u>REFUREC</u>
 Renewable Fuel Regulators Club
 see <u>www.refurec.org</u>



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Implementation of the RED in MS

Overview

- RED transposed into national law: Germany, Sweden
- RED close to transposition:
 Slovakia, Denmark, Austria, Hungary, France, Ireland,
 Portugal, Spain, The Netherlands, UK, Malta, ...
- Other MS lag further behind



Implementation of the RED in MS Germany (1/3)

- RED is/will be transposed by:
 - Biomassestrom-NachhaltigkeitsV (BioSt-NachV) (Biomass-electricity-sustainability ordinance)
 - Biokraftstoff-NachhaltigkeitsV (Biokraft-NachV) (Biofuelsustainability ordinance) both published in July 2009, binding from 2011 on
- How are sustainability criteria implemented? included in national legislation (adopted from RED one-to-one); the BLE guidance provides further practical specification





Implementation of the RED in MS Germany (2/3)

- Authority:
 - Bundesanstalt für Ernährung und Landwirtschaft (BLE) (Federal Agency for Food and Agriculture)
- <u>Is double counting included?</u>
 No; 36. BImSchV (Regulation on details of biofuels quota) will be amended in 2011 to implement this
- Are voluntary schemes being (1) developed, (2) assessed?
 - 1. No, the government does not develop systems;
 - 2. Yes, BLE is the authority to recognize systems, two systems are recognized so far:
 - ISCC (basically financed by Min. of Agric.)
 - REDCert (private initiative, companies, associations)



Implementation of the RED in MS Germany (3/3)

- How to show compliance:
 - The proof is issued by the last interface of the supply chain. All interfaces have to be certified by a recognized system and need to implement a mass balance system. Cultivators have to sign a self-declaration committing to the requirements of Art. 17 (3 6)
- <u>Is compliance required in 2011?</u>
 Yes, since 1 Jan 2011, including the harvest of feedstock crops in 2010





Implementation of the RED in MS Austria (1/3)

- RED is/will be transposed by:
 - "Verordnung des BMLFUW über landwirtschaftliche Ausgangsstoffe für Biokraftstoffe und flüssige Biobrennstoffe" (BGBL.II Nr. 250/2010) published: 27 July 2010, in force since: 1 December 2010
 - Kraftstoffverordnung 2011 (Fuel ordinance 2011)
 - final draft
- How are sustainability criteria implemented?
 - Separate ordinance and authority for raw materials
 - National sustainability scheme for biofuels
 - Technical guidance for GHG calculations





Implementation of the RED in MS Austria (2/3)

- Authority:
 - Agrarmarkt Austria (for raw materials)
 - Umweltbundesamt (Environment Agency Austria)
- Is double counting included?
 - Yes, case by case recognition
- Are voluntary schemes being (1) developed, (2) assessed?
 - 1. No
 - 2. No





Implementation of the RED in MS Austria (3/3)

- How to show compliance?
 - Farmers have to be registered at the Agrarmarkt Austria that controls EU farming standards
 - Austrian scheme or voluntary scheme approved by EC
 - Bilateral recognition of schemes of others MS
- Is compliance required in 2011?
 - Compliance is not compulsory for 2011
 - Declaration of farmers has started in 2010





Implementation of the RED in MS Sweden (1/3)

- RED is/will be transposed by:
 - Law on Sustainability Criteria, Aug 2010
 - Regulation on Sustainability Criteria, Dec 2010
 - Detailed regulations from Swedish Energy Agency, Feb 2011
 - Changes in the law for Energy tax and in the law for Electricity green certificates
- How are sustainability criteria implemented?
 Included in national legislation





Implementation of the RED in MS

Sweden (2/3)

- Authority:
 - Swedish Energy Agency
- <u>Is double counting included?</u>
 - No; Tax reduction for all sustainable biofuels
- Are voluntary schemes being (1) developed, (2) assessed?
 - 1. No
 - 2. No

Implementation of the RED in MS

Sweden (3/3)

- How to show compliance:
 Control system according to the Swedish legislation or a voluntary scheme approved by the Commission
- Is compliance required in 2011?
 Yes





Implementation of the RED in MS Spain (1/3)

- RED is/will be transposed by:
 - Royal Decree 1088/2010, September 2010, transposing partially FQD and regulating the technical specifications of petrol and diesel, use of biofuels and sulphur content of marine use fuels
 - Royal decree 1738/2010, December 2010, transposing partially RED and setting the minimum obligatory objectives for biofuel consumption in 2011, 2012 and 2013
- How are sustainability criteria implemented?

Not enough information available; National authority is waiting for CTN303 report (Sustainable Production of Biomass)





Implementation of the RED in MS Spain (2/3)

- <u>Authority:</u>
 CNE (National Energy Commission)
- Is double counting included?

