Brussels, 11th February 2014 Original: French

MINUTES FROM THE MEETING OF THE COPA-COGECA WORKING PARTY ON BIOENERGY/BIOTECHNOLOGY ON 28TH JANUARY 2014

Klein, Luetgebrune, Bockey, Mesa, Corbalan, Sagarna, Papili, Kainulainen,

PRESENT: Brüning, Netto, Verset, Stepien, Kager, Kicinski, Mills, Cirulis, Leifland, Pintér,

Basto, Matousek, Martin, Nemestothy, Vleeschouwers, Dusser, Cotten, Rialland

SECRETARIAT: Dominique Dejonckheere, Antonia Andúgar

SUMMARY AND CONCLUSIONS:

Item 1: Adoption of the agenda and minutes of the previous meeting

→ The Working Party, chaired by Mr Klein, adopted the agenda [BI(13)10370 (rev.1)] with the addition of a presentation by the CCAE [BI(14)622 (rev.1)]. The minutes of the meeting on 27/09/2013 were adopted BI(13)10288 (rev.1)

Item 2: ILUC:

- → 3.a) ILUC: State of play in the European institutions: see BI(14)607 (rev.1) The EC had encouraged the Greek Presidency to enter into negotiations with the Member States which had blocked the Lithuanian Presidency's compromise: the Benelux countries, Italy and Denmark; the votes of Poland and Hungary on the 12/12/2013 compromise had been lost. The EC believed that the only possibility for negotiations was the revision clause under Article 3. Satisfying Italy and Denmark with a mandatory subtarget for advanced biofuels would lead Germany to withdraw its approval of the compromise. Lifting the cap above 7% would not make it possible to achieve a majority either. The Greek Presidency had not planned to convene the Council Working Group. The issue seemed gridlocked. It was highly probable that its inclusion on the agenda of the Energy Council on 4/3/2014 was an attempt to turn the Lithuanian Presidency's compromise in December into a political agreement, but the compromise had not been backed by a majority, so there is no possible political agreement at that stage. The members of the WP/BI were unaware of any discussions between their governments and Member States.
- →3.b) Situation in Member States: the general EU policy environment against first-generation biofuels was spreading to bioenergy in general, with a risk that this would expand to the non-food use of all agricultural products, generally. Thus, in Germany, it was stated in the CDU/SPD Coalition Agreement that the increase in biogas production could only come from wastes and residues; agricultural products (such as maize) were excluded. The draft law had already been tabled and was set to come into force in August 2014. The result of this was that no new production units would be set up. The DBV said that it would attempt to alter the draft law on biogas in the interest of its members. The negative discussion on renewable electricity was having a knock-on effect in Austria. In Spain, the government was also turning away from renewable sources of energy. However, in Poland the ministry had stated that there was not enough support available to renewable sources of energy. France supported the Lithuanian Presidency's compromise. At national level, the government had committed to a cap of 7% on first-generation biofuels, as well as a 0.7% quota (including double counting) for biofuels derived from used oils and animal fats.
- → <u>3.c) Globiom:</u> Copa-Cogeca had participated in meetings with stakeholders; the reports are available on the project's website:

 $\underline{http://www.iiasa.ac.at/web/home/research/research/Programs/EcosystemsServices and Management/IL}\\ \underline{UC/ILUC.en.html}$

Comments had been sent to ECOFYS on 16/12/2013 [BI(13)9798 (rev.2)]. Copa-Cogeca had requested that the group of scientific experts be expanded [BI(13)10290 (rev.1)]. Alexandre Gohin had been contacted by ECOFYS. Copa-Cogeca had also supported the industry candidate Don O'Connor [BI(14)375 (rev.1)] who had been accepted [BI(14)749 (rev.1)] into the scientific expert group. Meetings between the stakeholder and the consortium were scheduled for 19th-20th February in Utrecht.

→ Action: Copa-Cogeca must remain involved. Good results should not be expected because ILUC

calculations were based on models such as those in the IFPRI_report, thus the same uncertainties persisted. The variability of results should be insisted upon.

