

Newsletter: October 2013

The bioenergy voice in Europe

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24/07/2013

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16/09/2013

AEBIOM announces its 5th European Bioenergy Conference 12-14 May 2014

23/09/2013

Member States vote on Ecodesign & Energy labelling regulations postponed

11/09/2013

European Parliament vote on ILUC



Dear readers,

Our ambition is to increase the use of Bioenergy in Europe. To be successful we compete best with solutions which are in themselves profitable. In the long run politicians always have trouble to decide about and maintain support schemes, especially when it is costly for the state budget.

In many sectors however bioenergy is already cheaper than old fossil solutions. This is especially the situation in the heating sector, since gas, oil and electricity prices are high but still often used for heating. In 1991 when Sweden introduced carbon dioxide tax only in the heating sector and only for households, oil was a cheaper option. This is not the case anymore. Today world market crude oil price is 2,5 times the price of wood chips delivered to a plant in Sweden.

For many years the EU focus has primarily been on renewable energy in the electricity and transport sectors. Now to a larger extent also the heating and cooling sector has been included, which is logical as it is actually the largest sector of the three. With a higher ambition in heating, bioenergy will be more competitive also in the power sector since Combined Heat and Power, CHP, from bioenergy competes well with other renewables, such as wind, but also with traditional power production.

Another current discussion in the EU is how to strengthen the emission trading scheme, ETS. Obviously it has been a lot easier to decrease emissions than expected. The vote on back-loading of emission rights in July was a good decision, but it will be worth little if the emission rights will be released again before 2020 and not set aside and terminated. In my opinion, it will also be simple to reach more ambitious carbon emission targets. There are different reasons for this. Renewables are supported, energy efficiency investments are often profitable and above all, it is also profitable to build district heating grids and use waste heat from industries and from power production. Actually power producers that do not use and sell the heat will continuously lose competitiveness. For Europe and the European economy it is better to use the wasted energy for heating and keep our energy bill low in order to better compete with the Americans that use a lot cheaper shale gas.

AEBIOM has said many times that we encourage politicians to use the infrastructure funds to support investments in district heating grids. Not because the support is needed to make the investment profitable but because there are a lot of difficult hurdles to handle in the planning and building process and Europe would gain from the initiative. Investments in district heating are profitable and pay-back times are often a few years. But using waste heat also makes us avoid tremendous amounts of carbon emissions. Therefore, it is important to work for an ambitious emission reduction target for 2030. I expect a decision of no less than 50 percent emission reduction. Otherwise, we will expect low emission allowance prices also in the years to come.

Gustav Melin, President of AEBIOM

AEBIOM NEWS

► 5th AEBIOM European Bioenergy Conference 2014

The **AEBIOM Bioenergy Conference** organized by AEBIOM is the fifth edition of the growing series. Next year it will be organized on **12-14 May 2014** at the Renaissance Brussels Hotel, Belgium. The annual conference has grown ever since its first edition in 2010 and has quickly become Europe's major occasion for discussion and networking amongst important industry leaders and policy makers. Bioenergy is the largest renewable energy source in Europe and we expect around 300 industry representatives to be present at this event which is one of the leading bioenergy conferences in Europe. The 5th edition will be co-organized with the European Pellet Council (EPC), the Industrial European Pellet Suppliers (EIPS) and the International Biomass Torrefaction Council (IBTC). We have opened our call for sponsors. If you wish to see our 7 sponsorship packages please click [HERE](#).

► AEBIOM welcomes new members

AEBIOM is happy to welcome its new members. **CPL industries** (the UK's largest coal merchant and wholesaler, selling to around 65,000 end users), **Topell Energy BV** (a biomass torrefaction technology company aiming to serve the renewable energy market with state-of-the-art solutions for the efficient torrefaction of biomass), **Energy-Pellets-International e.K., EPI** (an independent private company which was established to facilitate the worldwide supply and demand of wood pellets and energy pellets from biomass), **University HEIG-VD, Yverdon St. Roche** (Carries out applied research and development on wood and biomass energy projects), **Torr-Coal International BV** (company dealing with the torrefaction of biomass), **Biobraendselsforeningen** (a trade association for Danish companies related to the biofuels market, counting importers, distributors, retailers, producers of biofuels and other relevant partners among its 60 members, and **SEKAB E-Technology** (one of Europe's leading ethanol players aiming to contribute to a future where the demand for fossil fuels and raw materials is reduced).

