



To:

Mr Maroš Šefčovič, Vice-President of the European Commission  
Mr Jyrki Katainen, Vice-President of the European Commission  
Mr Miguel Arias Cañete, Commissioner for Climate Action and Energy  
Mr Phil Hogan, Commissioner for Agriculture and Rural Development  
Mr Karmenu Vella, Commissioner for Environment and Maritime Affairs

Cc:

Mr Alexander Italianer, Secretary General of the European Commission  
Mr Jean-Eric Paquet, Deputy Secretary-General of the European Commission

Brussels, 19 October 2016

**Subject: Forest owners and managers' views on the forthcoming Bioenergy Sustainability Policy**

Dear Vice-Presidents,  
Dear Commissioners,

In the context of the ongoing work of the European Commission on developing a bioenergy sustainability policy for the EU, the Confederation of European Forest Owners (CEPF) and the European State Forest Association (EUSTAFOR) wish to elaborate their views on the topic of biomass sustainability. The active and sustainable management of European forests has a more crucial role than ever in contributing to the EU objectives of ensuring sustainable development, increasing the energy security, maintaining and creating jobs and boosting economic growth as well as decarbonizing the EU economy.

In the EU, sustainable forest management is ensured and advanced through a comprehensive framework of policies at regional, national, EU and global level. This is coupled with well-established governance systems in the Member States that recognize the long history of secure ownership rights and long-term responsibility of 16 million private forest owners as well as the role of State Forest Management Organizations (SFMO), in securing the provision of market and non-market values from European forests to present and future generations in a sustainable way. Effective national frameworks supported by significant engagement and efforts by European forest owners and managers have ensured a continuous development and improvement of Europe's forest ecosystems over the last decades.

In the light of these facts, both the private and state forest owners and managers wish to bring to your attention their concerns over the development of the biomass sustainability policy in the overall context of the EU bioenergy policy post-2020. As described above, significant efforts have and are being made to ensure the sustainable management of forests in a holistic manner for all end-uses. Solid biomass derives either from regular management activities (e.g. thinnings) or as a by-product of

the sawmilling industry and its further processing. Biomass is produced from the region for the region and bioenergy is a truly local energy source. Currently, 97% of solid biomass consumed for energy in the EU is from the EU and 95% is consumed within the borders of the country in which it is grown<sup>1</sup>. Only 3% of the solid biomass consumption is supplied through imports, mainly from the US South-East, Canada and Russia. Although the imports are projected to increase, it will remain a minor share of bioenergy consumed in the EU.

Bioenergy gives forest owners and managers an important new market opportunity and increases economic stability of their holdings by giving additional income derived from biomass that was previously not used. This results in further investments into sustainable forest management and improving the quality of forest stands. As announced in recent communication by the Commission, current projections indicate that the increase in bioenergy demand may level out already by 2020. At the same time, both the area and growing stock of European forests is increasing each year. A foreseen increased demand for forest biomass in the years to come should be considered in this context and forests should be seen as a part of the solution, not as a problem.

Determining “low-value” or “appropriate” use of wood at EU level, through for example regulating cascade use or restricting certain forest biomass types, is not feasible and could even be counterproductive<sup>2</sup>. It is important to monitor the impacts of bioenergy subsidies on a market, while recognising that national and regional circumstances vary greatly in terms of forest resources, industry capacity and development, wood markets, energy systems and subsidy schemes. In cases where the energy sector is the only possible market, wood energy provides an opportunity to create local employment and welfare by supporting local entrepreneurship and use of local raw materials.

Given the fact that biomass for energy is largely a domestic energy source, already regulated under various policies and strict silvicultural guidelines, CEPF and EUSTAFOR ask the Commission to thoroughly consider where value-added can be achieved with a new bioenergy policy. A right balance must be kept in mind whilst considering imports vis-à-vis domestic production since the policy will mainly impact EU actors, including forest owners and managers and new costs and burdens may negatively impact the whole sector and subsequently society at large.

CEPF and EUSTAFOR agree that forest biomass should be used in the most efficient way and that greenhouse gas emissions savings should be secured and demonstrated. In this context, energy efficiency and GHG emissions savings thresholds can be considered. Furthermore, the ongoing integration of a robust LULUCF policy in the EU’s climate and energy framework is an important part of the future solution, ensuring that all emissions and uptake from forests are properly accounted for. When it comes to the carbon impacts of using bioenergy, there is a need to look at the big picture, both in terms of the necessity to urgently stop introducing new fossil carbon into our system and in terms of the clear long-term benefits of using the green carbon which is circulating in the natural forest carbon cycle<sup>2</sup>.

The Commission should look at the already existing EU policies and their impact on the bioenergy use, for example by looking into subsidies and energy efficiency policies before any action on developing new compulsory tools is taken. Also, at the core of the climate change challenge is the use of fossils and the Commission should rapidly ensure the ending of all fossil fuel subsidies. Only then can renewable energy sources compete on equal terms.

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<sup>1</sup> AEBIOM Statistical Report 2015 – European Bioenergy Outlook

<sup>2</sup> Berndes et al, 2016. