

Newsletter: June 2014

The bioenergy voice in Europe

Highlights

AEBIOM NEWS

- ▶ Success of the 5th AEBIOM Bioenergy Conference 2014
- ▶ AEBIOM welcomes new members

30/06/2014

AEBIOM welcomes new members

EU POLICY AND AEBIOM POSITION

- ▶ Biomass sustainability
- ▶ EU energy security
- ▶ Biofuels and ILUC
- ▶ State aid and General Block of Exemptions Regulation

30/06/2014

EPC predicts a constant, rapid growth of the European wood pellet sector

EPC- EUROPEAN PELLET COUNCIL

- ▶ Evolution of the wood pellet sector
- ▶ 2nd International Workshop on Pellet Safety results
- ▶ ENplus is expanding fast!

30/06/2014

EIPS welcomes new members

EIPS- EUROPEAN INDUSTRY OF PELLET SUPPLIERS

- ▶ EIPS welcomes new members
- ▶ EIPS participates in public consultation organized by SBP
- ▶ EIPS and EPC organize meeting on pellet damaging along the supply chain

30/06/2014

IBTC welcomes new members

IBTC- INTERNATIONAL BIOMASS TORREFACTION COUNCIL

- ▶ New IBTC members
- ▶ IBTC in the 5th AEBIOM European Bioenergy Conference

PROJECTS

- ▶ RHC-Platform- Biomass Panel Meeting
- ▶ Common Technology Roadmap
- ▶ BioGrace-II project, Second round of feedback sessions
- ▶ LogistEC publishes its annual newsletter

EVENTS

- ▶ AEBIOM events
- ▶ Other events

Dear readers,



The Swedish Bioenergy Association successfully pursued the World Bioenergy Conference 2014 a couple of weeks ago. One of the key note speakers after the Royal Highness the Swedish Prince Carl Philip was Professor Jean-Pascal van Ypersele from IPCC (Intergovernmental Panel on Climate Change) the UN International Panel on Climate Change. He was very clear about the proved correlation between the increased share of carbon dioxide in the atmosphere and the increased global temperature. The researchers are now completely sure. In my opinion there is no doubt that this as a consequence will have impact on the future policy, there is no chance that politicians globally will continue to allow carbon emissions to jeopardise economic development. Or as Nicolas Stern stated already in 2007 – The earlier we start to change our energy system the less

expensive it will become.

*The increased temperature will undoubtedly force legislators to agree on some sort of carbon emission pricing mechanisms and thus a lot of the unused fossil fuels will have to stay unused. I recently saw an estimation that as much as 80 percent of the remaining fossil resources have to stay in ground not to surpass the global 2 degree goal. To me the most interesting consequence of this is the investment and stock market perspective. If the oil companies cannot use the properties of oil they own and which are a substantial part of their current stock value, shareholders and retirement funds will lose a large part of their current investments. An interesting example is the Swedish company Lundin Oil that recently found an oil field in North Sea in Norway, **Johan Sverdrup**. The Lundin share really went up through the roof, and now they will invest billions in oil platforms before starting production in 2019 and produce fossil oil for 25 years. I doubt the Lundin share will keep its value and even if bankers do an acceptable investment when lending money depending on fossil oil production for a further 30 years.*

Why this discussion? Well, every industrial development is about financing. We cannot expect subsidies and support schemes for long but we can argue that bioenergy can do the work also after 30 years and after 30 years again. We can inform that our products can stop the climate change. We have so many different well-functioning solutions that have been on the market for many years, well known technology. We can argue that there is less risk to invest in a combined heat and power plant on bioenergy than in fossil oil production. Bankers hate to feel unsecure and to handle unpredictable risks. Let's help them to see that traditional safe oil business is not as safe anymore!

*Gustav Melin
AEBIOM President*

►The Success of the 5th AEBIOM European Bioenergy Conference 2014



210 representatives of the global bioenergy sector gathered in Brussels to discuss the future of bioenergy at the 5th AEBIOM Bioenergy Conference, major event to address the opportunities and challenges of biomass developments in Europe.

The AEBIOM conference is a great opportunity to understand the EU challenges and opportunities related to the current and future bioenergy developments. “Not only biomass will contribute to 50% of the EU 2020 renewable energy target, but it will also play a major role in the revitalization of our economy and in jobs creation” said Jean-Marc Jossart, Secretary General of AEBIOM.

