

European Communities

EUROPEAN PARLIAMENT

Working Documents

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MOTION FOR A RESOLUTION

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Mr JANSSEN VAN RAAJ, Mr FUCHS, Mr COSTANZO,
Mr BARBAGLI, Mrs MAIJ-WEGGEN, Mrs RABBETHGE,
Mr MERTENS, Mr PEDINI, Mr McCARTIN, Mr von HASSEL

on behalf of the Group of the European People's
Party

pursuant to Rule 25 of the Rules of Procedure

on the the use of the biomass as a source of energy

The European Parliament,

- whereas agriculture in the Community, which until recently used draught animals and was thus self-sufficient, is now dependent on energy to power its agricultural machinery which includes 4,900,000 tractors and 480,000 combine harvesters,
 - whereas there has been a parallel development in demand for mineral fertilizers, fungicides, pesticides and weedkillers for crops,
 - whereas demand for processed products is growing,
 - whereas annual Community demand calculated in toe (tonnes oil equivalent) is running at 17.9 million for agricultural machinery, 12.8 million for the abovementioned associated uses and 20 million for the food industry, totalling 50.7 million representing a consumption of petroleum products in the region of 500 million tonnes,
 - noting the increasing dangers in the Middle East and the fact that the reference price for oil has risen from \$2.40 per barrel in 1974 to \$12.70 in 1977, \$24 per barrel in January 1978 and \$34 at the end of last year,
1. Concludes that there is no time to be lost in safeguarding the independence of Community food production in terms of energy;
 2. Notes in this context that one new form of energy based on agricultural products is the vegetable biomass which offers various possibilities either in solid or liquid form and which can be converted into fuel in a number of stages: ethanol, methanol, aceto-butanol, mtbe (methyltertio-butylether), synthetic petrol;
 3. Notes that although the biomass, which consists of the residue of wood or vegetable crops, is dispersed over a large area giving a ratio of value/weight or value/**volume** which at first sight appears unprofitable and requires enormous areas and energy-generating plant located near the sites of production, the profitability of this source of energy can nonetheless be justified in terms of the need to direct the producers of surplus crops towards new types of crop, particularly those capable of use in generating energy (giant reeds, poplars, various types of short-rotation trees, water hyacinths, etc..) while use can also be made of agricultural and forestry residues (cereals, maize and rice stalks, vegetable residue, beet,

ligneous residues, wood residue estimated to amount to 64 million tonnes of dry matter each year or 26 million toe);

4. Notes the scale of the areas being used to produce surpluses estimated on average at 3 million tonnes of milk and 6 million hectolitres of wine;
5. Emphasizes in this connection the need to encourage new forms of production by farmers who conclude development contracts or receive reconversion bonuses;
6. Notes furthermore that the various methods of exploiting the biomass developed by agricultural research involve production costs ranging from 150 EUA per toe for solid fuels to 325 EUA per toe for methanol and 760 EUA per toe for ethanol;
7. Notes that the ex-refinery price for fuel oil and petrol derived from crude oil amounts to between 220 and 270 EUA per toe (price f.o.b. Rotterdam 250 and 300 EUA per toe), and that there is a discrepancy of only 20% between the production costs of petrol and methanol; the comparison is even more favourable if allowance is made for the additional indirect costs of very high marine insurance premiums and the measures to safeguard oil supplies from the Persian Gulf which are so expensive that they double the real cost price according to recent studies in America;
8. Notes in conclusion, on the basis of the relevant studies, that the cost price for fuel substitutes of agricultural origin provides a comparable return per hectare to the average income from agriculture;
9. Considers that production of such fuel would be eligible for annual Community aid by means of a transfer of appropriations currently devoted to the agricultural surplus sectors;
10. Considers finally that the implementation of this economic option will open up the possibility of exports and its use in developing countries,
11. With a view to the ways in which agriculture ought to be reformed, invites the Commission to submit a report as soon as possible on the possibilities for producing and exploiting the potential of the biomass.