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Claus Sauter, Bioenergy Expert, Founder & CEO of VERBIO AG addresses current issues of (bio)energy, energy security and (green) mobility

Column

RED II: Politics putting the brakes on climate protection!

Unnoticed by the general public, legal changes are being discussed in Brussels and Berlin which illustrate the political confusion that the biofuels industry has had to live with for many years. This chaos is putting the brakes on cheap and efficient decarbonisation in the transport sector!

The biofuels industry has experienced an unpredictable roller-coaster ride since 2006. Continual changes in the legal framework have resulted in an unprecedented bloodbath. Countless small- and medium sized companies have gone under. The Federal government and the EU simply don't know what they want to achieve in the biofuels sector. On the one hand, it is intended to reduce the use of conventional first generation biofuels. On the other hand, it is proving difficult to introduce a clear legal obligation to use advanced second generation biofuels.

The reduction in the use of conventional biodiesel or bioethanol, which has been added to diesel and petrol for years, is complete nonsense. Once again Europe is drowning in excess agricultural production. Farmers are complaining about low milk and grain prices – and their complaints are justified. More than half of Germany's rape seed oil production is used in the production of biodiesel. Conventional biofuel production achieves savings in greenhouse gas emissions of over 70 percent. All over the world the targets for the use of conventional biofuels are being increased. Even in the USA, which cannot be described as the leader in climate protection, the EPA (Environmental Protection Agency) introduced a massive increase in the biofuels quota just a few weeks ago. The same has happened in Argentina, Malaysia, India and China. In the USA E10 is long since over, and E20 is in focus. Only Europe is of the opinion that this is not positive. Here, policy discussions have taken a direction which is objectively wrong and which will lead to disaster.

If the EU Commission gets its way, the approval of the RED II (Renewable Energy Directive) will limit the quota for conventional biofuels to a maximum of 3.8 percent until 2030, which will lead to them being almost wholly REPLACED by advanced biofuels from agricultural waste products (such as sludge, nut shells and straw), used grease, and palm oil mill effluent (POME). Yes – you did read that correctly: advanced biofuels will be REPLACEMENTS and not ADDITIONAL TO conventional biofuels.

This would mean that the billions that have been invested in biodiesel and bioethanol plants throughout Europe, based on concrete targets set by Brussels up until 2020, will be rendered obsolete. Production plants will be written off as ruins – just because Brussels has changed its opinion fundamentally within ten years. That would be an unprecedented and arbitrary destruction of capital invested!

Without conventional biodiesel and bioethanol there would be ZERO decarbonisation in the transport sector. We would see a return to massive EU grain mountains, or else we will need to return to the days of compulsory farm land set-aside policies. Local biofuel products are manufactured from local raw materials. This provides local farmers with additional markets for their products, and with an additional source of income. As a result this is a valuable source of added value and of employment in agricultural regions. We returned to the days of EU agricultural overproduction quite some time ago. The “food or fuel discussion” is no longer relevant.

For this reason we need conventional first generation biofuels AND advanced second generation biofuels. This is not an EITHER/OR decision. Both technologies are available, and they complement one another. We have invested a lot of money and a lot of effort in research and development work. We are fired up to bring the potential that we have onto the streets, but not on these conditions. The European biofuels industry needs reliability. Anyone who sacrifices good, clean, locally-produced biofuels based on decisions which are made for incomprehensible ideological reasons will not be able to create trust in new investments in advanced biofuels.

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