

Post-2020 policy framework for biomass

EURELECTRIC key messages

July 2016

EURELECTRIC is the voice of the electricity industry in Europe.

We speak for more than 3,500 companies in power generation, distribution, and supply.

We Stand For:

Carbon-neutral electricity by 2050

We have committed to making Europe's electricity cleaner. To deliver, we need to make use of **all low-carbon technologies**: more renewables, but also clean coal and gas, and nuclear. Efficient electric technologies in **transport and buildings**, combined with the development of smart grids and a major push in **energy efficiency** play a key role in reducing fossil fuel consumption and making our electricity more sustainable.

Competitive electricity for our customers

We support well-functioning, distortion-free **energy and carbon markets** as the best way to produce electricity and reduce emissions cost-efficiently. Integrated EU-wide electricity and gas markets are also crucial to offer our customers the **full benefits of liberalisation**: they ensure the best use of generation resources, improve **security of supply**, allow full EU-wide competition, and increase **customer choice**.

Continent-wide electricity through a coherent European approach

Europe's energy and climate challenges can only be solved by **European – or even global – policies**, not incoherent national measures. Such policies should complement, not contradict each other: coherent and integrated approaches reduce costs. This will encourage **effective investment** to ensure a sustainable and reliable electricity supply for Europe's businesses and consumers.

EURELECTRIC. Electricity for Europe.

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These Key Messages are being published in support of [EURELECTRIC's response to the Commission public consultation](#) "A sustainable bioenergy policy for the period after 2020" submitted in May 2016

Biomass is crucial for the reduction of greenhouse gas emissions

A massive increase in renewables is required to meet the EU's long-term climate challenges ahead and the electricity industry will play a vital role in this regard. Biomass is a cost-effective, reliable, low-carbon renewable energy source and has an important role to play as part of ensuring a diverse energy mix.

EURELECTRIC supports the adoption of EU wide sustainability criteria

EURELECTRIC considers that an improved EU bioenergy sustainability policy should include harmonised mandatory sustainability criteria at the European level for solid biomass, based on Forest Europe principles, whereby risks and administrative burden are in balance. The European Commission should focus its efforts on defining a common policy based on existing mechanisms and regulations across Member States.

Harmonised and mutually recognised principles, based on Forest Europe and the Renewable Energy Sources (RES) Directive, are necessary to ensure the sustainable development of biomass on an EU level. New national or contradictory sets of sustainability principles and criteria will impede biomass trade and deter investment in biomass cultivation, biomass-powered electricity (dedicated and co-fired plants) and heat generation, as well as in biogas, as this would give rise to a changing and less predictable regulatory environment. The adherence to EU-wide principles would also provide reliable evidence to the general public that biomass is a sustainable energy source.

What should the EU criteria address?

Sustainability criteria should ensure that the biomass used contributes to climate change mitigation by setting greenhouse gas (GHG) requirements for the whole value chain, and should also ensure that negative environmental impacts are avoided.

EURELECTRIC believes that the risks listed in the Commission's consultation on biomass sustainability are already currently mitigated by the existing legislation, either at the EU level and national level (where it is needed most), or through existing voluntary schemes such as the Sustainable Biomass Partnership (SBP), the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC). However, in view of the increasing import and use of solid biomass, common criteria are needed.

EURELECTRIC believes that the post-2020 biomass policy framework should take the following into account:

) Sustainability should be defined by type of biomass, not end use

All types of biomass today can be used in the three energy sectors (Heating & Cooling, power, transport). The issues affecting agricultural production are different to those in forestry, and both are different to those affecting bio-wastes. The Commission should therefore adopt an approach to biomass sustainability based on the biomass types and not categories of energy end use. This means:

- For agricultural biomass, the RES Directive sustainability criteria for biofuels should be maintained and extended to all biomass fuels from agriculture, irrespective of their final use, whether it be for heating and cooling, power or transport.
- For forest biomass, well established principles of sustainable forest management (SFM), based on Forest Europe principles, already exist and these principles should form the foundation for a common European set of criteria where compliance can be demonstrated through either a combination of risk-based schemes, voluntary forest level certification schemes or national regulation provided it meets agreed European harmonised criteria. This approach will address all of the concerns that have been raised about forest biomass. The Commission should encourage more widespread use of such mechanisms to demonstrate the sustainability of biomass coming from forests. Given the low economic value of the residues typically used for bioenergy, forest owners will not seek costly forest level certification specifically so they can sell residues and by-products to the bioenergy market. It is therefore important that risk based approaches, rather than only forest level certification schemes, are accepted as evidence of sustainability.

) Forest Carbon

Forest carbon can be monitored through the use of LULUCF and / or national forest inventories. At present, areas that supply the EU with biomass are generally showing large, long term increases in carbon stock and forest productivity, where increased stock tends to correlate closely with increased demand for fibre. However, if risks are identified at a national or regional level, inventory and monitoring schemes allow for a more granular, supply base evaluation of carbon stocks.

) Supply chain greenhouse gas emissions reduction

The definition of sustainable forest management helps to ensure and demonstrate that carbon sinks are promoted and carbon stocks are maintained or growing. It is also important that the GHG footprint of the supply chain is monitored. This calculation should be based on the Commission's existing methodology including, where appropriate, default values to ensure no new administrative burden especially for small traders and users, as well as a 60% GHG emissions savings threshold for all types of biomass, irrespective of the final energy use.

) Size threshold

In order to reduce the burden on small heating & cooling plant and power generators the Commission could consider only applying its policy to assets above 20MWth, in line with the EU ETS threshold.

) Efficiency

While the use of biomass in combined heat and power (CHP) facilities would deliver the most efficient biomass conversion, it is not always possible to utilise biomass in such facilities, especially during the 'transition to renewables' phase in many Member States. Where biomass is utilised in existing heating or electricity generating facilities, the focus should be on the amount of carbon displaced and not on the efficiency of the conversion unit.

Compliance

The EU could readily assess whether all Member States do indeed require generators and other users of biomass to adequately demonstrate sustainability through voluntary schemes such as SBP, FSC or PEFC, or through national regulation, whether within the EU or outside.

EURELECTRIC pursues in all its activities the application of the following sustainable development values:

Economic Development

▶ Growth, added-value, efficiency

Environmental Leadership

▶ Commitment, innovation, pro-activeness

Social Responsibility

▶ Transparency, ethics, accountability



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