

BioGrace Newsletter #6 – December 2012

The project BioGrace aims at harmonising bioenergy greenhouse gas calculations (GHG) in Europe and is supported by Intelligent Energy Europe. BioGrace (I) (Contract No: IEE/09/736/SI2.558249) ran from 2010 to 2012 and dealt with liquid biofuels, BioGrace-II runs from 2012 to 2015 and deals with electricity, heating and cooling from biomass (Contract number: IEE/11/733/SI2.616371).

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The BioGrace (I) project has been closed

By end of March, the first BioGrace project officially ended after a two-year-period of funding by the Intelligent-Energy-Europe programme. The overall objective of the project was to harmonise the European calculations of biofuel GHG emissions that have to be made to comply with the Renewable Energy Directive (RED) and the Fuel Quality Directive (FQD).

The BioGrace consortium is proud that the following results have been achieved:

- An excel-based GHG calculation tool has been build which shows, for the 22 biofuel production pathways listed, how the default values in Annex V.A and V.D of the RED were calculated.
- In addition to the excel-based GHG calculation tool, a list of standard values, a list of additional standard values, a set of calculation rules and a user manual were made. Together they allow economic operators to make actual calculations.
- National biofuel GHG calculation tools have been harmonised; they give the same result as the BioGrace tool. Moreover, policy makers in all 27 EU member states have been requested to make reference to one harmonised set of standard values, causing harmonisation of GHG calculations. This has been done in 7 member states, with some more to follow soon.

 The project results have been widely disseminated through a website, a leaflet, newsletters, workshops and targeted presentations at conferences and meetings. Based on feedback from stakeholders it was concluded that the dissemination has been successful.

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However, it was not possible to achieve full harmonisation of biofuel GHG calculations in Europe. From this project we learned that we could address the issue and make it clear to companies and to national and European policy makers, but that the final decision on harmonisation of standard values is with the European Commission (EC). To our view this could be done in two ways: either (1) publish a short list of the most important standard values as part of the (to be updated) RED Annex V; or (2) make sure that GHG calculation tools give the same results (by ensuring that they use the same standard values) when evaluating voluntary schemes in the process of recognition.

The BioGrace consortium therefore decided that the best way to foster harmonisation was to submit the BioGrace GHG calculation tool to the European Commission asking for recognition as a voluntary scheme. Although this had not been foreseen in the original work plan, it might turn out to be the most powerful result. Recognition is expected beginning of 2013.

The continuation of the work is guaranteed by the follow-up project BioGrace-II. This includes maintaining the tool, implementing the upcoming amendment of RED Annex V, and holding the BioGrace voluntary scheme.

New EC proposal to amend the RED and FQD

On October 17 2012 the European Commission published a proposal to amend the Fuel Quality Directive and the Renewable Energy Directive. In order to mitigate the emissions from indirect land use change (iLUC), the Commission proposes to limit the food-based biofuels to five per cent of the total transport fuel consumption. Furthermore, an annex with iLUC-factors for biofuel pathways based on sugar, starch, and oil seeds shall be added. Member states would have to state the emissions caused by iLUC using these factors in their annual reports to the European Commission. Biofuel producers, however, would not be affected by these factors until 2021. Yet, they do need to pay attention to two reference dates that would shift according to the proposal:

• The GHG reduction requirement of 60 per cent for new installations would apply from July 1 2014 (now January 1 2018).

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• The deadline for existing facilities would be extended by one year, from January 1 2017 to December 31. The reduction requirement would remain 35 per cent until that date and 50 per cent thereafter.

The BioGrace GHG calculation rules would be concerned in only one point: The flat bonus of 29 g CO2eq/MJ that is attributed to feedstock from formerly severely degraded or heavily contaminated land would no longer apply. The EC proposal suggests to delete this rule (RED Annex V and FQD Annex IV, points 7 to 9). The bonus is currently part of rule n° 5 of the BioGrace calculation rules (version 1b), and does in deed cause difficulties since the EC had not yet defined "severely degraded" and "heavily contaminated" land.

