Farmers decide where they want to sell their products: on the food, feed or energy market. As the EU obligation to double the use of renewable energy by 2020 is strongly driving demand for biomass, it is very likely that the energy market will become more important.

Within EU agricultural policy, support for the production and use of bioenergy in rural areas has been strengthened: renewable energy and climate change are priorities for which the EU has substantially increased the financial resources available.

Support for renewable energy can take many different forms, ranging from investments in physical capital to those in human capital (such as training). Here are some examples of relevant projects supported by EU funding (through rural development programmes):

- building biogas plants;
- planting trees for short-rotation coppicing;
- installing heating systems which run on straw, wood pellets or lower-value timber;
- establishing perennial energy grasses;
- crushing oilseeds on the farm and using pure plant oil as fuel for farm machinery.

In addition, the EU encourages Member States to use more wood from forests in a sustainable manner and to make wood use more efficient.

How does EU agricultural policy help in this transition?

Is bioenergy really sustainable?

There are alarming reports about burning rainforests, destruction of wildlife habitats and unsustainable intensive farming practices – sometimes just the frequently voiced answers. And besides such environmental concerns, many people are asking:

- will the production of bioenergy increase food prices and thus lead to hunger?
- will growing more sugarcane (to make ethanol) force more workers into poor working conditions?
- will increased demand for land force indigenous peoples to leave their homes?

Without any doubt, the increasing global demand for a range of commodities – not only energy but also food, feed and raw materials – will put pressure on virgin land and certain social groups. This is why the EU requires biofuels to be sustainable: the ultimate objective is to ensure that whenever biomass is used for energy in the EU with support from our Member States, this does not damage the environment, jeopardise efforts to mitigate climate change or bring about negative social effects.

If used wisely, bioenergy will help us to green our energy supply. That’s why the EU strongly supports the production and use of sustainable bioenergy.
What is bioenergy?

Bioenergy is the term for using renewable plant material to generate electricity or to make other products, such as fuel, heat or cooling. It is one of the main sources of renewable energy and provides a sustainable alternative to fossil fuels. The energy content of biomass is derived from the solar energy captured and converted by plants or algae during photosynthesis, a process that involves converting sunlight and carbon dioxide into organic matter. As such, bioenergy can be considered a renewable source of energy.

Why is renewable energy important for our future?

Renewable energy plays an important role in combating climate change because it helps us reduce emissions of greenhouse gases. Moreover, it reduces our dependence on imported fossil energy. The transition to renewable energy creates jobs and raises economic growth in the EU.

Bioenergy is by far the most important type of renewable energy in the EU. It currently provides two thirds of all renewable energy in the EU. Bioenergy holds many advantages:

• competitive: the main sources of biomass for bioenergy are relatively cheap compared with fossil energy sources;
• always available: unlike solar and wind energy, bioenergy can be produced continuously, as most of the feedstock can be stored;
• convenient: bioenergy can cover changing seasonal demand (for example, many households store wood for heating in winter); and
• ready to use: for the current car fleet, biofuels can be used as a drop-in replacement.

This is why bioenergy will play an important role in achieving the EU’s target of 20% renewable energy consumption by 2020.

Is there enough biomass available?

Yes - there are many potential sources of bioenergy which are currently underused, for example:

• by their nature, the trees of Europe’s forests grow every year and only two thirds of this growth is harvested.
• a portion of those organic residues from forestry, agriculture or landscape management which are simply left to decay could be used for bioenergy.
• fallow agricultural land could be brought into production and trees could be planted on tree production standard.
• farmers could either sell more traditional crops on the energy market or decide to grow dedicated energy plants, like grasses.

Studies show that the use of bioenergy in the EU could grow two to threefold without harming the environment and without reducing production of food, feed and raw materials.

In other words, the EU’s forestry and agriculture sector, together with increased use of biowaste for energy, can cover most of the 20% renewable energy obligation. This is a huge opportunity for rural areas in Europe.