



Reconciling Bio-energy policy and delivery in the UK

TSEC

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The UK has sought to lead on climate change



‘Climate change is probably, in the long term, the single most important issue we face as a global community’

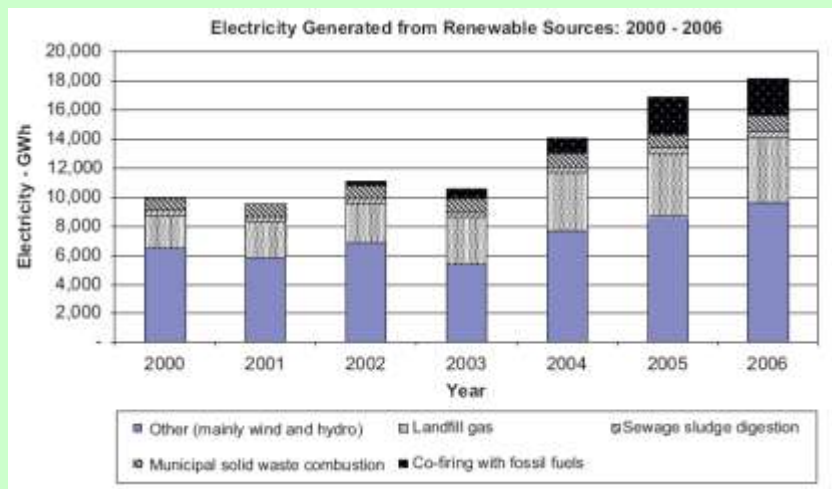
‘We need to go beyond Kyoto... climate change cannot be ignored’

‘This is extremely urgent. A 50% cut by 2050 has to be a central component’

Increased deployment of bio-energy is part of the solution...

...will UK or EU initiatives lead the way?

Modest increases in deployment, but more needs to be done



“The UK is in danger of being left behind”

Royal Commission Environmental Pollution 22nd report

The [UK] approach can be characterised as: no targets; no concerted policy; no strategy; and, limited support for development

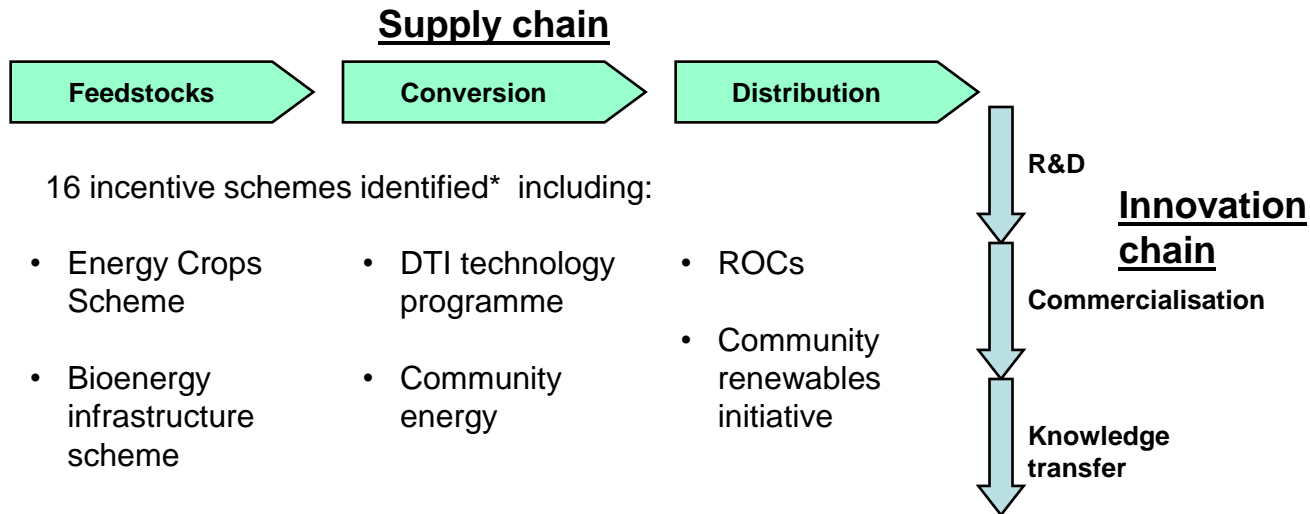
Sir Ben Gill – Biomass Taskforce

Outline

- Are existing UK policies performing?
- Will current UK initiatives increase deployment?
- The role of the EU
- Conclusions

The existing policy framework is extensive...