Train-the-trainers session

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Verifiers and owners of voluntary schemes asked us to train the trainers of the verifiers, so that detailed information on how the GHG calculation tools should be used can be passed on to the verifiers as part of their trainings.

There will be two rounds of train-the-trainers sessions: a first one that has already begun covers the existing tool on liquid biofuels. Once the calculation tool for electricity, heating and cooling from biomass will have been completed, there will be equivalent trainings on the new tool. That second round will not start earlier than two years from now.

The first training took place in Utrecht, on September 10 and 11, attracting 11 participants. The training was very practical and did not only cover the BioGrace tool but also other biofuel calculation tools.

In January and April 2013, there will be further trainings in Paris and Heidelberg/ Germany. Depending on the attendants, the trainings will be held in English, French or German.

Please note, however, that participation is due to invitation.

✤ BioGrace-II

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The BioGrace project has been granted another 3-year-period by Intelligent Energy Europe. BioGrace-II now aims to harmonise GHG calculations for electricity, heating and cooling from biomass on the European market. Kick-off was in April right after the first project had been closed. The approach will base on the European Commission report COM(2010)11 on this subject and the follow-up of this report that is expected in 2013.



The BioGrace-II project is going to

- Produce an Excel-based GHG calculation tool for electricity, heating and cooling from biomass
- Support policy makers in EU member states to follow a harmonised approach
- Use feedback from companies to improve the tool
- Train the trainers of verification systems on bioenergy GHG calculations.

GHG experts workshop

The first public event of the BioGrace-II project was the GHG experts workshop on October 23 2012 in Heidelberg/ Germany. This workshop was to receive feedback on the draft versions of the methodological background document, the calculation rules and the Excel-based GHG calculation tool that had been developed in the first five months of the project; as well as to discuss key questions concerning GHG data and accounting methodologies, and to identify policy recommendations for harmonising solid and gaseous biomass GHG calculations.

First of all it was essentially important to catch up with the state of mind of the Commission and to have the opportunity to reflect this within a competent expert panel. *Giulio Volpi* from the DG ENERGY informed (via teleconference) about the latest developments and proposals by the Commission. He explained that the Commission did not see that the recommended sustainability criteria from 2010 had been taken over by the Member States. This led the Commission to conclude that there was a need for a regulation at Community level. He explained that DG ENERGY was working on a proposal which was expected in early 2013. In the following presentation, *Jacopo Giuntoli* from the European Joint Research Centre (JRC) took the opportunity to explain the calculation of the default values for solid and gaseous biomass for electricity, heating and cooling in a detailed and comprehensible way.

The BioGrace team gave a description of relevant methodical issues which would need watertight rules once the BioGrace-II spread sheet would be a recognised ready-to-use tool. Experts widely agreed that the revealed points (e.g. LHV and water content) would need clarity in practice. Furthermore the BioGrace team informed the participants on the state and structure of the spread sheet. The approach was considered as comprehensive and applicable, however, a number of improvements have been recommended.

The workshop has also known input about experiences of the private sectors and from the certification practice in the wood and biogas sectors. A presentation of *Cristina Calderón* from

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the European Biomass Association (AEBIOM) showed the state of involvement of the pellet sector in GHG claims and the strong need for harmonised tools. Another presentation by Horst Fehrenbach from the Heidelberg based Institute for Energy and Environmental Research (IFEU) displayed methodical issues the biogas sector is confronted with. Jacopo Giuntoli again explained the state of the JRC-study on carbon accounting that the Commission and many experts considered to be a crucial issue. However, there were still very controversial opinions on that aspect as the subsequent discussion showed.

The overall echo from the participants was that this meeting was to the point, handled the relevant issues and happened perfectly on time. Particularly woody biomass was estimated to be gaining relevance. A harmonised tool was highly appreciated; however, a number of crucial specific points were not yet clear. This was partially due to the fact that the proposal or report from the Commission on sustainability of solid and gaseous biomass for electricity, heating and cooling was still pending.

All presentations are available at http://biograce.net/app/webroot/biograce2/content/workshops/expertsworkshop.

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