



Please contact us for
interview requests
on +49 351 212800-28

or search our website
for further information

www.StrawClever.com

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

Column

Game Over, Frau HenTricks!

Diesel bans and missed climate protection objectives: politicians squandered the transformation of German transport policy long ago.

The Federal Administrative Court has spoken and released the genie from the bottle, in the shape of “the diesel ban”. Now the republic is spooked, and fear and consternation are spreading. As always, big speeches and accusations follow. The German automobile industry is declared the scapegoat and Barbara Hendricks, the former Federal Minister for the Environment, has simply passed the buck. There is no question that German automotive manufacturers have not exactly covered themselves with glory, but I would go further and say that overall the transformation of German transport policy has been squandered by politicians. This cannot be dressed up as something different by clever calculations.

The failure of the Federal Government was already apparent in 2014 as the GHG quota system was being developed: Back then the biofuels industry was already explaining that the quota being set was much too low, and that the opportunities to reduce greenhouse gas emissions by using biofuels were far from being fully exploited. We could now be achieving a GHG quota of 11 percent if we had had a stable legal framework in previous years and if ongoing investment had been possible. Where is the challenge in achieving the current quota of 4 percent?

Furthermore, because the requirements are too low, in effect the oil giants can meet the GHG quota with no effort at all, and the Federal Government has failed to save 16 million tonnes of CO₂ over the past ten years (1)

And that’s not all. In December 2017 the outgoing Federal Government really put their foot down by approving the 38th Regulation on the Implementation of the Federal Emissions Protection Act (Verordnung zur Durchführung des Bundes-Immissionsschutzgesetzes – 38th BImSchV). There is only one problem: the change is in the wrong direction!

Since the regulation came into effect on January 1, 2018 it is now possible to accredit fossil fuel sources of natural gas and liquid petroleum gas for GHG quota purposes. The politicians have thrown a hefty spanner in our works. The regulation runs completely against the Zeitgeist, sending a clear signal against climate protection. It promotes fossil fuels. Fake environmental protection, I call it. (2)

(1) Source: VERBIO Vereinigte BioEnergie AG

(2) Under German law currently requires greenhouse gas savings of four percent (rising to six percent in 2020) on all fuels brought into circulation in the transport sector.

In practical terms, almost overnight the 38th BImSchV has withdrawn the business model of biomethane from residual materials as an alternative second generation fuels. An affordable and clean fuel in terms of CO₂, fine-particle and nitrogen oxide emissions is being summarily pushed out of the market.

As recently as November 2017 the then Federal Minister for the Environment Dr. Barbara Hendricks made the following announcement to the German parliament (3): “A central part of the journey to a greenhouse gas neutral world will be to cease the use of coal, oil and fossil gas fuels.” So far so good, or just non-committal blah blah blah? Two months later the Minister notices that the 2020 climate protection goals cannot be achieved with the current political instruments. As politicians always grasp for what they believe to be a useful straw in such situations, a new regulation has to be created which permits fossil fuel products to be accredited for GHG quota purposes. Smoke and mirrors! Empty words! One mistake on top of another!

In doing this, Jochen Flasbarth (Secretary of State) was resolute in his OPPOSITION to biofuels, and the only route to meeting the climate protection goals that he recognised was the expansion of electro mobility. The only problem with this is that German consumers do not want electric cars, a problem which is difficult to ignore since their market share is very low at 1.3 percent – despite being subsidised. (4) You could say the numbers speak for themselves. But no, the “bright spark” at the Federal Ministry for the Environment ignored the low level of demand for electric cars, and at the same time worsened the framework for biofuels as an immediately available alternative by creating the dilemma of the 38th BImSchV.

In the meantime, however, the roller-coaster of the grand coalition is over. The carousel of ministers has turned. Svenja Schulze, the new Federal Minister for the Environment, has inherited a difficult job. She takes on the responsibility for a poor – and wrong – environmental and transport policy which has been manoeuvred into a dead end. Hendricks, her predecessor, was already in reverse gear when she voluntarily sacrificed the 2020 climate protection goals in the grand coalition negotiations. Will Minister Schulze continue this course and simply continue in reverse at full speed? Or will she be brave and manage a turnaround under very difficult conditions? Is such a manoeuvre even possible?

Dear Minister Schulze, we can assure you, as the new Federal Minister for the Environment, that if one thing is clear, it is this: the 2020 climate protection goal was not excessively ambitious. In the transport sector in particular the German biofuels industry is capable of achieving significantly more greenhouse gas savings using innovative first AND second generation biofuels. The problem is merely that politics over recent years has led to the creation of the wrong conditions! The roller-coaster of political decisions has been responsible for the fact that the biofuel share of fuels, in particular CNG, may fall again so dramatically.

As a result, huge investments in biofuel plants will be written off. The innovative “Made in Germany” technology will end up in another country. How is that for an arbitrary destruction of capital invested! Look at the shattered remains that the tricks played by your predecessor have left behind in our industry. Think about it, Minister Schulze. Who will fulfil the planned climate protection goals for 2030 when none of today’s investors or manufacturers are prepared to play this game anymore? Game over! Then the only option really will be reverse gear, as far as climate protection is concerned.

Or, dear Minister for the Environment, are you brave and ready to take risks, NOW?

Claus Sauter

***Bioenergy Expert, Founder & Chairman of the Management Board of
VERBIO Vereinigte BioEnergie AG***

(3) Speech in response to the Fraktion Bündnis 90/Die Grünen on withdrawing from coal as a source of electricity, November 21, 2017

(4) Center of Automotive Management, first half-year 2017

Press Office

VERBIO Vereinigte BioEnergie AG

Ulrike Kurze
Marketing/PR
Ritterstraße 23 (Oelßner's Hof)
04109 Leipzig
Tel.: +49 176 13085404
Fax: +49 341 308530-999
E-Mail: ulrike.kurze@verbio.de

Katja Springer
c/o zebra|public relations GmbH
Werner-Hartmann-Straße 5
01099 Dresden
Tel.: +49 351 212800-28
Fax: +49 351 212800-39
E-Mail: katja.springer@zebra.de