EUROPEAN PELLET COUNCIL

► Member States vote on Ecodesign & Energy Labelling regulations postponed

Members States and the European Commission met on 23-24 September in Brussels to decide on the implementing regulations on the latest Ecodesign and Energy Labelling for solid fuel boilers (so called "LOT 15") and local space heaters (so called "lot 20"). No agreement was found at this meeting on Ecodesign requirements for lot 15, so that the discussions are to continue. This is good news for the bioheat sector as the emissions requirements specified in the current document are much stricter than the EN 303-5:2012 standard which is used as a basis by national authorities. Applying the emissions as proposed now would lead to excluding a very important share of the existing biomass appliances from the market, which will be counterproductive with the objectives established by the Renewable Energy Directive. Over the last months, AEBIOM regularly informed its members and suggested reactions at national level. A few days before the vote, EPC issued a position paper to explain the risks of these too stringent requirements on the bioenergy sector. Discussions on lot 20 have been postponed to early October.

EPC position paper: <http://www.pelletcouncil.eu/en/1141-2/>

► Welcome to Biobraendsels foreningen, the new Danish ENplus national licensor

EPC is proud to welcome Biobraendsels foreningen as the 11th ENplus national licensor. From now, this Danish Bioenergy association will take care of the implementation of ENplus in Denmark. Biobraendsels foreningen is the third national association to become a national licensor in 2013 after the Wood Pellet Association of Canada (WPAC) and the Czech Pellets Cluster (CPC). These national licensors are contributing to the impressive expansion of ENplus with more than 4 million tons of ENplus certified pellets worldwide.

► EPC is looking for EU pellet statistics

By the end of this year, EPC will edit a statistical report dedicated to the EU pellet market and will contribute to the edition of the AEBIOM statistical report. Hence, the EPC members will be contacted soon for the gathering of national statistics. EPC is also certainly open to receiving any inputs from other organisations, so if you have some interesting figures to share, do not hesitate to contact Gilles Gauthier, gauthier@aebiom.org.

EUROPEAN INDUSTRIAL PELLET SUPPLIERS

► Establishment of the “Bridging with Biomass” Coalition

The Coalition Bridging with Biomass brings together the European Industrial Pellet Suppliers (EIPS), the U.S Industrial Pellet Association (USIPA) and the Wood Pellet Association of Canada (WPAC). The coalition gathers pellet producers from Canada, US and Europe so as to provide inputs from the bioenergy sector to EU Policy makers and stakeholders on EU policy developments related to biomass and pellets in particular.

One of the first main actions of the coalition was to publish the *“Forest sustainability and carbon balance of EU importation of North American Forest Biomass for Bioenergy Production”* Report. The objectives of the report are to better inform stakeholders – like policy makers - about current biomass sourcing practices, to highlight the key role of Sustainable Forest Management (SFM) in forest-based biomass energy production, to outline commercial realities of SFM decision making in the context of healthy forests used for multiple purposes, and to critically examine the carbon dynamics of forests from which biomass fuels are obtained.

Bridging with Biomass calls on the European Commission to take the study’s conclusions into account in its policy-making, so as to facilitate the long-term investment and legal certainty needed for sustainable biomass to continue to play its essential role in decarbonizing Europe’s energy supply.

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INTERNATIONAL BIOMASS TORREFACTION COUNCIL

► IBTC Workshop in Seoul



Asia’s main event in solid biomass, the “Biomass Pellets Trade&Power” conference was held in Seoul 9-23 September 2013. With this occasion IBTC co-organized a half day workshop dedicated to biomass torrefaction. The workshop had more than 50 participants from Asia and Australia. Presentations on the status of torrefaction were followed by technology insights by IBTC members: Amandus Kahl, Andritz, Areva, RiverBasinEnergy and Torricoal. The event became even more lively when Fiona McDermott, a journalist with „Forest Monitor“ started to question present company representatives on the applicability of gained results and their view on how to start implementation of the technology.

