

Engaging European farmers in the development of energy crops projects – Policy Recommendations

LogistEC workshop - Brussels 30.03.15

Within the framework of the LogistEC project, AEBIOM organised a workshop on 30 March 2015 dedicated to the main barriers and drivers regarding the adoption of energy crops by European farmers. Besides the general objective of understanding arguments that could convince farmers to integrate these innovative crops, a key purpose was also to extract policy recommendations based on the best case practices and proposals presented by speakers during this event (research institutes, projects developers, farming and industry representatives, etc.). For more information regarding speakers backgrounds and presentations:

<http://www.logistecproject.eu/Events/integration-in-agriculture/>



LogistEC project

Lignocellulosic energy crops (short rotation coppice, annual and multi-annual crops, perennial grasses) have reached about 100,000 ha in Europe but their development is stagnating yet. Meanwhile energy policy will generate high demand for solid biomass in the coming years. In this context, energy crops could participate to additional solid biomass supply and could impact positively soil erosion, biodiversity, water quality, pollination, etc. Enhance farmers' interests in energy crops is therefore a major challenge in Europe to keep dynamic rural area and recover energy independence.

The LogistEC project supported by FP7 aims to develop new or improved technologies of the biomass logistics chains. In fact, Cost-efficient, environmental-friendly and socially sustainable biomass supply chains are needed to achieve the 2020 EU RES targets that might be impeded by the potential scarcity of lignocellulosic biomass from agriculture. The project covers all types of lignocellulosic crops: annual and multi-annual crops, perennial grasses, and short-rotation coppice.

<http://www.logistecproject.eu/>

Introduction and first recommendation:

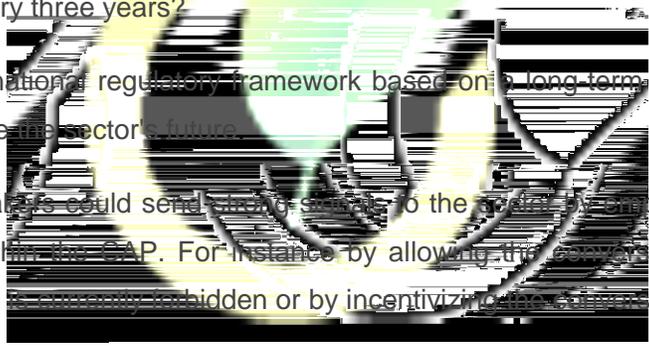
Along Europe



- Most of LogistEC speakers agreed on the fact that more flexibility is needed in the market for energy crops. Still we should not be heading towards a commodity market but a certain diversification of users is recommended to avoid single centralized units. Indeed in case of problem with such single plant farmers have much difficulties to find other clients. Regional authorities wishing to promote the development of energy crops sector should promote a better territorial coverage with small diversified projects rather than large centralised units.
- Incentives should take due account of environmental and local dimension. Projects that take into account energy efficiency, innovative practices and conversion rates standards, as well as CO2 emissions when designing energy crops projects should be preferred.
- The diversification of uses of energy crops such as bio-construction or biochemistry materials will also allow the structuration of innovative streams which will contribute to a climate of confidence in agriculture regarding production opportunities. This will finally benefit to the development of the bioenergy sector by developing both supply and demand.

Legal framework concern: National/European legislation could send positive signals to farmers

The second consensus among LogistEC participants was found on the fact that energy crops legislative frameworks are dramatically fluctuant, both at European and national level. This was considered as the most important barrier to the current development of the industry by industry representatives, industry and energy crops project developers. In fact, how to engage farmer with multi-annual crops systems while national regulation are changing every three years?



- Providing a stable national regulatory framework based on a long term approach, seems to be the best way to reassure the sector.
- European policy makers could send strong signals to the national authorities emphasizing the role of energy crops especially within the CAP. For instance by allowing the conversion of grassland areas into energy crops, which is currently forbidden or by incentivizing the conversion of abandoned lands into energy crops.
- Policy makers should bear and support all initiatives to encourage harmonization and standardization around energy crops. Local initiatives to meet international standards or developing certifications need to be encouraged and spread.

