



GIZ Project: Sensitisation for sustainable biomass production and use in the Ukraine

Workshop "Accessing the EU Biofuels Market: How to Meet the EU Sustainability Criteria for Biomass"

Hotel Riviera on Podil, Kiev – 23 February 2012

Workshop Report

On 23 February 2012 GIZ in cooperation with the Institute for Economic Research and Policy Consulting (IER) and supported by AgriEvent held a workshop on sustainability certification of biomass in the context of the EU Renewable Energies Directive (Directive 2009/28/EC - RED). About 40 key stakeholders from the business sector, government and other institutions discussed the experiences in sustainability certification of biomass in Ukraine, its benefits and challenges.

The **aim of the workshop** was to

- ⇒ clarify the EU requirements for biomass production and sustainability certification
- ⇒ provide up-to-date information on the relevant regulatory processes in the European Union and its Member States
- ⇒ share experiences in sustainable biomass production and certification
- ⇒ analyze the challenges Ukrainian producers and traders face in complying with the certification requirements and discuss solutions

In the presentation given by Martina Gaebler, GIZ project coordinator, participants received an overview of the Directive's sustainability criteria and the use of certification schemes as a tool to prove compliance. Oleg Nivievskiy and Yuliya Ogarenko from IER informed participants that most of the RED sustainability requirements are actually already reflected in Ukrainian legislation. However, compliance with national legislation is often poorly controlled. Gabriel Blanc from the EU Delegation to Ukraine highlighted the general framework of the EU's energy policies and informed about the implications of Ukraine's recent accession to the European Energy Community.

Representatives from Shell International, Druzhba Nova, Kernel Trade and SGS shared their expectations from and experiences in certification. Andy Gent from Shell International emphasised the importance that certification systems cover all dimensions of sustainability, the environmental, the social and the economic. Druzhba-Nova has invested in modern precision farming technologies, which has helped them in complying easily with the certification requirements. Alexey Zyukov, lead auditor for SGS Ukraine, explained the various challenges certification applicants and auditors face in the audits. Traders face market problems as current prices for certified material is not high enough to provide an incentive for their suppliers to go for certification. Volodomyr Lapa from Ukrainian Agribusiness Club underlined the importance of the topic for Ukrainian producers. Viktor Tymoshuk from the Ministry of Agricultural Policy and Food announced that the Government will shortly publish a strategy on renewable energies for Ukraine.

In an interactive group work participants discussed and identified **key challenges to the implementation of sustainability certification in Ukraine**:

- ⇒ **Information on sustainability certification** and its requirements for farmers as well as on the costs and benefits is needed.
- ⇒ **Land registration and electronic land cadastre is needed.** Agricultural producers must prove via appropriate documentation that their land did not have one of the land statuses mentioned in the Directive in or after January 2008. Often farmers do not have the correct docu-

mentation in place and it is difficult for the auditor to check whether available documentation is correct.

- ⇒ **Documentation of operating procedures is often inappropriate.** Companies do not provide sufficient documentation on their operating procedures. The auditor then has limited means to verify the information given by the company.
- ⇒ **Lack of clear guidance on requirements and adaptation to Ukrainian context.** It is often not clear from the certification requirements what exact documentation is needed in order to prove compliance. Requirements do often not reflect the realities in Ukraine as they are global standards and not Ukraine specific.
- ⇒ **Poor control of compliance with national legislation.** Many requirements from the certification systems are already contained in national legislation. There is however not sufficient control of compliance with national legislation.
- ⇒ **Clear roles and responsibilities at government level** in the area of bioenergy should be defined.
- ⇒ **Insufficient clarity on the requirements from different EU Member States and differing paces in the implementation of the RED.** There is confusion about the different requirements from EU Member States and their implementation of the RED. As each Member State has its own rules and pace in the implementation of RED it is difficult for companies to understand the market requirements.
- ⇒ **Clear definition of certain terms in RED needed.** Certain terms are not yet fully clarified, e.g. the definition of by-products and wastes.

Participants also discussed whether Ukraine should set up its own certification scheme. At the same time, participants expressed their worries about the **multitude of biomass certification schemes** that are already on the market. Participants felt that the competition amongst schemes leads to negative effects for the producers. Some certification schemes, however, work on harmonisation and cooperation (e.g. mutual recognition) and it is expected that these efforts are stepped up in the near future.

In a special training, participants were introduced to the topic of **greenhouse gas calculations** from bioenergy production. Kees Kwant from the NL Agency presented the BioGrace greenhouse gas calculations tool, which allows companies to calculate their greenhouse gas emissions using actual production data. Participants were given the opportunity to calculate the greenhouse gas emissions of their operation.

To follow up on the results of this meeting, the **next workshop will take place at the end of April in Lviv**. The workshop will provide participants the opportunity to learn from practical case studies of certified farms and discuss solutions to key challenges like documentation of land use. A further workshop is planned to take place in Odessa in July.

The workshops are part of the GIZ funded project “Sensitisation for sustainable biomass production and trade in Ukraine”. For updated information on our activities please visit the project website (http://www.ier.com.ua/en/biomass_project/) or contact the project team:

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