Harmonised Calculations of
Biofuel Greenhouse Gas Emissions in Europe

# Practical implementation of sustainability criteria in the EU Member States

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#### 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"

#### **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

#### Germany (2/3)

- <u>Authority:</u>
   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)

#### 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)

- <u>Authority</u>:
  - 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

#### 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

#### Sweden (2/3)

- Authority:
   Swedish Energy Agency
- Is double counting included?:

No; Tax reduction for all sustainable biofuel

- Are voluntary schemes being (1) developed, (2) assessed?:
  - 1. No;
  - 2. No

#### 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

#### **Spain (2/3)**

- Authority:
   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?:
  - 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

#### **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

#### **UK (1/3)**

- RED is/will be transposed by:
  - Renewable Fuels Transport Obligation (RTFO) published 2007, regularly updated
- How are sustainability criteria implemented?:
   Included in national legislation (RTFO meta standard);
   Details given in Carbon & Sustainability (C&S) Technical Guidance;
  - <u>Currently: consultation on Guidance for 2011/2012 obligation year</u>

#### **UK (2/3)**

- Authority:
   Renewable Fuels Agency
- Is double counting included?:
   No
- Are voluntary schemes being (1) developed, (2) assessed?:
  - 1. Yes, UK has RTFO meta standard;
  - 2. Yes, UK assesses (benchmarks) voluntary schemes

#### **UK (3/3)**

- How to show compliance:
   By using an accepted voluntary certification scheme or by using the RTFO meta standard
- Is compliance required in 2011?:
   Not fully: Information must be provided. But not fully RED-proof (as details of RED not yet clear). Fuels that do not meet criteria are accepted under RTFO in 2011.

#### The Netherlands (1/3)

- RED is/will be transposed by:
  - "Wet milieubeheer" (Environment protection law)
  - Besluit hernieuwbare energie vervoer (Decree on renewable energy in transport)
  - Regeling hernieuwbare energie vervoer (Regulation on renewable energy in transport)
  - To be published in February or March 2011
- How are sustainability criteria implemented?:
   Reference to RED

#### The Netherlands (2/3)

- Authority:
   NEa = Dutch Emission Authority
- Is double counting included?:
   Yes, a double counting regulation that was in force 2009
   and 2010 is moved into the new Regulation
- Are voluntary schemes being (1) developed, (2) assessed?:
  - 1. Yes, the double counting regulation will be assessed;
  - 2. Yes, an assessment protocol has been made, for assessing voluntary schemes:
    - a) that are not yet recognised
    - b) that have been recognised by other MS
- C) that have been sent to the Commission for recognition

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#### The Netherlands (3/3)

- How to show compliance:
   By providing a verifier statement.

   The verifier gives a statement after checking that
  - sustainability information is delivered for all batches supplied
  - information on quantity & quality of biofuels is correct (mass balance is also fulfilled after the point of issuing sustainability certificates)
- Is compliance required in 2011?:
   No, no full compliance is required in transition year 2011.

   Requirements in 2011 are to provide information on:
  - the (voluntary) certification scheme(s) used
  - the verifier of the information

### 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

#### **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

#### **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;

#### **Overview of developments**

- Tendency is that MS choose for:
  - 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 (UK, GER, NL) but most MS wait for recognition by EC
- Late MS learn from other MS (CA-RES, REFUREC)

#### Thank you for your attention

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