

Draft EGP Resolution

1 **On greenwashing in energy production from fossil fuels**

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3 The Paris Agreement has set an ambitious goal to keep worldwide temperature rise below 2°C,
4 compared to the pre-industrial era. To meet this requirement, the targets of the European Union are to
5 cut greenhouse gas emissions by 20% by 2020, 40% by 2030 and (as a minimum), 80% by 2050. The
6 consumption of renewable energy must increase from 20% by 2020 to 27% by 2030. Another factor in
7 the global carbon balance - reducing the increase of atmospheric carbon dioxide levels - is binding the
8 carbon in forest stands. In the European Union, the total forest area has grown by 17 million hectares
9 since 1990, constituting 180 million hectares by 2015, as a result of forestation and natural expansion of
10 forests to abandoned lands.

11 Not all the member countries, however, are currently implementing policies to reduce the carbon
12 emissions. Instead, they enforce energy production from fossil fuels, in an attempt to misuse sustainable
13 energy production support tools to do so. Estonia is a dramatic example of such a policy.

14 Since 1960s, the locally mined *Kukersite* oil shale is the main fuel for electricity production in Estonia
15 and the raw material to produce a liquid fuel, shale oil, in the retorting process. In the governmental
16 rhetoric of Estonia, the oil shale is often referred as a "national treasure" and the guarantee of energy
17 independence.

18 Instead of divestment from fossil fuels, the government of Estonia proceeds to invest into oil-shale-based
19 energy production. The recent developments are:

- 20 • The annually mined amount of oil shale in this century has continuously increased from 12
21 million tonnes (2000) to 20 million tonnes (2015);
- 22 • In 2015, the environmental levy charged per tonne of carbon dioxide emission was reduced and
23 set dependent on oil prices in the global market, which, however, has no relation to climate
24 effects of emissions from oil-shale-fired power plants;
- 25 • The national energy production company Eesti Energia launched a new 300 MW oil-shale-fired
26 power plant in 2015, financed with a governmental guarantee.

27 The energy value of *Kukersite* oil shale is three times lower than that of coal, thus, much larger
28 quantities have to be mined to produce the equal amount of energy, making respective damage to
29 groundwater and ecosystems due to open-pit mining. The *Kukersite* contains certain carbonaceous
30 minerals, resulting in nearly 20% larger carbon dioxide emission per energy unit produced, compared to
31 coal. Production of 1 MWh electricity by oil-shale fueled power plants emits as average 1.18 tons CO₂.
32 More than 70% of the CO₂ released into the air in Estonia originates from the oil shale power industry.

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33 More than 80% of the waste produced in Estonia is related to oil shale industry. Nearly 80% of the
34 consumption of water in Estonia takes place during the production of oil shale electricity.

35 On 14 January 2015, the government of Estonia proposed changes to the Electricity Market Act to enable
36 Eesti Energia to receive subsidies for burning biomass in oil shale power plants. A precondition for
37 subsidies is that the Estonian state can sell its surplus share of energy from renewable sources to
38 Member States lagging behind their binding renewable targets by way of statistical transfers as
39 envisaged in article 6 of Directive 2009/28/EC. The draft Electricity Market Act, which has passed the first
40 reading in the parliament of Estonia, allows annually burning up to 3.4 million cubic metres of wood in
41 the furnaces of power plants, in addition to oil shale, to produce 2.5 TWh of electric energy.

42 This initiative, in fact, is by no means sustainable, as:

- 43 • Adding 3.4 million m³ to 10.4 m³ of wood harvested annually (2014) in Estonia exceeds its annual
44 growth, which is estimated 12 million m³ by the Estonian Environmental Agency.
- 45 • No more than 0.5 million m³ (estimated by the Estonian State Forest Management Centre) for
46 combustion can be extracted from forests of North-East Estonia - distances up to 100 km from
47 oil-shale-fired Narva power plants - without either heavily over-cutting the forest or causing lack
48 of wood for industries, local co-generation plants and boiler houses, and households.
- 49 • As co-generation of electric energy and heat is not possible in the main oil-shale-fired power
50 plant (no local demand for excess heat), the conversion efficiency of the process is only 35%; all
51 the residual heat is released to the Narva river.

52 We call all relevant actors to mobilise their forces against the projects that, formally pretending to fulfil
53 the criteria of green energy, undermine the European policies of sustainable energy production and the
54 Paris Agreement:

- 55 • We call on the Government of Estonia immediately withdraw the draft Electricity Market Act and
56 to start the process of transition from oil-shale-based energies to an energy production fully
57 based on renewables.
- 58 • We call on the European Commission and European Council to use all legal and political means
59 to stop the government-aided greenwashing schemes in energy industries, practiced as such in
60 Estonia.
- 61 • We call on the Greens in EU member countries to be aware of the possibility of such schemes
62 and to prevent them by all parliamentary and public means.