Under very intense participation of the audience, the conclusion was reached that especially in Asia there are plenty of very good opportunities to take advantage of the specific advantages of torrefied biomass and the increased supply chain efficiency. Given the availability of the torrefaction technology it is up to the consumers to conclude their testing programmes and enable project developers to implement projects on basis of take-off contracts with the consumers.

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► IBTC Public Meeting

IBTC will organize a public meeting in Miami, the 27th October, right before the opening networking ceremony of the 3rd Annual Exporting Pellets Conference organized by USIPA.

The purpose of the public meeting is to approach easily American and Canadian companies, present IBTC and discuss about torrefaction common issues. More info and agenda: <http://www.aebiom.org/blog/ibtc/>

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EU ENERGY POLICY FOR RENEWABLES

► European Parliament vote on ILUC

On September 11th, the European Parliament voted on the report of the Committee on the Environment, Public Health and Food Safety on Indirect Land Uses Change (ILUC). Key outcomes include the rejection of the inclusion of ILUC factors as of 2017, the approval of a 7.5% ethanol blending mandate for petrol as well as the 6% cap for biofuels produced from cereal and other starch rich crops, sugars, oil and other energy crops grown on land. A minimum share of 2.5% for advanced biofuels has been introduced; eligible feedstocks include municipal solid waste, industrial waste, manure, sewage sludge, tall oil pitch, cobs, bark, branches, leaves, saw dust and cutter shavings. Double-counting has been approved for used cooking oils and animal fats and quadruple-counting for algae, renewable liquids and gaseous fuels of non-biological origin, carbon capture and utilization for transport purposes and bacteria. References to cascading use were rejected and so were the amendments strengthening biofuels criteria in relation to forestry. The future possibility of introducing feedstock specific ILUC factors remains. Member States will now seek a common position in the Council of the European Union. If this position differs from the Parliament's first reading text – and this is likely – a second reading in the Parliament will be required. Discussions will likely continue after the elections of the new Parliament in May 2014.

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AEBIOM POSITION ON EU POLICY

► "Bridging with Biomass" Coalition presents Forest Sustainability and Carbon Balance Report

On 24th of September 2013, the coalition "Bridging with Biomass" presented the report *"Forest sustainability and carbon balance of EU importation of North American Forest Biomass for Bioenergy Production"* which was prepared by the European Biomass Association (AEBIOM), the BC Bioenergy Network (BCBN), the U.S. Industrial Pellet Association (USIPA) and the Wood Pellet Association of Canada (WPAC), with the collaboration of several European utilities. The report shows that the use of solid biomass for power generation achieves significant carbon savings when assumptions and real data from the field are used for modeling forest carbon dynamics.

The report also focuses on the Southeast region of the United States and British Columbia in Canada, two main supply regions of forest-based fuel pellets for EU consumption, but its key findings apply equally to European-produced pellets. It reflects the fact that biomass originates mainly from forests which are managed under a multi-products approach, using by-products from other wood industry activities and low quality roundwood that doesn't meet the standards for lumber processing. In addition, forests from these regions are subject to strict national rules and legislation, which ensure environmental protections are in place and that forests are sustainably managed.

The report is available for download (along with an executive summary and FAQs) at:
<http://www.aebiom.org/blog/bridging-with-biomass>

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► RHC-Platform- Industry-led projects to unlock the full potential of heating and cooling with biomass

Innovation is vital to maintain Europe's leading position in the heating and cooling industry and to reach the EU climate and energy targets. In this context, the *European Technology Platform on Renewable Heating and Cooling* (RHC-Platform) plays a key role by identifying the R&D activities, the implementation actions and the investments needed to ensure the market deployment of reliable, cost-effective and environmentally-friendly biomass heating and cooling solutions for different types of consumers in the short-term (up to 2020). The Biomass Technology Panel of this Platform seeks to implement R&D projects in frame of the four following *value chains*:

