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## Berlin prepares to allow fracking

By Jeevan Vasagar in Berlin

Germany is set to lift its ban on fracking as early as next year, after caving in to business demands that it should reduce its dependency on Russian energy and boost competitiveness with US manufacturers.

Applications to carry out the controversial process for extracting the country's estimated 2.3tn cubic metres shale gas reserves will be subject to an environmental impact assessment under new legislation to be discussed by the cabinet before the summer recess.

Fracking has been the subject of a fierce debate in Germany's ruling coalition, with some politicians keen to reduce reliance on Russian energy imports, while others fear the impact of fracking chemicals on a densely populated country.

German manufacturers have been strong advocates of the new technology, which they believe has provided cheap shale gas energy to their US competitors while Germany grapples with a costly switch to subsidised renewables.

Details of the new regulations emerged in a letter from Sigmar Gabriel, German economy minister, to the head of the Bundestag's budget committee. In the letter, Mr Gabriel wrote that permission to carry out fracking would be subject to approval from regional water authorities and that "further requirements for the fracking permit process are still being considered".

The technology, which involves pumping a mix of chemicals, sand and water into the ground to fracture gas-bearing rock, will be banned in areas where water quality is officially protected.

Chemicals used in fracking in the US are potentially harmful to the health of humans and wildlife, researchers have found. In Germany, opponents to fracking include the brewing industry, which fears that it could taint the water used to brew beer.

Under the terms of Germany's coalition agreement, applications for fracking may only be authorised if it is "clarified beyond doubt" that there is no risk to water quality and that environmentally harmful chemicals may not be used.

Germany's estimated reserves of shale gas are significantly smaller than those of Poland and France, which have the biggest recoverable reserves in Europe. However, German shale gas, which is concentrated in its northern states, still has the potential to provide a long-term domestic supply.

A spokesman for the BDI, the German employers' organisation, declined to comment on the new fracking proposals, as the government has not yet published them officially.

However, he referred to a previous statement in which the BDI said that "the most important lesson from the tensions with Russia" is that Germany must rely on its own supply of raw materials. Russia is Germany's biggest energy supplier, providing about a third of its oil and gas.

"Through fracking technology, Germany could obtain more than 35 per cent of its gas consumption from domestic sources," the BDI statement said.

The EU's energy commissioner Günther Oettinger has urged European governments to allow fracking "demonstration projects" to diversify the continent's sources of energy.

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