Jasmin Battista, Member of Cabinet of Commissioner GüntherOettinger opened the AEBIOM conference by mentioning that “biomass is a crucial part of the EU strategy towards 2020 and beyond”. Commissioner GüntherOettinger will propose soon to the Commission a report on biomass, which will provide an updated technical guidance at EU level for assessing the supply chain related to GHG emissions of solid biomass. The EC does not intend to change the current rules on carbon neutrality of biomass used to meet the 2020, climate and energy target. The situation of sustainability will be revised in the framework of the 2030 discussions.

This year, the AEBIOM conference gave a particular focus to the bioheat market which is experiencing a strong development, in particular through the use of pellets. According to Christian Rakos, President of the European Pellet Council “Wood pellets have been moving out of the niche and are now rapidly becoming an internationally traded energy commodity that offers great opportunities for Europe to reduce its fossil fuel imports, to significantly reduce the heating costs of European households and to contributing to greenhouse gas reduction at the same time”

The first conference day brought an opportunity to continue the debate on the different uses of biomass and the cascading principle. The discussion between representatives from the paper industry, the bioenergy and forest sectors, NGOs and the academic world showed that this issue is complex and controversial with different views on the way forward. Discussions continued on Tuesday 13th of May with presentations and debates on crucial topics like sustainability, support schemes, and bio-heat market trends. Due to the impact of this conference, several articles have been published after the conference by relevant media partners which you have find [HERE](#).

▲Top

►Read more

►AEBIOM welcomes new members

AEBIOM would like to say a warm welcome to the following new members:

Solvay Biomass Energy: SBE is based in France as a joint venture between Solvay and New Biomass Energy LLC to develop a wood pellet production capacity in the US with a strong focus on torrefaction.

Evolution markets: Evolution markets is a pellet broker company based in the UK.

Vision Energy Group (VEG): Company based in Honk Kong which is part of the larger VTG group. VEG takes care of developing clean power projects such as utility scale torrefaction.

FREJA: This company is offering stevedores services in the port of Riga. The FREJA terminal specializes in general cargo and bulk cargo handling for such types of cargo as round-timber, pulpwood, wood pellets, chips, peat and miscellaneous cargo, as well as completion of customs clearances.

SEEGER Engineering: This German company provides services to project developers for bioenergy plants.

Bord na Móna: The company was established to develop Irish peat resource but bioelectricity became a business activity. Company is now active in Ireland, Great Britain, Europe and North America.

Statkraft: Europe's largest generator of renewable energy and it's the leading power company in Norway. The company owns, produces and develops hydropower, wind power, gas power, biomass and district heating.

[▲Top](#)

[►Read more](#)

EU POLICY AND AEBIOM POSITION

►Biomass sustainability

At the opening session of the AEBIOM conference on May 12th, Ms Battista, Member of Commissioner Oettinger Cabinet, announced that the Commission was aiming at publishing a report on biomass sustainability for the heat and electricity sector before summer. She indicated that the Commission does not plan to establish EU harmonized criteria before 2020 and that it will be decided at a later stage if further EU actions are needed under that EU 2030 climate and Energy Policy. AEBIOM is of the views that postponing again the decision on a EU legislation on biomass sustainability is not a good signal towards economic operators who needs a stable regulatory framework and towards the EU public society who needs a clear EU answer on the way bioenergy developments will keep developing in a sustainable framework.

[▲Top](#)

[►Read more](#)

►EU energy security

The recent crisis in Ukraine has shown once again all the limits of Europe's energy dependency. On May 28th, the Commission published a European Energy Security Strategy which identifies short term and middle term actions to strengthen EU energy security. This Communication recognizes renewable energy potential to reduce natural gas dependence and recommends to Member States, among others, to accelerate fuel switch in the heating sector to renewable heating technologies. AEBIOM, together with the European organisations representing the geothermal and solar thermal sector, has been very active to provide inputs (Joint letter, Position paper) to the discussion aiming at preparing this Communication and to comment the results (press release). On June 27th, the European Council started discussion on this strategy and adopted conclusions. These do not explicitly mention the role of renewable energy sources but AEBIOM trusts that the discussion will continue in the coming months in the context of the 2030 EU climate and energy framework.