 Yes, according to IDAE, there is the commitment to include it and currently they are working on the definitions of wastes and residues
- Are voluntary schemes being (1) developed, (2) assessed?
 - 1. No, no voluntary scheme is developed by government, but a Spanish company (Abengoa) has developed a voluntary scheme and has sent it for recognition;
 - 2. To be decided

Implementation of the RED in MS Spain (3/3)

- How to show compliance:
 According to the national authority, there is still not enough information on requirements to show compliance
- Is compliance required in 2011?
 No



Implementation of the RED in MS France (1/3)

- RED is/will be transposed by:
 - Law 2011-12 (5/01/2011): adaptation to EU regulation
 - Ordinance modifying energy law of July 2007, decree in State Council and order detailing terms of implementation

 To be published before end of June 2011
- How are sustainability criteria implemented?
 Included in national legislation





Implementation of the RED in MS

France (2/3)

- Authority:
 - To be decided
- Is double counting included?
 - Yes, included in the decree under preparation
- Are voluntary schemes being (1) developed, (2) assessed?
 - 1. Yes, a national scheme will be set up;
 - 2. Yes, recognition of other national systems of MS





Implementation of the RED in MS

France (3/3)

- How to show compliance:
 - providing sustainability declaration;
 - control under voluntary scheme or national system by verifier which check accuracy of information
- Is compliance required in 2011?
 No, no full compliance required



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Overview of developments

- Tendency is that MS choose:
 - biofuel obligation (majority of MS)
 - independent authority for administration (11 MS, increasing)
 - not developing a national voluntary scheme (majority of MS)
 - using the voluntary schemes developed by roundtables and industry for showing compliance with sustainability criteria
- Some MS benchmark voluntary schemes and/or accept schemes nationally (DE) but most MS wait for recognition by EC
- Late MS learn from other MS (CA-RES, REFUREC)





Overview of developments



www.ca-res.eu

- Topics discussed in CA-RES (1 meeting held):
 - Legislation, voluntary schemes, audits, administrators
 - Double counting
- New meeting held in 11-12 May, Lisbon → harmonisation of national systems

REFUREC

renewable fuels regulators club www.refurec.org

- Topics discussed in REFUREC (4 meetings held)
 - Registers (database on biofuels supplied)
 - Mass balance
 - Double counting

Public workshop Athens May 26, 2011



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Voluntary certification schemes

- o The European Commission will recognise voluntary certification schemes
 - Commission has hired an advisor for assessments
 - Many schemes were sent in, first recognitions May 2011?
 - GHG calculation tools are also "voluntary schemes"
- o Many certification schemes exist
 - A recent study identified 67 certification initiatives on the sustainability of bio-energy

Van Dam, Junginger & Faaij, Renewable and Sustainable Energy Reviews 14 (2010) 2445–2472

 Most of these initiatives are not specifically developed for biofuels (e.g. forestry, agriculture)

Voluntary certification schemes

- o Schemes being developed by consortia / roundtables
 - Bonsucro (formerly BSI, sugarcane) www.bettersugarcane.com
 - ISCC <u>www.iscc-system.org</u>
 - NTA 8080/8081 <u>www.sustainable-biomass.org</u>
 - REDcert <u>www.redcert.org</u>
 - RSB www.rsb.epfl.ch
 - RSPO (palm oil) <u>www.rspo.org</u>
 - RTRS (soy) <u>www.responsiblesoy.org</u>
- o Schemes being developed by companies
 - Abengoa (RED Bioenergy Sustainability Assurance)
 - French stakeholders 2BSvs
 - Greenergy <u>www.greenergy.com/Biofuel_sustainability</u>
 - Nesté Oil
 - Red Tractor www.nfuonline.com/News/Red-Tractor-scheme-proposedfor-biofuels/
 - SEKAB/UNICA www.sustainableethanolinitiative.com

Red colour: Send to EC for recognition



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Standardization: CEN TC 383

- Scope: Sustainably produced biomass for energy applications – Principles, criteria, indicators and verifiers for biofuels and bioliquids
- EC agreed with CEN work May 2009
- Six Working groups under TC 383
 - WG1: Terminology & cross cutting issues
 - WG2: GHG emission balance
 - WG3: Biodiversity and environmental issues
 - WG4: Economic and social aspects (work stopped)
 - WG5: Verification and auditing
 - WG6: Indirect effects (work stopped)

Standardization: CEN TC 383

- prEN 16214-1 Part 1: Terminology
 - Relevant terms and definitions in RED
- prEN 16214-2 Part 2: Conformity assessment including chain of custody and mass balance
 - Mass balance boundaries, accredited conformity assessment, product declarations and management system requirements
- prEN 16214-3 Part 3: Biodiversity and environmental aspects
 - Areas with nature protection purposes, highly biodiverse nonnatural grasslands and peat lands
- March 2012/ May 2012 availability of final standards





Standardization: ISO/PC 248

- Scope: Sustainability for bioenergy
- Four working groups approved
 - WG1: Cross cutting issues (incl. terminology and verification and auditing)
 - WG2: Greenhouse gases
 - WG3: Environmental, economic and social aspects
 - WG4: Indirect effects (work has not yet started)
- Will result in ISO 13065 standard
- Publication of ISO standard: May 2014

Thank you for your attention



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