



Modern wood-energy systems & markets – an opportunity for south east Europe

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EU Renewable Energy Policy & Targets



**Jeremy Wall, Textiles, Fashion & Forest-based Industries Unit
DG Enterprise and Industry, European Commission, Brussels.**

Motivation for EU Renewable Energy Policy

- **climate change**: cut greenhouse gases (GHG)
- **security** of energy supplies

NB 2007: EU 50+ % energy imported

EU 8 % of final energy use renewable

2030 EU 70 % energy imported

- **competitiveness** (Lisbon Agenda....)

Policy proposals 2007-8 (led by DG TREN)

- January 2007 energy package proposed targets for 2020:
 - 20-30% GHG reduction
 - 20% energy efficiency improvement
 - 20% renewable energy (10% bio-fuels)

Broadly endorsed by Member States (March 2007 European Council) and Parliament (Thomsen Report of September 2007)

Objectives confirmed in EC's 23/01/2008 proposal for **Climate and Energy Package “20-20-20 goal”**



Targets

	2006	2010 target	2020 target
All renewables:	7%	12%	20%
Biofuels:	1%	5.75%	10%
Green electricity:	15%	21%	(no sectoral targets)
Heating/ cooling:	9%	none	(no sectoral targets)
Biomass	(385) 70 Mtoe	150 Mtoe (825)	195 Mtoe (1075)
Green electricity:	18 Mtoe		62 Mtoe
Biofuels:	3 Mtoe		43 Mtoe
Heating:	50 Mtoe		90 Mtoe

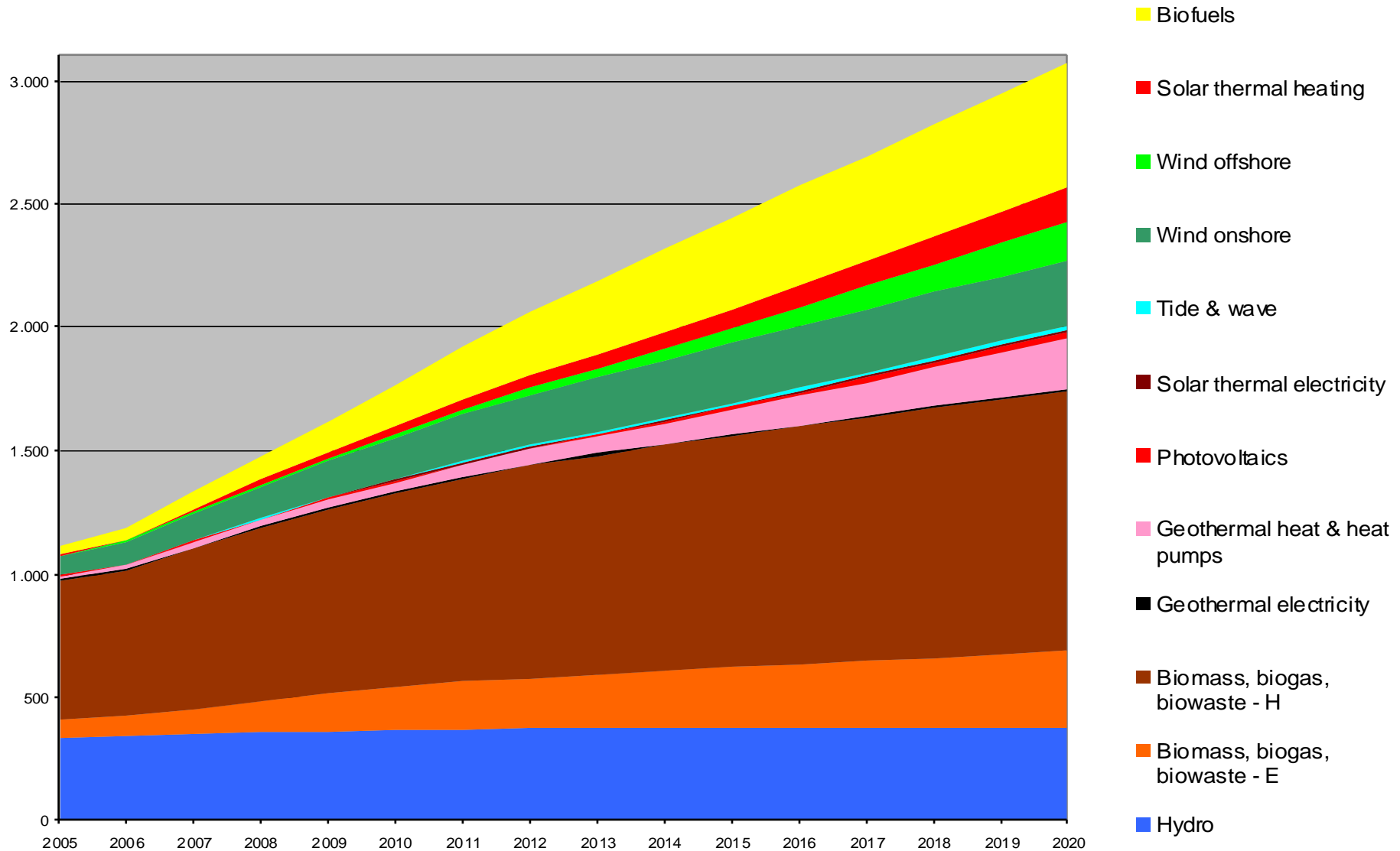
(Mm3 roundwood equivalent @ 5.5 m3 = 1 toe)



How do we get to 20% RES?



