Mr. Clini,
Mr. Machado,
Mr. Ghosh,
Mr. Watson,

Dear Ladies and Gentlemen,

We all know that the current development of our energy consumption and the emission levels are not sustainable.

**Global Energy consumption** has been doubled since the early 1970s.

According to most studies, this trend will continue in the future. The International Agency (IEA) expects **global energy consumption to increase by another 30% by 2020**, if we continue our business as usual.

At the same time we know that we need to cut our emissions drastically. And we all know the need of **urgent action** to promote sustainable and efficient energy production and consumption.

How can we promote sustainable energy on a broad scale?
Let me comment on a few major environmental policy aspects in more detail. The fight against global climate change is one of the key challenges of the 21st century. We are already faced with a warming of 0.7 degrees as compared to pre-industrial times. If we do not manage to keep global warming below two degrees, the consequences of climate change worldwide will become uncontrollable. The industrialised countries will be hit hard, but the consequences will be felt earlier and more strongly in developing countries.

Making energy systems worldwide more climate-friendly is a central element of successful climate protection. In order to achieve this, we need to restructure energy supply in the industrialised countries in a climate-friendly way and build up climate-friendly energy supply systems in the developing countries – also for those two billion people that do not have access to electricity or other types of commercial energy yet.

The increased use of renewable energies will play a decisive role here. Renewable energies are already the energy source with the highest growth rates. In Germany, bioenergy is currently the sector where expansion is most dynamic.

The renewable energies sector continues to grow. Biomass is currently contributing about 2 per cent to final energy consumption in the area of electricity in Germany. Moreover, it accounts for 5.2 per cent of total German heat generation, thus making up a large share of heat generated from renewable energy sources. In addition, all fuel produced from renewables – about 3.4 per cent of the total amount of fuel – is derived from biomass. Beside these successes, we should not forget that biomass also substitutes fossil fuels in chemical industries as basic material.

Bioenergy offers great potential – [the precedent speakers have already elaborated the various fields of producing and using Bioenergy.] The world wide potential of biomass is estimated to be in the range of 250-500 Exajoule. This incredible huge number is almost not imaginable, but we all know that this huge potential is much,
much more than we use today for our energetic purposes from biomass – that means we can force our activities strongly.

If we really want to change our energy supply systems in the sense of increasing sustainability we have to use as much as possible of this natural given energy source. There are certainly other very important tasks to keep the earth in a stable balance. But the increase of the amount of used bioenergy for heating, electricity or transportation as fast as possible, is certainly one of the necessary key steps we have to undertake to prevent this planet from collapsing.

Bioenergy also provides great chances for sustainable development in developing countries. It is offering a wide range of environmental, social and economic benefits. But we need to set credible standards for the Bioenergy production to guarantee sustainability as biomass plantation can have and is already having strong adverse effects especially the rain forest in great dimensions.

To tackle these problems we need a global approach.

Therefore the German government is strongly in favour of the initiative which has been launched by Italy to install this Global Bioenergy Partnership. And I am glad that one of the two chosen action fields of GBEP is the sustainability of bioenergy.

The topic “Sustainability Criteria for Bioenergy” features prominently on the environmental policy agenda. Hardly a day passes without me finding proposals, requests and opinions on this issue on my desk.

The topic brings together very diverse strands of environmental policy. These include climate protection and renewable energies, but also nature conservation, protection of primeval forests, sustainable agriculture and many more. In our debate, we are of course not only dealing with national and international environmental
issues, but also with economic, social and development questions. The big challenge is to make sure that these strands do not just coexist or even run counter to each other, but that synergy potentials are realised.

However positive the contribution of biomass to climate protection and to the solution of energy supply problems may be, we should not ignore the fact that the production of biomass takes place in nature, that it can lead to the introduction of pollutants into water, soil and air, the displacement of species and the destruction of habitats. There is also a danger that genetically modified organisms harm nature and the environment in the process of bioenergy production. We should not let our safety requirements in this area fall behind the standards for the production of foodstuffs.

Not all types of biomass production are necessarily sustainable. This is true for Germany and other industrialised countries, but also for developing and newly industrialised countries. The specific environmental problems vary – nitrogen emissions and too short rotation periods in Germany, destruction of primeval forests due to the expansion of agricultural land in other countries. The goal – sustainable production of biomass for energy production – is the same. The German Government is committed to achieving this goal.

Which concrete measures do we have to take in order to achieve this goal? We need to develop globally applicable sustainability standards and a suitable system of verification, taking into account the variety of cultivation methods and conditions.

Methods of verification must be both credible and function with a minimum of bureaucratic effort. We can build on our experience gained in the areas of organic farming and forest certification, for example through the FSC. However, these
solutions are not one-size-fits-all, but they have to be adapted to the particularities of biomass production.

As a general comment, I would like to point out that there are no quick and easy solutions. Some basic problems – in addition to a large number of questions of detail – remain to be solved: Firstly, sustainability standards have to be applicable to a huge variety of cultivation methods and conditions worldwide. We have to think about how standards should be specified.

Secondly, we need to establish a credible verification system while at the same time minimising the amount of work required from all parties involved. A system that is perfect in theory, but fails the practical test, would be huge step backwards.

Thirdly, trade distortions should be avoided and all approaches have to take into account the requirements of WTO law.

In Germany, the legal basis for the introduction of sustainability standards in one particular area has been created shortly: The draft act on a quota system for biofuels adopted by the Federal Government already contains provisions that allow the Federal Government to set sustainability criteria for the admixture of biofuels. The draft is currently being discussed in the German parliament.

Provisions in the framework of this new act should ideally refer to international standards. However, the adoption of such international standards will not be possible in the short term. In a first step, we will therefore work on developing sustainability criteria for bioenergy support schemes in Germany. But sustainability criteria on international or European level would clearly be preferable. And we will be very glad, if we could convince other countries of this opinion during our G8-presidency.

Beside the mentioned aspects concerning sustainability which is one of the central issues of promoting bioenergy during the next months, there is also a second important event during the German G8-presidency. It is the 15th European Biomass Conference and Exhibition in Berlin in May 2007. We are looking
forward to this international meeting of experts from all over the world. Last time, 2005 in Paris, participants from almost 80 countries took part on this conference! And we hope the international knowledge about the use of bioenergy will concentrate in Berlin. And to give you a hint of the importance of the conference for the German government: The conference will be held under the patronage of two ministers! These are the Minister for environment, nature conservation and nuclear safety, Mr. Gabriel, and the Minister of food, agriculture and consumer protection, Mr. Seehofer, and it was the personal wish of Minister Gabriel, to be present at the opening ceremony.

You see the significance of bioenergy in Germany.

Recapitulating I can summarize the following points:

- Bioenergy and biofuel offer a big chance for increasing the sustainability of energy supply. Agricultural works, conversion and distribution of biomass or biofuels must be done in a very sophisticated way to prevent unwanted developments in ecological or social sense. Therefore the German government support the establishment of an international certification system.

- Second. For the German government bioenergy in all three sectors – that means heat, electricity and biofuels for transportation - has a very high significance. That is why we appreciate very much the important activities of GBEP. Furthermore we are very confident that the manifold discussions, conferences, studies and practical experiences will help to lead the global community to intensify the sustainable production of heat, electricity and biofuels. And we are very happy to be the host of the next European Biomass Conference.

Thank you very much.