Incentive schemes target all stages of the supply-chain and the innovation chain.



Numerous organisations are responsible for administration:



* Biomass Task Force 2005

...but ambitious high level targets cannot be disaggregated

UK

12.5% cut in CO₂, relative to 1990 levels, by 2012

Set the UK on a path to cut CO₂ by 60% by 2050

20% cut relative to 1990 levels, by 2010



“Significant contribution”

“Is important”

Bio-energy

Specific targets run counter to Government policy...

The political mindset

- Competition should be supported
- Technology options should compete on price
- Support mechanisms should be technology blind
- Policy cost should be minimised

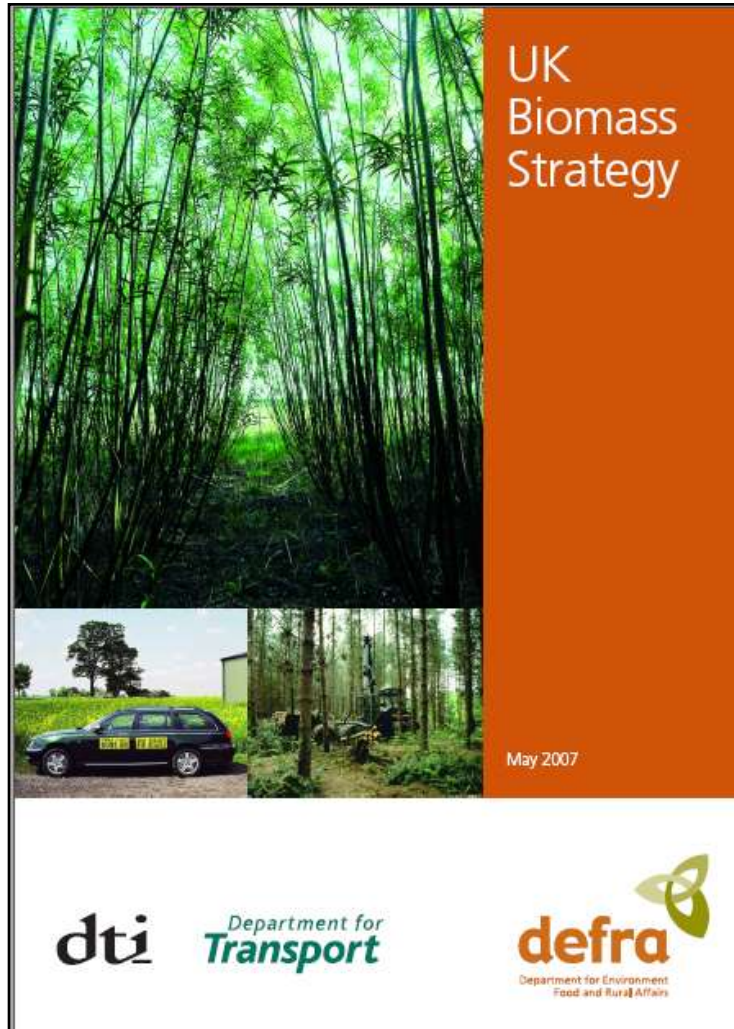
Implications for bio-energy

Is the current level of deployment desirable?...

...or indicative of policy failure?