Item 3: Implementation of Directives 2009/28/EU and 2009/30/EU

- → Germany was altering it support system for biofuels. Until 31/12/2014, there would be an obligation to incorporate 6% of biofuels into fossil fuels. As a result, after 31/12/2014, double counting of biofuels derived from used oils/animal fats would be scrapped. From 01/01/2015 onward, the quota to incorporate biofuels based on energy content would disappear and would be replaced by a quota to reduce CO2 emissions from fossil fuels which would apply to fuel providers. Providers would have to reduce CO2 emissions by 3% in 2015/2016, by 4.5% from 2017 onward, and by 7% from 2020. It was difficult to assess the impact this would have on the commodities market.
- → Verifying sustainability criteria: in Germany, certificates from third countries were sometimes viewed more favourably than European certificates. A certificate which stated that greenhouse gas savings of 95% for maize-based ethanol had been found and verified by the BLE (the German Federal Institute for Agriculture and Nutrition), because this seemed impossible. In Poland, vegetable oils from Russia without certificates could be found.

Action: prompt voluntary schemes to react/to comment on the WFF report http://wwf.panda.org/?212777/Europes-biofuels-not-guaranteed-sustainable-finds-new-study

- → 3.a) Revision of default values (Annex V of Directive 2009/28/EC): no progress had been made in DG ENER since the meeting on 27/09/2013.
- → 3.b) <u>Definition of highly biodiverse grasslands:</u> the EC intended to approve a draft regulation through written procedure. **Action:** Obtain access to the text through a national administrative authority and send it to Copa-Cogeca to make it available to the WP/BI, and formulate comments if necessary.
- → <u>3.c)</u> Fossil fuel comparator: DG ENVI consulted stakeholders during the afternoon of 20/02/14 in the course of a meeting at CCAB. **Action:** provide the Secretariat with the names of the experts from the member organisations which wished to participate.

Item 4: Energy taxation:

- → This was a priority topic for the Greek Presidency. The Council working group has been scheduled to meet every month in order to reach a compromise by June BI(13)514 (rev.2). The last public text dated back to October 2013 BI(13)10294 (rev.1). The Greek Presidency should put forward a new text by the end of February. Articles 15.2 and 16.1 could be modified following comments from Member States. The Council compromise would have to receive unanimous approval. The EP had no role to play.
- → Action: members would have to contact their national administrative authorities and check that Articles 15.2 and 16.1 still conformed to Copa-Cogeca's position.

Item 5: 2030 Climate and Energy Package

→ The Secretariat gave a summary of the EC's proposal [BI(14)807 (rev.1)] and the report voted on in the EP's ENVI and ITRE Committees [BI(14)694 (rev.1)]. Various lobbying activities had been carried out with the EC to maintain the sub-target for transport [BI(13)5167 (rev.1)] [CC(14)243 (rev.1)], [BI(14)459 (rev.1)]. The WP/BI noted the change in the EC's policy direction, which no longer wished to support biofuels and was turning away from biofuels. The WP/BI welcomed co-operation with WP/ENV on this issue.

Item 6: Advisory Group

→ Elections: Copa-Cogeca would support the candidacy of J-M Aspar (COCERAL) for the position of Chairman. There was no Copa-Cogeca candidate for the position of Vice Chair. The Polish Chambers of Agriculture had submitted the candidacy of Adam Stepien on 22/01/2014 [BI(14)553 (rev.1)] [BI(14)504 (rev.1)]. As a result, the candidacy had not been sent to DG AGRI by the deadline. The WP/BI did not object to this candidacy. It would follow Copa-Cogeca's internal approval procedure. As of 01/07/2014, the Secretariat would submit the candidacy of Adam Stepien for the position of Chair of the Advisory Group under the new framework (Decision 2013/767/UE JOL 338 of 17/12/2013)

Item 7: A.O.B.

→ Presentation of CCAE projects [BI(14)622 (rev.1):1]. Appeal to members of Copa-Cogeca to join the projects which the CCAE was carrying out, co-financed by the EU.