

## Renewable Energy Directive: CEPI analysis of sustainability criteria for solid biomass fuels in the European Commission proposal for a Directive on the promotion of the use of energy from renewables (recast)

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.

More recently, the EU policy framework to support the use of energy from renewable sources has led to a strong increase of bio-energy use within short timeframes. 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 have to be considered:

- Do the needs 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?

CEPI believes that the Commission proposal provides in principle an appropriate response to the challenges caused by a policy induced increase in the use of biomass for energy.

### **CEPI welcomes the following principles:**

1. Solid biomass fuels would only count towards the renewable energy targets if they comply with a number of forest management, LULUCF and greenhouse gas savings, and end use conversion efficiency criteria.
2. CEPI welcomes that the criteria are applied equivalently based on the type of biomass used and independently on which physical form (solid, gaseous or liquid) of the biofuels, bioliquids or biomass fuels produced.
3. There is a risk based approach for forest management and GHG criteria starting from the country level. Only if no evidence can be provided at country level, the forest holding level is considered. We believe however that an operator should have the possibility to assess the risk and proof sustainability at higher than forest holding level, if necessary information is available. The risk management system and the criteria refer to existing legislation, such as LULUCF accounting and environmental legislation.
4. The principle that the emissions from biogenic carbon are accounted as neutral in the energy sector is maintained as they are assumed to be already accounted in the LULUCF sector. We believe however, that for countries where emissions from LULUCF are not accounted, the criterion should be covered by the forest management criteria, especially the criterion that the long term production capacity of the forest is maintained.

5. Support to new conversions of coal based power stations to biomass with low efficiency would be ended from 2020. CEPI believes however, that Member States should be allowed to exempt above 20 MW installations from the CHP obligation based on climatic conditions.

6. The Commission proposes a system in which the burden of proof would be upon the energy producer rather than upon the individual forest owner. The criteria have to be fulfilled by installations of more than 20 MW fuel capacity, limiting the burden on small scale installations.

**CEPI also believes that some provisions have to be improved:**

1. **Secure a functioning internal market:** Member States should not have the possibility to go beyond the EU agreed sustainability criteria. This would hamper the functioning of the internal market and complicate the verification system.

2. **Introduce meaningful LULUCF criteria at subnational level:** For forest biomass from countries that do not account for LULUCF emissions it should be made clear that the core forest management criteria and especially the one on maintaining the long term production capacity of the forest should minimize the risk of LULUCF emission at the subnational level.

3. **Review at the appropriate time:** The review should take place in time before the post 2030 period, but a review in 2023 i.e. only after 3 years of application of the criteria is too early to be meaningful.

4. **Ensure the forest management criteria are relevant, credible and implementable:** CEPI proposes technical improvements to the forest management criteria at national and especially at the sublevel. CEPI is looking forward to a constructive dialogue with the European Commission services and other institutional and non-institutional stakeholders to ensure the forest management criteria are relevant, credible and implementable and will propose amendments in this respect.

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