

## Newsletter: September 2012

### Bioenergy Voice in Europe

### Highlights

#### AEBIOM NEWS

- ▶ Former AEBIOM president leads World Bioenergy Association
- ▶ AEBIOM participates in EC meeting on LULUCF

#### EUROPEAN PELLET COUNCIL

- ▶ Updated ENplus handbook
- ▶ Industrial pellet certification sets off
- ▶ ENplus auditor's training

#### EU ENERGY POLICY FOR RENEWABLES

- ▶ Agricultural policy: amendments proposed include the support for energy crops
- ▶ ILUC – the text of a leaked draft threatens biofuels sector
- ▶ Energy taxation – EC proposal changes significantly at the Council

#### AEBIOM POSITION ON EU POLICY

- ▶ AEBIOM response to EC consultation on IEE III – Horizon 2020
- ▶ EREC response to EC consultation on IEE III – horizon 2020
- ▶ AEBIOM press release on ILUC - exact opposite results of those intended

#### PROJECTS

- ▶ EC call for tender on the carbon impacts of biomass

#### EVENTS

- ▶ Annual Meeting of the RHC-Platform Biomass Panel, Berlin, 10 October, 2012
- ▶ AEBIOM General Assembly, Brussels, 14-15 November 2012
- ▶ 4<sup>th</sup> AEBIOM European Bioenergy Conference, Brussels, 17-19 June 2013
- ▶ Other events

**30/08/2012**

Stakeholder meeting on LULUCF – diverging views

---

**10/2012**

Industrial pellet certification sets off

---

**09//2012**

EP amendments on CAP include the support for energy crops

---

**09/2012**

Energy taxation – EC proposal at the Council is losing its' initial aim to tax the most polluting fuels

---

**10/09/2012**

AEBIOM press release on leaked EC draft on ILUC - end of biofuels sector?

---

**06/2012**

AEBIOM response to EC consultation on IEE III – Horizon 2020

---

**20/04/2012**

EC call for tender on the carbon impacts of biomass

---

**10/10/2012**

Annual RHC-Platform Biomass panel in Berlin



*Dear readers,*

The EU is turning the RES policy upside down. It seems like the EU will agree on introducing the Indirect Land Use emissions much sooner than the EU Council agrees (if at all) to introduce a carbon dioxide tax on fossil fuels. The biofuels can help to solve the most severe environmental problem we have and the fossils are causing it, still the EU aim to tax the solution and not the problem.

The ILUC – factor is an illogical proposal that will have no effect except preventing the replacement of fossil fuels. Companies can do nothing to improve and avoid the burden, since they are not involved in the land use change other than indirectly. The only logical proposal would be to hold them responsible for direct land use change.

Another current illogical proposal is the EU ambition to secure that we use more than 90 per cent fossils in 2020 in the transport sector. We always say that the goal is 10 per cent renewables in the transport sector, but it is not the case in reality. With multiple counting approach, advanced biofuels are favoured at the cost of first generations biofuels instead of at the cost of fossil fuels. The oil industry succeeded to pass their message through. The Commission got tricked into a situation where it pushes for more than 90 per cent fossils by 2020 and at the same time cause biofuel producers to start fighting with each other. Second generation versus first generation with their ambition to get a share of the decreasing percentage left.

In Sweden we have a specific problem. We fulfil our 2020-target of 50 percent renewable energy already now, in 2012. We also fulfil the 10 percent goal in the transport sector. This is of course positive. But what do we do now with eight years to go? New targets are discussed but the political ambition is not high. The 2020 targets are becoming an obstacle to development instead of a support. We need new targets and higher ambitions.

*Gustav Melin, President of AEBIOM*

## AEBIOM NEWS

### ► Former AEBIOM president leads World Bioenergy Association

AEBIOM congratulates its' previous president Heinz Kopetz with a new post as a president in the World Bioenergy Association. Mr Kopetz, a former long term president of AEBIOM, continues his path in bioenergy field at a world level. He was elected in May during the World Bioenergy Conference.

▲ [Top](#)

► [Read more](#)

### ► AEBIOM participates in EC meeting on LULUCF

The European Commission, DG Environment has published on 12 March a communication on LULUCF with an aim to reduce the CO<sub>2</sub> emissions related to LULUCF (Land use, land use change and forestry). On 30 August, various stakeholders were invited to share their views on this communication.