- Due to energy crops sectorial specificities legal issues around the topic are often fragmented between energy, environment and agriculture ministries. This situation dilutes readability for sector players. Having a specific and unique representation dealing with these issues would be helpful for both project developers and farmers.
- EU legislation could also indirectly support the development of energy crop market, for example by increasing the number of biomass based district heating plants. Under the new EU state aid guidelines, aid can be granted for investment, including upgrades, to high efficient CHP and energy-efficient district heating.

A : developing information relays and limiting technical concerns

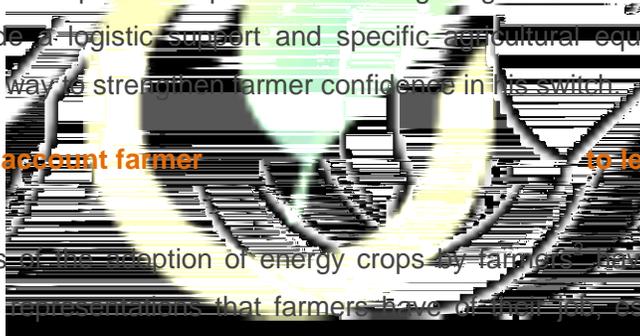
The development of energy crops also faces problems of knowledge and know-how on the ground.

- Promoting regular professional training around energy crops unions, agricultural state agencies and cooperatives could raise interest for energy crops.
- Encouraging the development of cooperatives or more broadly all collective initiatives like biomass logistic and trade centres (BLTC), which could create relevant interphases able to understand both farmers and final users needs, is another way to promote energy crops at local level.
- According to best case practices presented during LogistEC workshop, encouraging project developers to provide a logistic support and specific agricultural equipment (seeder, harvesting equipment) can be a way to strengthen farmer confidence in his switch.

Acceptability taking into account farmer of energy crops to lead an accurate promotion

Studies on the determinants of the adoption of energy crops by farmers have shown the importance of factors such as values and representations that farmers have of energy crops, especially when it deals with shifting from food production to fuel. Mentalities are still to be changed and awareness should be raised on the positive potential of energy crops for economic growth, creation of jobs and meeting 2020 energy package objectives (20% reduction CO2, 20% use of RES, 20% improvement in energy efficiency).

- Regarding rural sociology, the best way to convince farmers that energy crops can be interesting for them, is the development of a successful project next door. Mimetic behaviors have always been strong drivers in the acceptance of innovative farming practices. In this context, encouraging project



developers and helping them to structure a positive story telling may be more effective than any other communication campaign.

- However national/European campaigns are needed to explain/disseminate information to address fears relating to sustainability (e.g. biodiversity, indirect land use change, etc) and to the fuel vs food debate. Energy crops have very interesting multifunctional aspects and could be cultivated on marginal/abandoned lands. Energy crops can have positive impacts on soil erosion, biodiversity, water quality, pollination, etc. It can also be used as protection against flood or to depollute soils. Inter-cropping or agroforestry systems should be promoted.
- Most of energy crops project developers are SMEs. Creating platforms to exchange at national/EU level would allow improving practices and organizing a more efficient lobbying/communication.

Conclusion:

For farmers - like any other economic agents- the willingness to invest in a new production **is actually a matter of trust and confidence**

coordination between local, national and European stakeholders.

At the local scale, farmers must be engaged with better information. Local partners able to provide them guaranteed markets, clear contracts with stable prices and technical support, responding to their concrete concerns.

At the national level, regulatory framework must focus on providing long term perspective and stability in order to reassure farmers and clear their horizon.

At the European level, sending strong signal through the CAP and bioenergy related legislation could boost energy crops market and help it reaching a first level of maturity.

For more information, contact AEBIOM Jean-Baptiste Boucher, Bioenergy Analyst, boucher@aeblom.org