- Advanced biomass fuels (new solid biocommodities, thermally treated biomass fuels, pyrolysis oil, biomethane) replacing coal, gas and fossil oil in CHP
- Cost and energy efficient, environmentally friendly small scale CHP
- Development of high efficient biomass conversion systems for tri-generation (heating, cooling and power)
- High efficient large-scale or industrial steam CHP with enhanced availability and increased high temperature heat potential (up to 600°C)

Industry support to the R&D priorities and implementation actions identified is mandatory in view of unlocking European funding for research and demonstration projects. In this view, the RHC-Platform Biomass Panel organizes an **industry workshop on 29 October in Brussels** to substantiate the industry readiness to involve in R&D projects as identified in the *Biomass Technology Roadmap*. The workshop will hold interactive roundtable discussions aiming at initiating the dialogue between companies interested in the same research topics and interested in setting up international consortium, especially in the Horizon 2020 call for proposals that will be launched in January 2014. To support the Biomass Technology Roadmap or for more information on this workshop, please contact Lara Mertens, mertens@aebiom.org.

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► BioGrace II project- Public Company Workshop

BioGrace-II project is developing a tool that aims to harmonise calculations of greenhouse gas (GHG) emissions for electricity, heat and cooling from biomass throughout the European Union.

A preliminary version of the tool and calculation rules are ready and were already discuss with stakeholders in small groups during five feedback sessions.

Aiming to reach a larger number of companies throughout Europe, one **public workshop will be organized in Brussels on 30 October 2013**. The purpose of this workshop is to inform participants that European Member States are harmonising GHG calculations for electricity and heat from biomass and that Biograce GHG calculation tool is available to perform these calculations.

Interested companies can register to the workshop free of charge via **Biograce II website**. The **draft agenda** and practical details related to this workshop can be also found online.

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► Biomass Policies: Efficient use of the biomass resource

Biomass will play a key role in the energy & materials sectors in the future European low carbon economy, possibly leading to increased competition between different biomass uses and economic operators. In this view, governments

and agencies seek to adapt their policies towards higher resource efficiency. Resource efficiency has recently been established as the guiding principle for all EU policies in the EC communication “Innovating for Sustainable Growth: a Bioeconomy for Europe” (COM(2012)0060). The impact of these discussions on the bioenergy sector could be significant, in particular the increasing reference in policy discussions to the “cascading” principle is worrying for the sector.

The Biomass Policies project – of which AEBIOM is a partner - brings together eminent experts on biomass and bioenergy from various key European institutions with key policy evidence and models to provide a better understanding of how the biomass resource can be efficiently integrated in the energy & biomaterial systems. The main aim of this project is to develop integrated national policies to increase the mobilization of indigenous biomass resources, with a focus on resource-efficient biomass value chains. **The Biomass Policies consortium will organize a workshop on resource efficiency on 26 November 2013 from 13:00 – 17:30 in Brussels.** At this occasion, the cascading principle will be discussed by the different biomass using sectors (bioenergy sector and wood industry sector) .

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EVENTS

► AEBIOM events

RHC Platform - Industry validation workshop, Belgium, 29 October 2013

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Biograce II Workshop on CO2 calculation, Belgium, 30 October 2013

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AEBIOM General Assembly, Belgium, 27 November 2013

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Biomass Policies Workshop on Resource Efficiency, Belgium, 26 November 2013

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AEBIOM European Bioenergy Conference 2014, Belgium, 12-14 May 2014

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► Other events

Future of Biofuels: Policy, Environment and Technology, Poland, 09-10 October 2013

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SGC International Seminar on Gasification 2013, Sweden, 16-18 October 2013

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Expobioenergia, Spain, 22-24 October 2013

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6th Biogas- Expo & Congress, Germany, 23-25 October, 2013

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Envirotech & Clean Energy Investor Summit, UK, 30-31 October, 2013

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Biomass Power & Pellets

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EREC 2013, European policy for renewable, Belgium, 28 November, 2013

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4th Central European Biomass Conference, Austria, 15-18 January, 2014

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European Pellet Conference 2014, Austria, 26-27 February, 2014

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World Bioenergy 2014, Sweden, 03-05 June, 2014

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