Pulp and paper industry welcomed the EC proposal saying that for the first time the life cycle of the material is taken into account.

Forestry representatives were claiming that EC is using a back door approach to regulate national forestry policies by asking the members states to write LULUCF action plans and by indicating a list of suggested

measures which is unacceptable. The EC responded that they only gather the information already existing in the national forestry policy. This would not imply an administrative burden for any farmers or forest owners.

Forest representatives also argued that some proposed measures on how to reduce LULUCF related emissions are not appropriate for some national circumstances. The European Commission responded that these measures are indicative and it is up to a Member State to choose the measures they would like to put in, if any at all. The forestry representatives were also worried that the suggested measures include prolonged rotations periods in forestry, and continuous harvesting instead of clear cutting - it means lower total production. They stressed that an increased sequestration of carbon is reached with more growth in forests instead of an increased storage of carbon in the forests.

Bioenergy stakeholders stated that the emissions from LULUCF have diminished to less than 9 % of the global carbon dioxide emissions, which is less than 6% of the global greenhouse gas emissions (60% of the greenhouse gas emissions are CO<sub>2</sub> - the rest is methane, N<sub>2</sub>O, etc...) whilst fossil fuel emissions reach 90 %. It is not worth to put an extra administrative and financial burden to regulate this relatively low figure. Furthermore, one bioenergy stakeholder criticised the fact that out of proposed two different modelling exercises – EU did not choose one or another as a more relevant one for Europe but made an average which only increase uncertainties related to LULUCF accounting. The EU, with this policy, aims to decrease 30 mln tons CO<sub>2</sub> whilst uncertainties reach 60 mln tons of CO<sub>2</sub>.

The agricultural representatives claimed that there is an overlap between the measures in rural development policy and LULUCF. The EC explained that it is complementary as the measures in the CAP are a part of LULUCF policy. In LULUCF proposal there is no financial support provided in the proposal, therefore, these measures will be supported under different EU legislative framework such as CAP, RES directive, Fuel Quality Directive etc.

AEBIOM also thinks that the best way to reduce GHG is to exploit forest, not to try to store as much carbon as possible. AEBIOM communicate the message that bioenergy favours the production of forests, and not the contrary. By creating a demand for wood products we create a demand for forest production. This means that the best way to protect the forest is to use the forest products. AEBIOM will continue to follow this issue that might impact bioenergy supply in the future.

[▲ Top](#)

[► Read more](#)

## EUROPEAN PELLET COUNCIL

### ► Updated ENplus handbook

After two years of experience and various consultation activities, the European Pellet Council has further improved the ENplus certification and will present the updated ENplus handbook at the Pellets forum in Berlin. The forum will take place on 9-10 October 2012. Innovations include a clearer structure with separate parts for producers and traders as well as more sustainability requirements.

[▲ Top](#)

[► Read more](#)

### ► Industrial pellet certification sets off

EPC together with both industrial pellet producers and users have developed a certification system for industrial pellets which is based on the ENplus certification for residential pellets. In the absence of an EN standard for industrial grades, the technical specifications of the Initiative Wood Pellet Buyers have been adopted.

The system will first be introduced during the Pellets forum in Berlin as well as the USIPA conference in New Orleans taking place on 28-30 October 2012.

[▲ Top](#)

[► Read more](#)

### ► ENplus auditor's training

There are still a couple of places left for the 3rd ENplus training that will take place on 11-12 October 2012 in Vienna. This is the last opportunity to benefit from a reduced participation fee of 600€ thanks to the IEE funded PellCert project. For registration, please contact Peter Rechberger at [rechberger\(a\)aebiom.org](mailto:rechberger(a)aebiom.org).

[▲ Top](#)

[► Read more](#)

## EU ENERGY POLICY FOR RENEWABLES

### ► Agricultural policy: amendments proposed include the support for energy crops

The huge number of amendments on the Common Agricultural Policy (CAP) reform (the EP report of Luis Capoulas Santos) was proposed by the AGRI Committee members. There are 2292 amendments on direct payments and 2127 amendments on rural development available on the EP website. Regarding bioenergy, some amendments on direct payments aim to include the perennial energy crops within the ecological focus areas, another one aims to incorporate grassland, flower and dividing strips in arable fields, particularly if these can be introduced to create energy in biomass and biogas facilities or to help combat soil erosion, particularly on slopes. In rural development, the amendments include dedicated grant schemes for energy supply infrastructure (article 18), a dedicated scheme for bioenergy in agriculture within the support for farm and business development (article 20), and cooperation support for RES projects and the support for RES projects linked to the implementation of a business plan, a local development strategy etc (article 36).

