

## PositionPaper

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Brussels, 14 March 2016

### EU Bioenergy Sustainability Criteria

The sustainable forest management framework has evolved and strengthened over time balancing a market-based demand for wood products and bioenergy with the other environmental and climate functions of the forest.<sup>1</sup>

More recently, the EU policy framework to support the use of energy from renewable sources has led to a strong increase of bioenergy use within short time frames. The increased demand has led to rising imports of wood. To ensure the sustainability of the policy-induced increase of bioenergy use and wood imports, the following issues must be considered:

- Does the need for wood biomass lead to any of the following critical consequences: resource depletion, land conversion, negative impacts on biodiversity?
- Is the direct burning of wood biomass an efficient use of a raw material that could first be used for higher value purposes?
- How could monitoring, reporting and verification ensure carbon sustainability?

In order to address the increased use of wood for energy and to design a sustainable biomass policy framework for the post-2020 period, CEPI believes that the following criteria for the production of bioenergy counting towards EU renewable energy targets should be considered, while taking into account the use of existing legal and market-based instruments at national, EU and global level:

#### 1. Biomass sourcing

Biomass should come from sustainable sources. Biomass is a renewable source of energy if it does not lead to harvesting beyond a sustainable level and preserves the other functions of forests according to the principles of Sustainable Forest Management (SFM).

##### a. Carbon sustainability

Forest biomass shall come from countries with credible LULUCF accounting and reporting. If biomass is procured from non-LULUCF accounting countries, credible proof has to be given that there are systems for monitoring, reporting and verification in place ensuring that the harvesting rate in this country is below 100% in the long term and the biomass does not come from land conversion (leading to depletion of carbon stock). Where there is overharvesting at the

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<sup>1</sup> This is described in CEPI's background paper accompanying CEPI's position on bioenergy sustainability criteria



country level, the energy producer has to give sufficient proof that there is no overharvesting at the relevant regional level of the biomass origin.<sup>2</sup>

Reporting should continue to take place according to the instant oxidation principle: This ensures that the climate effect of the wood use is allocated to the country in which the forest is harvested.

#### b. Forest management

Forest biomass shall come from legal sources.

In order to ensure that the three main challenges relating to forest management – resource depletion, land conversion and loss of biodiversity – are addressed, the following trend indicators provide sufficient assurance:

1. Growing Stock: The felling rate (harvested volume/net annual increment) must be lower than 1 in the long term (information source: e.g. National Forest Inventories) in order to avoid overharvesting.
2. Gross Deforestation: The area under forest cover must be maintained (except if deforestation is the result of “land sealing” (infrastructure building, urban expansion, etc. which is limited in surface) (information source: e.g. NFI)
3. Biodiversity: No biomass harvesting can take place in protected forests, unless the protection decision allows management and harvesting.

Additional considerations for the proposed approach:

- The measurement of meeting the above indicators must take place within well-defined spatial and time dimensions. As far as the spatial dimension is concerned, the country level is relevant. Choosing the appropriate spatial level will allow for robust reporting and monitoring, both in terms of carbon emissions and removals (LULUCF reporting), as well as in terms of forest inventory (fellings areas, etc.)
- A stand level and short-term horizon is not acceptable as it would render compliance with such indicators both impossible and irrelevant. Harvesting lowers the carbon storage at stand level for a certain period, but at the same time at landscape level, carbon storage is maintained or increased.

Verification:

- The obligation of proof should be solely with the energy producer.
- Demonstrating compliance should be credible, but not too burdensome to the suppliers and the buyers. Red tape leading to extra cost would be a disincentive to an additional mobilisation of forest resources.
- As with the EU Timber Regulation an approach of risk assessment (via national/regional (where relevant) data according to the three indicators outlined) should be investigated. Only if the risk assessment at country level cannot give thorough proof should the regional/landscape level be addressed.
- A further burden of new means of proof should be avoided when competing with other industries and products based on fossil and more carbon-intensive raw materials as well as with forest industries based outside Europe.

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<sup>2</sup> The requirement should exempt wood removals following national disasters such as storms or other forest damage



- The tools developed by the forest sector should be used to prove the origin of sustainable sources along the chain of custody.
- In that context, different voluntary instruments and tools addressing forest management should be evaluated and recognised.

## 2. Biomass conversion

### a. Greenhouse Gas Savings criterion

There should be GHG savings compared to the average European fossil fuel-based generation of electricity and heating and cooling.

- The GHG emissions reduction criteria should be based on the GHG emissions calculations methodology recommended by the Commission in 2010 (COM(2010)11) and confirmed in 2014 (SWD(2014)259).
- There should be coherence with the biofuels GHG emissions threshold (60%) as wood can be used to produce power, heat or biofuels.
- The methodology and default values should be established for at least the same period as the post-2020 RES target.

### b. Conversion efficiency

Heat and electricity based on solid and gaseous biomass should be produced at an overall efficiency of at least 70% (lower for small installations (e.g. < 1 MW) or where CHP cannot be applied). Member States should *not support* and even *avoid* the use of biomass in new conversions of coal plants with the current low efficiencies. Supporting co-firing of biomass in coal plants at low efficiencies *is an environmentally harmful subsidy*.<sup>3</sup>

## Verification

Meeting the conversion efficiency and GHG savings criteria should be verified by schemes similar to those used for the biofuels sustainability criteria. The obligation of verification should be with the energy producer. Mutual recognition of schemes should be ensured to limit red tape.

## Note

### CEPI aisbl - The Confederation of European Paper Industries

The Confederation of European Paper Industries (CEPI) is a Brussels-based non-profit organisation regrouping the European pulp and paper industry and championing industry's achievements and the benefits of its products. Through its 18 member countries (17 European Union members plus Norway) CEPI represents some 505 pulp, paper and board producing companies across Europe, ranging from small and medium sized companies to multi-nationals, and 920 paper mills. Together they represent 23% of world production.

**Background paper accompanying the position:** <http://bit.ly/1QSahJQ>

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<sup>3</sup> The current RES directive states: "Member States shall promote conversion technologies that achieve a conversion efficiency of at least 85% for residential and commercial applications and at least 70% for industrial applications".