

## *Biofuels: one more missed opportunity?*

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When in 2003 the Member-States of EU decided to introduce biofuels into our lives, they had in mind three things. First, to provide a way out in the European farmers who were suffered by the unpleasant consequences of implementing the Common Agricultural Policy (CAP). Second, to use the only way to achieve their goals of reducing emissions in the transport sector according to the Kyoto Protocol and in the same time to diminish their dependence on imported oil. This way all members entered a binding target of 5.75% blending of biofuels in fossil fuels for transport by 2010.

Greece, despite the initial delay, adopted this Directive in its National law by the end of 2005 and thus launched the Law on introduction of biofuels in the Greek market. This law paved the way for the creation of investments in this industry while it gave the ultimate way out to the withered Greek agricultural sector to “wake up” and pursue to cultivate products that predominantly used to be produced in Greece.

Specifically, while in the mid 80's Greece produced 400,000 tons of sunflower yearly, in 2005 this crop nearly disappeared. Therefore, the biofuel production presented as an opportunity to exploit 1,000,000 acres of uncultivated Greek land and gave an impetus to the Greek farmers to return from the local coffee shops back to the fields.

All the positive predictions for the development of a dynamic biofuel sector and in particular the production of biodiesel didn't take that long to be verified. Within three years, Greece has developed biodiesel factories of 650,000 tonnes annual capacity . Meanwhile, energy crops were gradually increasing drastically. From almost zero production, in 2011 more than 1,000,000 acres of energy crops were cultivated attributing to the Greek countryside people more than 100.000.000 euros yearly.

One could say that Greece has finally managed to develop an economic sector that from the raw material to the final product everything was purely Greek, it kept all the added value within the country, it helped decentralization, it strengthened the much afflicted Greek farmers, it significantly improved the deficit of country's trade balance by reducing the imports of diesel with more than 200.000.000 euros, it directly or indirectly maintained more than 50,000 jobs, while in the same time it was assisting in achieving the national target for reducing emissions from transport.

Most of the time, however, the Greek reality can destroy any trace of logic, leading the country in this sector also in the lonely road of paranoia that all these years has chosen to follow. In particular, distortions and the chronic Greek pathologies created the following gloomy picture: of the 72 months of operation of the institutional framework for biofuels for more than 28(!) months the Greek biodiesel production plants have remained closed because of Elections, restructuring changes of Ministers, Customs strikes, tanker trucks strikes and other problems leading to remain unsold more than 150,000 m<sup>3</sup> intact biofuel that were replaced by imported diesel. In parallel, the total amount of biodiesel that should enter into the Greek market annually was launched from 50,000 m<sup>3</sup> in 2005 to 182,000 m<sup>3</sup> in 2009 coming back to 132,000 m<sup>3</sup> this year. To put it in perspective, Portugal, a country like ours, produces and domestically supplies more than 450,000 m<sup>3</sup> of biodiesel per se. Therefore, it is no coincidence that Greece was in 18th place in all 27 EU countries in 2009 (Source: www.Ebb-

eu.org) with potential to slide down to 25th place in 2015 (according to the National Action Plan for Renewable Energy Sources).

Unfortunately, even in today's economic situation afflicting our country needing more than ever to maintain the viability of even the minimum domestic production capacity, one more industry where tens of millions of euros have been invested and that can offer countless benefits to the Greek Economy has been intentionally or unintentionally neglected. The disappointment is even greater when even those who we feel degraded EU partners maintain this industry as a high priority, increasing their domestic production and their rural population as well, putting Greece for one more time in the position of the followers.

The stakeholders of the biofuel sector, believing that the situation is reversible and having presented their proposals many times to the Ministries involved, hope that the industry will not be another missed opportunity for this hapless country. All of us, who daily live in this industry and see its benefits internationally, fight and strongly believe that our country can effectively develop biofuels with the appropriate movements as it has all the tools to succeed and be placed among the frontrunners within the EU.