The proposed amendments also cover the promotion of the use of renewable energy sources in rural communities and at least 30% of funds reserved for LEADER to be dedicated to projects contributing to climate change mitigation, including promotion of the use of renewable energies.

However, one MEP insists on sustainability criteria introducing an amendment saying that all support for the use and production of bioenergy should be based on sustainability criteria. In case no legally binding sustainability criteria for solid and gaseous biomass have been developed at EU level, Member States should include sustainability criteria for solid and gaseous biomass in their rural development programme.

The European Parliament, AGRI committee will vote on these amendments in December and the final EP report with voted amendments should be adopted in the beginning of next year.

AEBIOM is glad that some of its proposals for amendments are in the list and hopes that bioenergy will be fully considered in the new CAP.

[▲ Top](#)

[► Read more](#)

### ► ILUC – the text of a leaked draft threatens biofuels sector

Last week, Reuters published information on a leaked document from the European Commission on the EC rules in preparation on indirect land use change (ILUC).

The EC draft changes the EU target for RES transport for crop based biofuels and bioliquids from minimum 10% to maximum 5% target. The draft, if no changes, would introduce a multiplication factor from 2 to 4 for some

wastes and residues. Regarding the biofuels production, the draft requires 60% CO<sub>2</sub> savings for new installations. On top of it, there would be no bonus for degraded land anymore. The paper also aims to introduce additional ILUC emissions for cereals, sugar and oil crops.

AEBIOM published a press release showing the negative impacts of such policy on biofuels sector. Press release can be found under AEBIOM position on EU policy section.

[▲ Top](#)

[► Read more](#)

### ► Energy taxation – EC proposal changes significantly at the Council

Currently, the Council is actively working on energy taxation issue. During the Council meeting on 22 June, the Member States agreed that minimum tax levels should be laid down in the directive, taking as their reference points the energy content and CO<sub>2</sub> emission levels of energy products. Poland, however, maintained a reservation on calculating the minimum tax levels. The Member States agreed to retain maximum flexibility to determine the structure of their national energy taxes, and that provisions on the principle of proportionality might have to be deleted (equivalence principle between diesel and petrol was dropped out).

Since the last Council meeting, the new Cyprus presidency has prepared a revised version on energy taxation. In this revised version, diesel tax is lower. Regarding the CO<sub>2</sub> issue, there will be guarantees for flexibility as EU should not decide at EU level the things that can be better dealt at MS level. This means that MS will have the flexibility on how to implement the CO<sub>2</sub> tax. With such developments, AEBIOM is doubtful whether a CO<sub>2</sub> tax will see the light in the coming decade.

[▲ Top](#)

[► Read more](#)

## AEBIOM POSITION ON EU POLICY

### ► AEBIOM response to EC consultation on IEE III – Horizon 2020

AEBIOM, on 11 September, submitted its' response to EC consultation on the future of the Intelligent Energy Europe (IEE) programme within Horizon 2020 (the new name for the Framework Programme, financing research). In this paper, AEBIOM indicated the barriers hindering RES but particularly bioenergy sector and provided its' view on which topics the new Horizon 2020 should focus on.

AEBIOM hopes that an ambitious IEE programme with a solid budget will be set in place. In the past, IEE was significantly contributing to the bioenergy communication activities and networking in Europe.

[▲ Top](#)

[► Read more](#)

### ► EREC response to EC consultation on IEE III – horizon 2020

EREC provided its response to EC consultation on Horizon 2020 covering all RES sectors.

[▲ Top](#)

[► Read more](#)

### ► AEBIOM press release on ILUC - exact opposite results of those intended

AEBIOM, on 19 September 2012, published a press release on indirect land use change stating that ILUC rules, if adopted, would penalise biofuels producers and companies in Europe for actions they cannot influence. Furthermore, with the proposed ILUC-bonus, only bioethanol from sugar cane would remain competitive while biofuels from starch or rape seed oil would not reach the CO<sub>2</sub> mitigation target. Such ILUC rules would have the

exact opposite results of those intended. In reality, the import of biofuels would increase which would lead to an intensification of biofuels production in third countries.