...bio-energy policies cannot be assessed against objectives

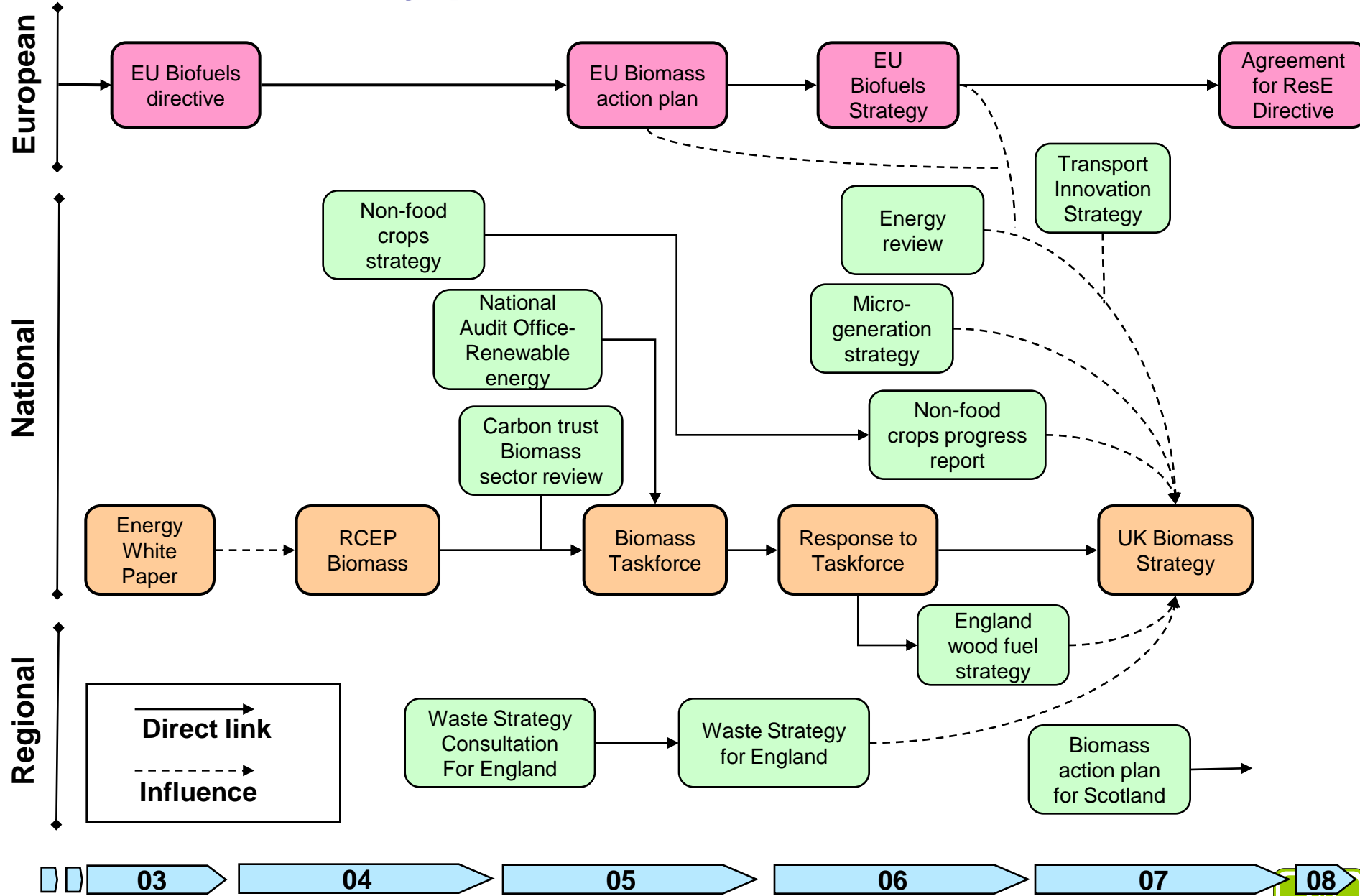
Will future policies increase deployment?



This strategy aims to ...