Green X balanced scenario projection of renewable energy growth (GWh, EU25)



● National action plans & biomass availability

- **Sectoral targets set by Member States** (including heating and cooling), but no biomass targets required as such
- Doubling of biomass resources needs careful long-term planning
- RES Directive (Art 4) requires MSs to set out adequate measures to achieve the targets including planned **development of biomass resources and mobilisation of new resources**
- Provides policy stability for investment
- ❖ National Action Plans (NAPs, including nBAPs) are necessary for monitoring the implementation of the Directive.

- Development of national biomass action plans (assisted by nNAPs Working Group)
 - Five action plans received: Spain, Estonia, Ireland, UK, Netherlands
 - Commission held 3 expert meetings, last one in March 2008
 - Commission will report on implementation of overall EU BAP by end 2008
 - Guidelines may need to be developed to ensure:
 - 1) a coherent and coordinated approach
 - 2) documentation of comparable data on biomass availability and use

● **ISSUES to be addressed in nBAPs**

- The physical and economic availability of **biomass of different kinds**, including:
 - wood and forest & wood residues,
 - agricultural crops & residues, incl. by-products
 - municipal wastes
- Bio-energy targets at national, regional, local levels
- Differences in use of statistics and data
- Resource and energy efficiency
- Support measures to be put in place
- Impacts (e.g. on existing forest-based industries)

NB co-operation with UNECE/FAO Task Force, JWEE

● **Measures to be taken by 2020 at national level**

 **It is up to Member States how they support development of biomass BUT**

- Measures needed on mobilising new biomass resources (identification, cataloguing and exchange of best practices)
- Measures to create a competitive and sustainable market and supply chain, including consideration to imports of biomass vs domestic supply
- Actions could include support mechanism, including fiscal, energy crop scheme, afforestation, obligations, education and skills, information campaigns, research, development and innovation for high-energy yields

EU supporting measures

- **Implementation of overall EU Biomass Action Plan**
- **Review of buildings directive to incentivise use of RES**
- **Study on performance of household biomass boilers and possibly set eco-design requirements**
- **CEN standards on quality of biomass fuels**
- **Development and trade policies**
- **Stronger research efforts for second-generation bio-fuels**

● How to develop nBAPs? Bottom-up or top-down?

- Local regional authorities could make local renewable energy plans to fit in with regional and national plans
- Burden of creating national biomass action plans could be shared!
- **Bottom-up ensures local impacts and needs are taken into account**
- Regional co-operation with other countries can also ensure that there are no artificial (environmental) boundaries in planning for future availability.

Renewable Energy (RES) Directive

- Part of the package of energy and climate measures proposed on 23rd January 2008
- On **performance** of biomass, included:
 - » Bio-fuels and bio-liquids sustainability criteria
 - » Building codes to promote high efficiency of biomass for heating
 - » Commission to report on requirements for a (non-bio-fuel) biomass sustainability scheme by Dec 2010 (EU BAP also said Commission will look into this after biofuels)

Work in the Council's Energy Working Group has been supplemented by an ad hoc Bio-fuels WG (Council + Commission), aided by a Commission inter-services' group, which looks into the details of the sustainability criteria.

Now Council suggestion for **sustainability criteria directive** for all energy uses (i.e. bio-fuels + heat + electricity).

Technical work assisted by a **public consultation** over summer 2008, using a questionnaire.

nBAPs meeting postponed so as to discuss its **results**

DG ENTERPRISE & INDUSTRY:

Forest-based industries (F-BI) policy objectives in communication (COM 113/2008), ensuring a coherent approach for strengthening the competitiveness of the F-BI, while integrating climate change & energy objectives into the sector's industrial strategy through:

- harnessing competences in related sectors, and supporting a high level of **innovation & RTD**.
- contributing to **sustainable energy supply** and promoting sustainable forest management.
- promoting **sustainable raw material supply** while ensuring fair competition.
- further improving **resource efficiency** in using raw material.
- facilitating forest-based industries' full **participation in markets for renewable energy** sources and supplying heat, electricity and wood-based bio-fuels.

DG AGRICULTURE:

Standing Forestry Committee (= MS + EC) working group on mobilisation and efficient use of wood and wood residues for energy generation

Objectives and scope of work

This working group will contribute to implementation of Key Action 4 of the EU Forest Action Plan 2007-13 (promote the use of forest biomass for energy generation), activity 4.1 of the work programme 2007-2011 of the FAP – to improve the mobilisation and efficient use of wood and wood residues, including low-value timber

WG Terms of Reference

- Exchange information and experiences on **availability of forest biomass** and the economic feasibility of its **use for energy generation** (building on on-going work)
- Analyse the application of **SFM principles to mobilisation of forest biomass** and discuss the need for further recommendations in this area
- Exchange and enhance information on the **consideration of forest biomass in national Biomass Action Plans** or similar national planning instruments

Expected outputs:

- **Report on the potential for increasing the availability and use of forest biomass, taking into account accessibility and economic feasibility**
- **Draft opinion to be discussed in the SFC on the application of SFM principles to the mobilisation of forest biomass**

● **Conclusions and perspectives**

1. Long-term strategy needed for ensuring availability and biomass supply matches demand
2. Importance of creating nBAPs in reaching 2020 targets and also in complying with new RES Directive
3. SE Europe has significant forest resources, including many hardwoods; some under-use gives scope for energy, especially from residues
4. Also risks if support to energy undermines adding more value by wood-processing industries
5. Co-operation vital: cross-border, inter-institutions

● Multumesc pentru atentia acordata! -

Thank you for your attention!

jeremy.wall@ec.europa.eu

