

Beat: Technology

## **INTERMINISTERIAL DECREE OF SUGAR CANE HAS BEEN REVALUATED IN OVERSEAS TERRITORIES**

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**USPA NEWS** - The inter ministerial order defining the conditions applicable to the support facilities that produce electricity from sugarcane biomass (or bagasse) in Overseas was signed. The decree of 18 October 2015 fixes the amount of the premium to 14.5 € / tonne of sugarcane, against € 13 previously.

SUPPORT FOR RENEWABLE ENERGY TO ACHIEVE OBJECTIVES WITH SOURCES SUCH AS BAGASSE-----

The energy transition law for "green growth" fixed ambitious targets in the departments of overseas territories (French Territories Overseas). To achieve these objectives, it is necessary to accelerate the development of all renewable energy sources, and especially those in predictable and non-intermittent such as "bagasse" (Sugar Cane).

Following the commitment of the Prime Minister during his visit to "La Reunion" island in June, the amount of "prime bagasse" has been upgraded. This premium is paid for all existing power plants that generate electricity from sugar cane residue. The decree of 18 October 2015 fixes the amount of the premium to 14.5 € / tonne of sugarcane, against € 13 previously.

The amount of bagasse premium was previously indexed to the price of coal and the price of CO<sub>2</sub>, as well as the fiber content present in cane, with more degression requiring premium rate increase fiber 3% per year to maintain the remuneration.

The new decree removes the indexation of the premium on the price of coal and CO<sub>2</sub>, which in principle was only maintain the dependency of island electricity systems to fluctuations in the price of fossil fuels. The degression is neutralised to 2017 inclusive. Furthermore it is divided by 5, bringing the increase in the fibre content needed to maintain earnings at a more realistic level of 0.6% per year. The revaluation will help develop renewable energy and strengthen the cane-sugar-rum sector in the bagasse overseas territories. This revaluation will be taken into account from the 2015 sugar campaign.

Official Statement French Ministry of Ecology and sustainable development

### **Article online:**

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