[▲Top](#)

[►Read more](#)

►Biofuels and ILUC

On 13 June, the Council has reached an agreement on the Commission's proposal on ILUC. The press release summarizes the main points agreed on among which: 7% cap for conventional biofuels (cereal and other starch rich crops, sugars and oil crops) ; 0.5% share for advanced biofuels ; new annex IX for feedstocks for advanced biofuels that count double (lignocellulosic material can be counted double except sawlogs and veneer logs) . All details are available through reading the Council amendments of the Directive. The next step will be for the new Parliament to start a second reading.

[▲Top](#)

[►Read more](#)

►State aid and General Block of Exemptions Regulation

On 9 April 2014, the European Commission has published the final version of its Guidelines on State Aid for Environmental Protection and Energy C(2014) 2322/3 for the period 2014-2020 and on 21 May 2014, it has adopted a revised General Block Exemption Regulation (GBER) for state aid. Member States will now have to design their future national support schemes (including those schemes for renewable energy sources) to fit this new frame. The State Aid Guidelines gives guidance on support measures considered as compatible with the internal market, in order to facilitate the approval process by the Commission. The GBER lists a series of aids and the related conditions that the aid has to comply with in order to be exempted from notification to the Commission.

▲Top

►Read more

EPC- EUROPEAN PELLET COUNCIL

►Evolution of the wood pellet sector



For more than a decade, the European wood pellet sector has rapidly grown to become a key player in the European energy mix. The EU has emerged as the undisputed world leader in pellet production and consumption, and the European Pellet Council predicts that this trend is set to continue as European consumers increasingly seek an alternative, efficient, reliable, sustainable, and indigenous energy source.

The latest figures have shown that the impressive recent development in the sector has continued apace over the last number of years with an ever-ascending rate of growth. In the 12 years between 2001 and 2013, Europe witnessed an average yearly growth of 25% in pellet consumption, culminating in more than a twelfold increase in overall consumption by the end of this period; a truly remarkable feat for the sector.

Additionally, 2013 also marked the first year in which pellet use for heat production exceeded its use for power production. Although the rate of increase in European pellet production has levelled out in the last couple of years, the heat market demand has continued to rise. With a volatile demand for industrial pellets in Europe, industrial producers and international pellet traders are now discovering the heat market and its great potential. The integration of the industrial and heating pellet markets that is currently in process is a game-changing development for the pellet sector as it brings a significant increase in market liquidity and security of supply. Residential pellets that were once a by-product are now becoming a commodity and this opens up clear possibilities for large scale market growth.

These developments vividly portray the expanding influence of wood pellets in the European Energy mix, particularly on the European heat market. As calls to provide a secure and indigenous energy supply in Europe grow louder, the future of the wood pellet sector looks very promising indeed.

▲Top

►Read more

►2nd International Workshop on Pellet Safety results



From the 5-7 of May 2014, the European Pellet Council held the 2nd International Workshop on Pellet Safety at the Binderholz pellet plant in Fügen, Austria. Welcoming around 45 participants from various sectors related to safety in the wood pellet industry, the event proved to be a huge success as thoughts and ideas were shared on many of the more topical and pressing issues at the forefront of the safety discussion. Chaired by Christian Rakos, EPC President, the workshop was divided into different sessions in which attendees were able to put forward the issues that they saw as having a high level of importance. Additionally, a selection of experts – including the partners of the SafePellets project - were invited to present some of their findings, results and activities to the attendees.

The ideas emanating from the open space discussions can be roughly categorized into the following five categories: Safety in Pellet Storage, the Health Risks associated with the pellet sector, the safety risks of pellets (such as self-heating, dust formation, etc.), the highlighting of best practices, and the identification of future research priorities. Attendees were given the opportunity to contribute by taking part in a number of topic-specific round-table discussions. Each discussion host has made their notes available and these have

been compiled in the “Results and Main Lines of Action” report that can now be downloaded on the [EPC website](#). In it you will find detailed accounts of the key points raised on each of the topics that were discussed.

This 2nd workshop proved to be an excellent follow-up to the inaugural event held last year in the same venue. The safety debate is one that is becoming more and more prominent as the sector continues to grow, and EPC hopes that holding such an event will play a huge part in highlighting these serious issues, educating the sector on how to deal with them, and even contributing to finding solutions that will greatly benefit the Wood Pellet sector in the long run. We hope that you will join us next year!