*“realise a major expansion
in the supply and use of
biomass in the UK”*

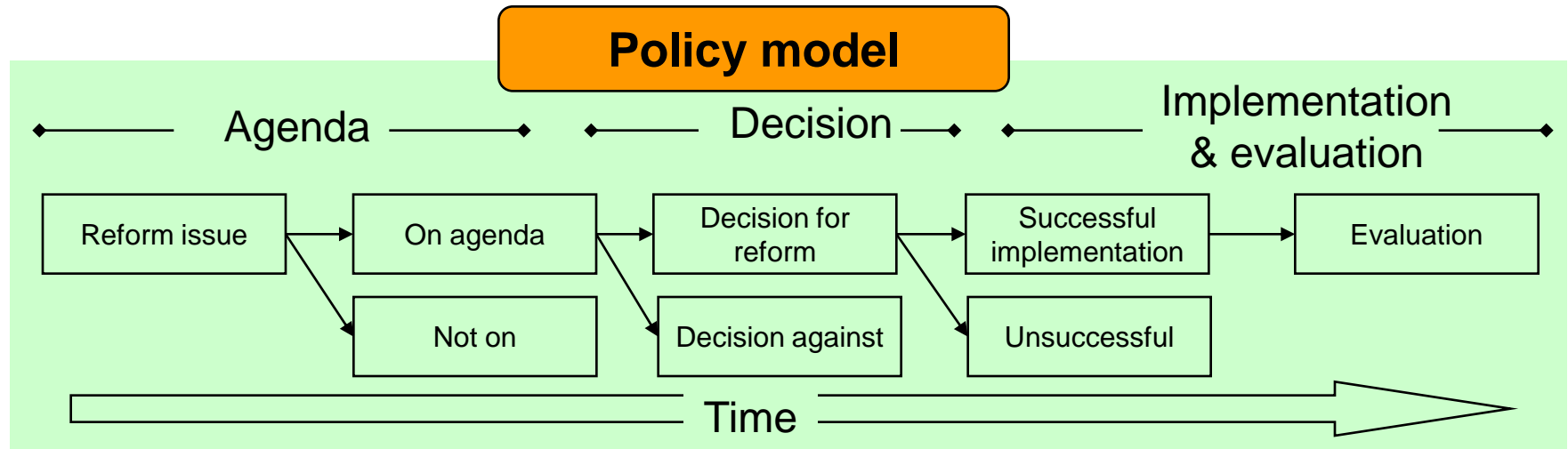
Policy processes and interactions



Year



The framework for assessment



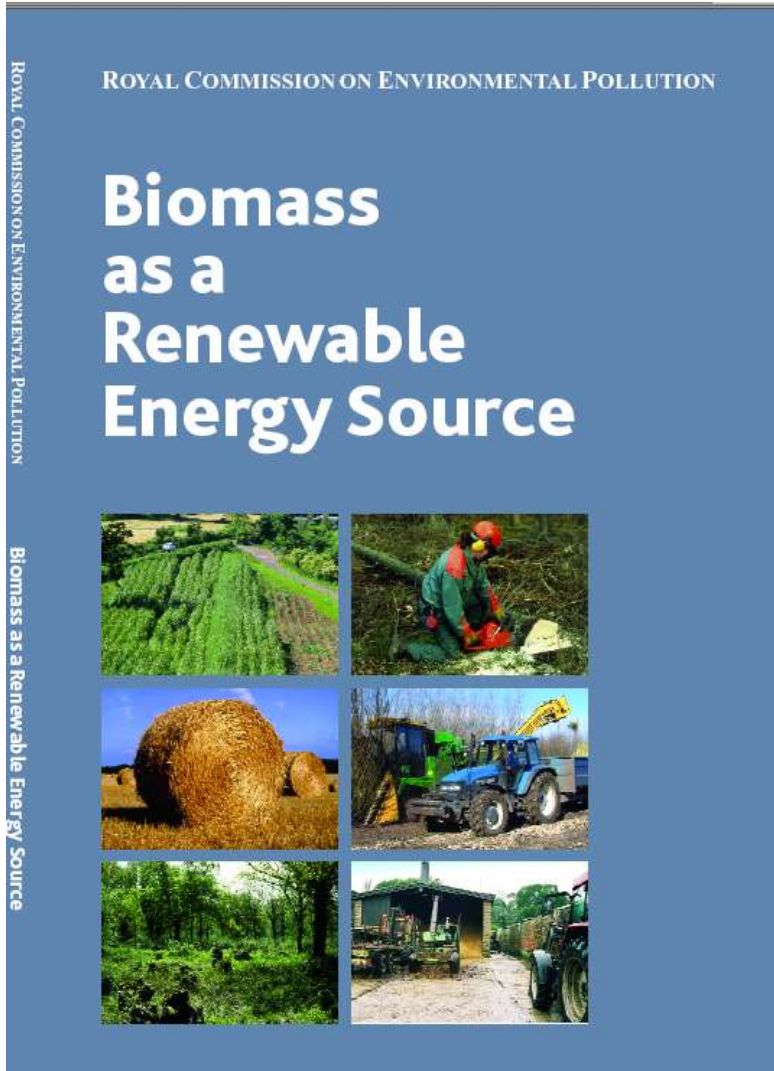
Best practice criteria

- Unambiguous objectives
- Quantifiable outcomes
- Cause and effect are linked
- Adequate time and resources
- Compliance enforceable
- Implementation considered alongside policy formation
- Delivery agencies not interdependent