The 5% biofuels target is already fulfilled in more or less all EU countries; this means a complete stop of any development of the crop based biofuels sector. If we use residues and waste-based fuels, the 5% target, accounted 4 times due to an increased multiplication factor, would in reality mean 1,25% of biofuels.

It is worth to note that biofuels production yields in valuable by-products (around 60%) which are used for animal feed and thus help to avoid imports from and land use changes in Brazil and Argentina. Furthermore, it provides Europe with their own production for animal feed and biofuels resulting in an increased number of jobs in rural areas.

The draft, if implemented, would create a competition between first and advanced biofuels. Instead, we should try to increase competitiveness between renewable fuel in transport and fossil fuels.

[▲ Top](#)

[► Read more](#)

## PROJECTS

### ► EC call for tender on the carbon impacts of biomass

The European Commission has published a call for tender for a 15-month project on the carbon impacts of biomass entitled “Carbon impacts of biomass consumed in the EU”. The deadline for submitting a proposal is on 8 October 2012. This call is particularly important as it might shape the EU’s future policy regarding carbon neutrality of bioenergy, with NGOs claiming that biomass creates a carbon debt and should not be considered as zero carbon emitting fuel.

There are a number of other open calls for tenders relative to bioenergy:

- Mapping Information tool of sustainable biomass resources for biofuel production – deadline by 5 October 2012
- Algae bioenergy siting, commercial deployment and development analysis – deadline by 5 October 2012
- Technical assistance in preparation of the 2014 report on progress in renewable energy, sustainability of biofuels and renewable energy modelling – deadline by 29 October 2012

[▲ Top](#)

[► Read more](#)

## EVENTS

### ► Annual Meeting of the RHC-Platform Biomass Panel, Berlin, 10 October, 2012

The Biomass Technology Panel of the RHC-Platform will organise its 4<sup>th</sup> Annual Panel meeting on 10 October 2012 in Berlin, in collaboration with the *12th Pellets Industry Forum*. This event will provide a forum for discussion and networking on bioenergy-related topics of the on-going FP7 calls for proposals. The meeting will also offer an opportunity for industrial players to present their research strategies with a focus on projects requiring international cooperation.

[▲ Top](#)

[► Read more](#)

## ► AEBIOM General Assembly, Brussels, 14-15 November 2012

The AEBIOM General Assembly is open only to AEBIOM members. If you wish to receive the agenda please contact the AEBIOM staff at [info@aebiom.org](mailto:info@aebiom.org).

▲ [Top](#)

► [Read more](#)

## ► 4<sup>th</sup> AEBIOM European Bioenergy Conference, Brussels, 17-19 June 2013

The AEBIOM 2013 Bioenergy Conference is the fourth edition of the growing series. 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. Next year we expect around 300 industry representatives to be present at this event which will be organized in the prestigious Radisson Blue Hotel, Brussels.

The **AEBIOM Bioenergy Conference 2012** hosted 260 participants. They had an excellent overview on ongoing political discussions at the Parliament and the Commission, including upcoming legislation. The networking among participants, and with Canadian and USA delegations was a success.

▲ [Top](#)

► [Read more](#)

## ► Other events

**BOSTER 2012, Italy, 14-16 September, 2012**

► [Read more](#)

**Energy from Waste, UK, 17-19 September, 2012**

► [Read more](#)

**BBE-Conference for Wood Energy, Germany, 27-28 September, 2012**

► [Read more](#)

**Biomass Power Generation 2012, London, 1-2 October, 2012**

► [Read more](#)

**International Seminar on Gasification, Sweden, 18-19 October, 2012**

► [Read more](#)

**Expobioenergia 2012, Spain, 22-25 October 2012**

► [Read more](#)

**4th Nordic Wood Biorefinery Conference, Finland, 23-25 October 2012**

► [Read more](#)

**Biofuels International 2012 Conference, Belgium, 21-22 November, 2012**

► [Read more](#)

**4th Venice Symposium on Energy from Biomass and Waste, Italy, 12-15 November**

► [Read more](#)

**World Biofuels Markets, Netherlands, 12-14 March, 2013**

► [Read more](#)

**3rd European Biomass to Power, Poland, 10-11 April, 2013**

► [Read more](#)