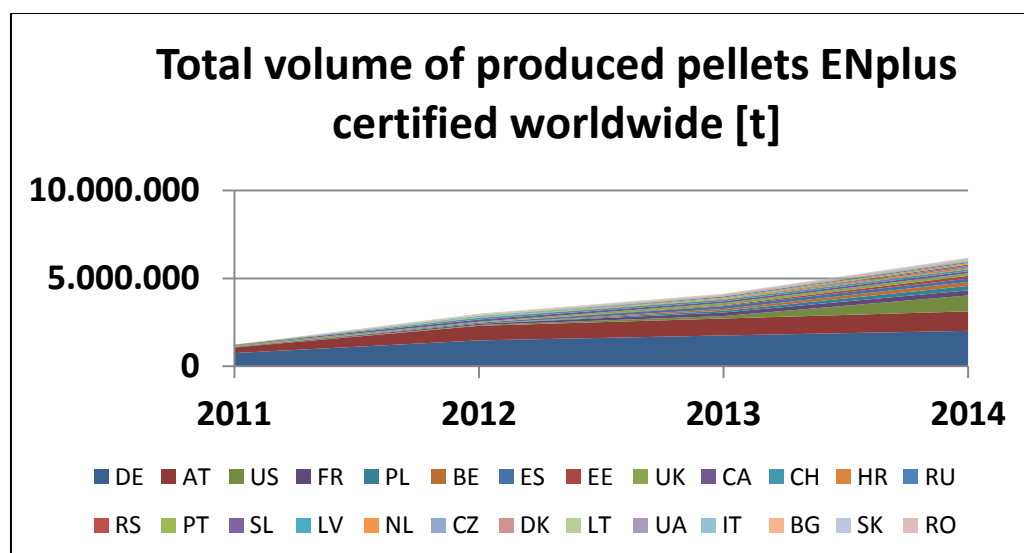
[▲Top](#)

[►Read more](#)

►ENplus is expanding fast!



2014 seems to be again a very promising year for the ENplus certification. EPC expects to have 6.5 million of produced pellets under the ENplus certification by the end of 2014. This means that around 60% of the pellets consumed for domestic heating in Europe will be ENplus certified by the end of 2014. Today, there are 155 producers and 175 traders ENplus certified located in 26 different countries.



[▲Top](#)

[►Read more](#)

EIPS- EUROPEAN INDUSTRY OF PELLET SUPPLIERS

►EIPS welcomes new members



FREJA: This company is offering stevedores services in the port of Riga. The FREJA terminal specializes in general cargo and bulk cargo handling for such types of cargo as round-timber, pulpwood, wood pellets, chips, peat and miscellaneous cargo, as well as completion of customs clearances.

SEEGER Engineering: This German company provides services to project developers for bioenergy plants.

Evolution markets: Evolution markets is a pellet broker company based in the UK.

With these new members, EIPS now gathers 16 companies, key actors involved in the pellet supply chain and aiming at strengthening the pellet business in Europe

[▲Top](#)

[►Read more](#)

►EIPS participates in public consultation organized by SBP

EIPS participated to the public consultation organized by SBP (Sustainable Biomass Partnership) on the draft standard aiming at developing standards and processes allowing companies in the biomass sector to demonstrate compliance with legal, regulatory and sustainability requirements relating to woody biomass. <http://www.sustainablebiomasspartnership.org/>

▲Top

►Read more

►EIPS and EPC organize meeting on pellet damaging along the supply chain

On May 12th, EIPS and EPC organized an experts meeting on pellet damaging along the supply chain. The experts invited covered all steps of pellet supply chain in order to collect existing information on handling operations affecting pellet quality, to identify missing information/knowledge and to gather information on existing solutions and further actions needed to tackle this issue. This expert group will continue its work in the coming months

▲Top

►Read more

IBTC- INTERNATIONAL BIOMASS TORREFACTION COUNCIL

►New IBTC members

IBTC group is very happy to welcome five new members. Four Full Members: Teal Sales Incorporated (USA), Agri-Tech Producers (USA), AIREX Énergieinc. (Canada) and Solvay Biomass Energy (USA). And two Supporting Member: Seeger Engineering (Germany) and Vision Energy Group (Asia). All these new members will strengthen the IBTC group and consequently the torrefaction sector.