Action categories

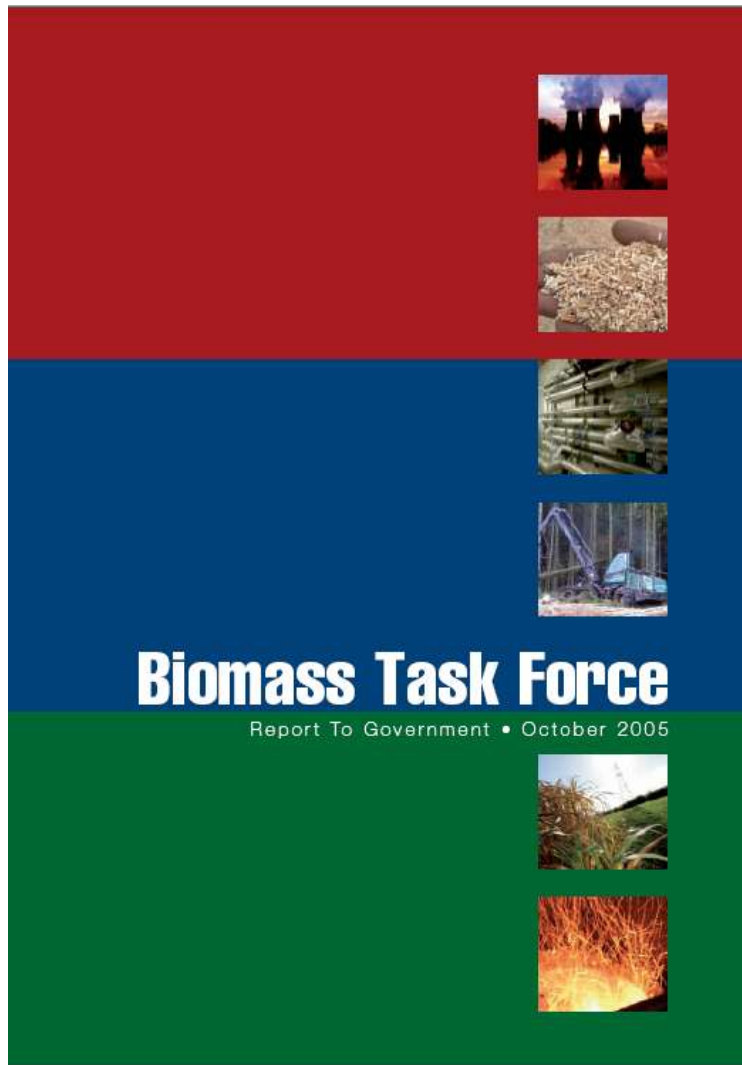
- Delivery mechanism
 - *Incentives / standards / information / further work*
- Resource commitment
 - *New funding / ambiguous / negligible*
- Escape hatch
 - *Review... / consider... / look at... / where appropriate...*
- Follow-up
 - *Accepted / contingent / rejected*

