EUROPEAN GREEN DEAL IN RURAL AREAS



ENRD webinar **Third meeting of the Thematic Group** Highlights report

The webinar focused on the increased production of renewable energy as an element of the clean energy transition in rural areas. Different renewable energy solutions, including bioenergy, wind and solar power, as well as hybrid solutions, should allow primary producers to diversify their incomes, valorise waste and by-products of their activities, and generate further environmental or economic co-benefits. They are also linked to increased energy efficiency and decarbonising the sector.

CAP interventions can be used to support and upscale sustainable energy production linked to agriculture and forestry. To make the most of limited resources, CAP support could be directed towards clean energy projects that also solve other economic, environmental or social challenges besides energy production and emissions.

Event Information

Date: 27 February 2021

Location: Webinar

Organisers: ENRD Contact Point

Participants: RDP Managing Authorities and representatives of national ministries, EU institutions, representatives of farmer associations, environmental organisations, advisory organisations, local and territorial organisations.

Outcomes: Identification of CAP Strategic Plan interventions that can support rural renewable energy production.

Web page: <u>3rd meeting of the ENRD Thematic Group on</u> the European Green Deal and Rural Areas

Opportunities of renewable energy production for rural producers

Alexander Bachler (COPA-COGECA) gave an overview on how agricultural and forestry activities, waste and byproducts can be used, depending on the local conditions and incentives, for producing renewable heat, electricity, or biofuels. They can create additional farm income and contribute to the farm's energy autonomy and resilience. Innovations in hydrogen, biochar and wood-based biofuels may provide further opportunities. The economic viability of farmlevel renewable energy production normally depends, in the long run, on a level playing field for fossil fuels. Mobilising investments also benefits from a stable, long-term policy framework.

Agri-photovoltaics for clean energy and climate resilience

SolarPower Miguel Herrero (SolarPower Europe) presented the Agrisolar approach, combining sustainable agricultural practices with solar photovoltaics. Its applications vary from solar panels on the roofs of farm buildings to shading animals and powering farm machinery. Agri-PV solutions allow for dual usage of farmland, with solar panels used to manage the amount of sunlight captured by crops. They can reduce pests and irrigation needs and favour plant growth. The energy produced can be used on-farm or sold. Several business models exist to make Agrisolar and Agri-PV solutions accessible to farmers.

Bringing small-scale biogas producers together to solve technical problems

inagrof Inès Verleden (Inagro, BE) presented the findings of the Operational Group PocketFarmer. In Flanders, most smallscale mono-digesters use cow slurry as feedstock, but pig manure and vegetable waste are also used. Besides covering farms' own electricity and heating needs, the sale of leftover electricity can benefit from national green power certificates. The investment pays itself back in 4-14 years, but upscaling small-scale digesters may require additional financial support. The biogas digestate is a good fertiliser, and the nitrogen it contains is easily absorbed by plants. Small-scale digesters are included in the Flemish climate plan as a way to reduce emissions.

Olive byproducts into bioenergy and high-value bio-products



<u>Caterina Venturini</u> (<u>Peccianti</u> farm, IT) described the farm's practice of extracting value from all olive by-products. Olive pomace (the residue after extracting the oil) and vegetation water are used to produce valuable natural substances and bio-methane and electricity. The process helps solve the problem of disposing of the highly toxic



olive pomace that represents a big cost for the sector. From the pomace waters, the farm extracts polyphenols that are used in the cosmetic, food, pharmaceutical and veterinary industries, and generate an important economic revenue.

Further rural opportunities – group discussions

Wolfgang Brunner (SE) presented the Austerland project, an emerging local energy network in the Baltic sea island of Gotland. An initial survey on local energy use led the community to reflect on locally available energy sources, including solar, wind, and biomass, and draft a strategy to use them to replace fossil energy in all walks of life. Local farmers and enterprises are closely involved in the initiative that is currently preparing a feasibility study.

Johanna Punkari (Thermopolis, FI) introduced the heat entrepreneurship business model in Finland. Most Thermopolis entrepreneurs are co-operatives, private entrepreneurs or companies owned by farmers or forest owners. They sign long-term contracts with clients such as municipalities. The energy feedstock consists of forest management residues, recycled wood, or sawdust. Finnish heat entrepreneurs are actively sharing their knowledge and skills on a European scale through various networks and transnational cooperation projects.



Jean-Francois Pecheur explained how the local action group Pays de Condruses (BE-WA) studied the territorial potential for biogas, and carried out a feasibility study for a biogas plant that resulted in Ochain Energy. It is run by two cooperatives, one regional and one local, and citizen support was key to mobilising the initial

investment. The plant provides electricity for 1500 households, as well as heat for a nursing home. The biogas digestate fertilises 1073 ha of crops and meadows.

Enabling sustainable energy transition in agriculture and forestry

Role of the CAP in promoting clean energy initiatives

Lara Blake and Penelope Vlandas (DG AGRI) presented the EU policy context for the clean energy transition. Sustainable energy actions can contribute to the specific CAP objectives on climate and environment as well as to job creation in rural areas. 40% of the overall financial envelope of the 2021-27 CAP is proposed to contribute to climate objectives, while at least 30% of the total EAFRD contribution to the CAP Strategic Plans could support interventions addressing the specific environmental and climate-related objectives, including support to bioenergy. Green energy from agriculture and forestry, increased energy efficiency and the development of the rural bioeconomy also have specific result indicators in the CAP. A significant part of CAP rural development spending on clean energy remains unspent in the 2014-20 period, underlining the importance of paying particular attention to - inter alia - cooperation, knowledge exchange and information on clean energy to increase the uptake. The investment measures are a central tool to support rural clean energy projects, but the ecoschemes, climate management commitments and sector programmes can be synergetic with them.

Member State plans to include clean energy interventions in the CAP Strategic Plan

Gottfried Lamers (Climate Ministry, AT) presented the effects of the Austrian strategy to support biomass-based district heating and decarbonisation of enterprises since the 1990s (with CAP co-funding since 2000). Experience shows that it has had a considerable effect on rural jobs, and contributed significantly to gross domestic product (GDP). A strong home market also secures the basis for technological development and opens export opportunities. The energy efficiency aspects need greater attention in the future. The CAP Strategic Plan includes the possibility to contribute to supporting biomass-based and other renewable energy production in rural areas. They are to be supported in parallel with bioeconomy measures to increase the local added value of agricultural products and waste.



Nina Dobrzyńska (Ministry of Agriculture and Rural development, PL) explained that Poland's support to the clean energy transition in rural areas is two-fold: through operational support to try and increase the production and use of renewable energy in rural areas, including legislative and price interventions; and through investment support,

to which the CAP also contributes. Given the limited budget, the CAP support will be oriented to renewable energy solutions that also address other problems affecting agriculture, such as soil and water conservation.



The discussion in parallel groups identified the need for support and relevant CAP interventions to upscale rural renewable energy projects. These included pilot projects, cooperation, knowledge exchange and advisory services to increase the skills and uptake of new energy solutions; LEADER and local development strategies to support rural energy cooperatives; and investment support that is targeted at or ring-fenced for small-scale renewable energy installations. Notes from the discussion groups are available on the event page.