▲Top

►Read more

►IBTC in the 5th AEBIOM European Bioenergy Conference

IBTC organized a session during the 5th AEBIOM European Bioenergy Conference on 13th May 2014, during which the added-value of torrefaction and the current status of the sector or the future ISO Standards were presented.

The day after IBTC held its 6th meeting in Brussels. Most of the members attended the meeting, as well as other companies potentially interested in joining this initiative. Afterwards, with the special invitation of Torr-Coal, IBTC members had the opportunity to visit the Torr-Coal torrefaction facility in Dilsen-Stokkem, Belgium.

▲Top

►Read more

PROJECTS

►RHC Platform: Common Technology Roadmap

Following the finalization of the Biomass Technology Roadmap (which will this month be published on the RHC-Platform website), the focus of the Renewable Heating and Cooling-Platform now turns to the drafting of the Common Technology Roadmap. A horizontal working group bringing together the experts from Biomass, Solar Thermal, Geothermal and the related Cross-Cutting Technologies has been formed and is working to have this document published in the summer. It will provide a clear research and innovation pathway for the whole Renewable Heating and Cooling Sector to follow going forward.

Following the identification of the research needs for RHC with the publication of the Strategic Research and Innovation Agenda in 2013, the common roadmap brings together the efforts of the 4 technology panels to outline the specific measures needed for RHC and how the needs of each technology fit together.

▲Top

►Read more

►BioGrace-II project, Second round of feedback sessions

Five BioGrace-II feedback sessions were organized during the first half of 2013 by project partners AEBIOM, ANL, BE2020 and VREG. The summary report of the first round with all the suggestions received to improve the tool can be found [HERE](#).

These previous feedback sessions will be followed by a second round in 2014. AEBIOM organized the first session on this second round the past 12th of May in Brussels in the framework of the European Bioenergy Conference. The GHG calculation tool in progress was explained with a practical example and participants could ask questions and discuss (with the presenter but also amongst each other) on a large number of subjects, related with the background methodology, the implementation of the tool, etc.

For more information visit the project website: <http://www.biograce.net>.

▲Top

►Read more

►LogistEC Project publishes Annual Newsletter on energy crops

LogistEC project supported by FP7 aims to develop new or improved technologies of the biomass logistics chains. Cost-efficient, environmental-friendly and socially sustainable biomass supply chains are needed to achieve the 2020 EU RES targets that might be impeded by the potential scarcity of lignocellulosic biomass from agriculture. The project covers all types of lignocellulosic crops: annual and multi-annual crops, perennial grasses, and short-rotation coppice.

Due to the progress that the LogistEC project made so far, we were able to draft an interesting [Annual Newsletter](#) which we recommend reading. The newsletter focuses on the project news, results, collaborations and event. If you would like us to continue informing you about the activities of the LogistEC project, please register to [Stakeholder's Platform](#) or access the project website: www.logistecproject.eu.

▲Top

►Read more

EVENTS

►AEBIOM events

Working Group Competitiveness, Brussels, 10 September

►Read more

AEBIOM Board Meeting, Brussels, 11 Sept 2014

►Read more

IBTC Meeting during the 5th Biomass Pellets Trade & Power, Seoul, 23-27 Sep 2014

►Read more

►Other events

Colloque National Biomasse, Paris, 01-02 July 2014

►Read more

Nordic Biogas Conference, NBC 2014, Iceland, 27-29 August 2014

►Read more

International Training Seminar Biomass Heating- Market development and technologies, Austria, 08-11 Sept 2014

►Read more

International Conference: Progress in Biogas III, Germany, 10-11 September 2014

►Read more

Bioenergy from Forest 2014, Finland, 15-18 September 2014

►Read more

Biofuels International Conference 2014, Belgium, 24-25 September 2014	► Read more
Conference of the European Biogas Association 2014, 30 September-2 October 2014	► Read more
13th Pellets Industry Forum 2014, Germany, 14-15 October 2014	► Read more
SGC International Seminar on Gasification 2014, Sweden, 15-16 October 2014	► Read more
Expobiomasa 2014, Spain, 21-23 October 2014	► Read more
Biogas 2014, Germany, 22-23 October 2014	► Read more
European Pellet Conference 2015, Austria, 25-26 February 2015	► Read more
FIAAP/VICTAM/GRAPAS International 2015, Germany, 01-11 June 2015	► Read more