Setting the agenda



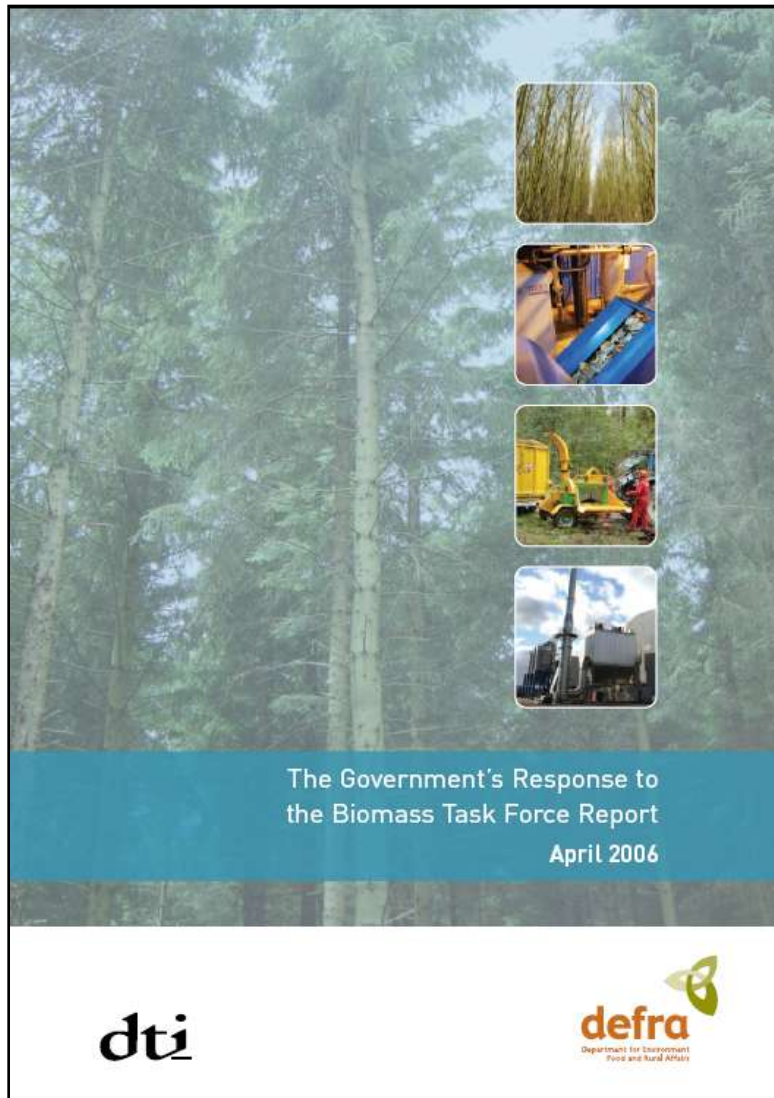
- Identified heat as a key area for support – proposed a heat obligation
- Implicit demand for additional financial support
- Dismissed biofuels as ‘inefficient’ or ‘speculative’
- Failed to make request for support explicit
- Failed to link increased support to tangible benefits
- Little impact on subsequent reports

Re-defining the agenda



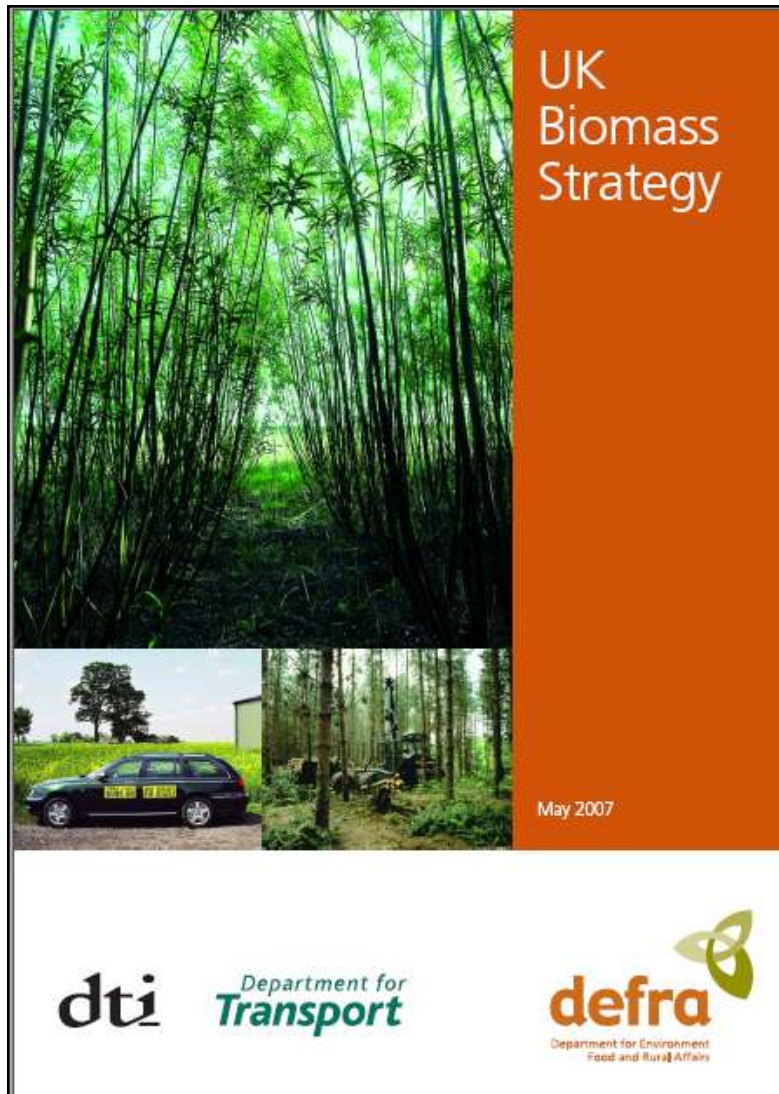
- Called for a link between UK targets and those for bio-energy, and to make them quantifiable
- Recognised that fragmentation of delivery was a problem
- Focused on “encouragement and facilitation” actions only
- Starting point: no new funding could be justified
- Heat obligation (from RCEP) rejected as unworkable
- Implicit rejection of RCEP demand additional funding

