

Policy Brief No18 Regulatory support to Fossil Energy Free Technologies and Strategies (FEFTS)

What is the challenge?

- **High bureaucracy and multi-step procedures:** This often requires significant time and effort by farmers, discouraging the employment of FEFTS. For example, the installation of a small wind turbine in Greece (less than 60 kW) includes multiple steps that a farmer would have to hire a consultant to undertake with considerable cost. In addition to the above, you would need positive opinions from the competent services, such as the Archaeological Services, the Forestry Department, the Directorate of Agricultural Development, the Civil Aviation Authority, the Hellenic Army General Staff, and the Urban Planning Department. Similar conditions occur in several EU countries.
- **Lack of trust and clear alignment:** The ever-changing policies and overall lack of trust impede the alignment of EU targets with National Policies, often leading to confusion. The EU policies often undergo frequent changes to respond to emerging environmental and energy concerns. However, these continuous shifts can lead to a complex policy landscape that is difficult for individual farmers to navigate. This complexity can create confusion about which policies apply to them and what they need to do to comply. Farmers may become sceptical of the promises made by the policies if they see frequent shifts in priorities or support mechanisms at the National Level. For example, in Greece, the guaranteed prices for farm photovoltaics were reduced by 12% in 2014 horizontally for all farmers irrespective of crucial parameters like the time the PV parks were initially connected to the grid and the corresponding installation cost at that time. While this happened almost a decade ago, it is still causing mistrust issues among farmers in relation to governmental policies for farm based renewable energy investments.
- **Gap between Renewable Energy and Energy Efficiency policies and the agricultural sector:** Both at EU and National Level the progress realized in relation to Renewable Energy and Energy Efficiency regarding the deployment of renewables, energy labelling, minimum energy performance standards and eco-design, buildings sector and industry is immense, and the EU is leading the way globally. The agricultural sector on the other hand has not seen comparable activities being implemented. For example, very few appliances/devices used in agriculture are covered by eco-design.
- **CAP issues:** While the new CAP has higher green ambitions, adopts the eco-schemes instrument with at least 25% of the direct payments to be dedicated to them and foresees green architecture tools, there are no concrete provisions of compulsory character for the Member States for facilitating the adoption of FEFTS.
- **Unclear biofuel policies:** The policies and regulations concerning biofuels and renewable fuels of non-biological origin are not easily specified/adapted for farmers' own on-site fuel production.
- **Inadequate food labelling:** There is a need for food labels that highlight the energy (direct and indirect) sustainability of agricultural produce.
- **Marginal consideration of agriculture in energy planning:** In some member states, agriculture is barely considered when energy planning takes place.
- **Lack of integrated biomass use planning:** While this has the potential to promote circular economy and security of supply in agricultural areas it is usually missing.
- **Unaligned electricity flexibility schemes:** Time-varying tariffs are not aligned with the needs and potential for self-production of agriculture.
- **Absence of certification schemes:** These are necessary to facilitate the deployment of financing mechanisms.
- **Insufficient acknowledgement of small farms:** The specific needs of small farms are often overlooked in policy and regulatory frameworks.
- **Underutilized energy audits:** This tool is not well-deployed in the sector.

Policy Recommendations

- **Streamline and digitize procedures:** Implement "one-stop-shop" schemes to minimize both effort and time for implementing FEFTS investments.
- **Harmonize policies:** Ensure that policies promoted by different ministries are fully harmonized and clearly aligned with EU policy targets.
- **Specify food/energy policies:** Detailing of general energy policies for the specifics of the agriculture sector is crucial, considering combined food and energy production.
- **Allow farmers to produce and use directly renewable fuels:** Both EU and National policies should facilitate this.
- **Promote sustainable food labelling:** Food labelling schemes ensuring energy use sustainability and carbon neutrality need to be promoted at the EU level.
- **Integrate agriculture in energy planning:** Governments need to actively include agriculture in energy planning exercises including spatial analysis of rural areas.
- **Implement circular economy policies:** Integrated planning needs to ensure synergies between agriculture and industry in a circular and symbiotic process.
- **Develop agriculture-focused electricity flexibility schemes:** Policies should earmark the investigation of such schemes.
- **Promote FEFTS related certification schemes:** These need to be promoted through the policy/regulatory framework.
- **Address the needs of small farms:** Policy and regulatory framework development must clearly and coherently address their needs.
- **Promote energy audits:** A comparable framework for energy audits in farms needs to be developed and promoted.
- **Improve policy communication:** Enhance communication activities to reduce misconceptions and ensure that farmers understand the goals and benefits of policies.

Expected Impacts

- **Increased adoption of FEFTS:** Streamlined processes and clear policies would increase the adoption of these technologies and strategies, leading to reduced greenhouse gas emissions.
- **Improved farmer understanding and participation:** Clearer communication and harmonization of policies would improve farmer understanding and participation in defossilising efforts.
- **Enhanced energy efficiency:** Detailed energy policies for farmers to optimise their processes in terms of energy consumption and allowance of farmer-owned renewable fuel production could lead to greater energy efficiency in the agricultural sector.
- **Promotion of sustainable practices:** Sustainable food labelling and circular economy policies would promote sustainable practices across the supply chain.
- **Improved planning and integration:** Including agriculture in energy planning and flexibility schemes would ensure better resource allocation and integration of the sector in the energy economy.
- **Increased recognition of small farms:** Addressing the needs of small farms would ensure that all farmers, regardless of size, can contribute to and benefit from the transition to sustainable practices through FEFTS integration.
- **Improved resource management:** Regular energy audits could lead to better resource management and energy savings.




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