Agreeing an agenda



- Capital grant scheme ~10-15m / 2 years (half that proposed by taskforce)
- Implicit rejection of link between UK targets and those for bio-energy
- No commitments have quantifiable objectives
- Most commitments have *escape hatches* built in, or are contingent on other reviews

Reframing the debate



The image shows the cover of the UK Biomass Strategy document. It features a large photograph of a bamboo forest on the left. Below this, there are two smaller images: a dark car parked in a field and a tractor working in a field. The right side of the cover is a solid orange vertical bar containing the title 'UK Biomass Strategy' in white text. At the bottom of the orange bar, it says 'May 2007'. At the bottom of the entire cover, there are logos for 'dti Department for Transport' and 'defra Department for Environment Food and Rural Affairs'.

UK
Biomass
Strategy

May 2007

dti
Department for
Transport

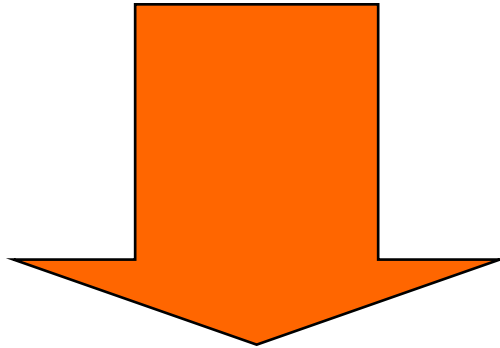
defra
Department for Environment
Food and Rural Affairs

- A return to the agenda phase: from *bio-energy* to *climate change* and *innovation*
- No causal link between policy goals and delivery outcomes
- Intangible actions: ambiguous outcomes... e.g. “the UK will continue to engage internationally”
- Little additional funding: will a ~£7m/yr capital grant scheme deliver a “major expansion”?

Developments in the EU

**Indicative,
non-binding
targets**

Renewable electricity
directive (2001)
Biofuels directive (2003)



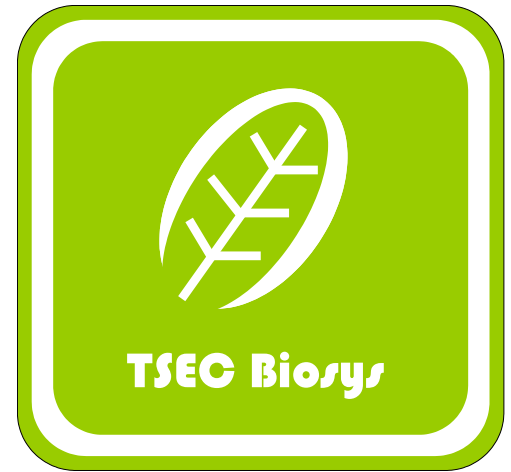
Precise, legally binding targets
A co-ordinated approach
**Minimum sustainability
standards**

Agreement for renewable
energy directive (2008)

Conclusions...

- The UK has stretching renewable energy and carbon targets, but targets for bio-energy are ambiguous
- There are many bio-energy policy initiatives, but no causal link between objectives and outcomes
- Most policy actions are limited to information provision / facilitation. Their efficacy is unknown.
- Attempts to translate UK-level targets into lower-level targets for bio-energy have been made, but have not been pursued
- Increased deployment will be driven by the EU

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Thank you for your attention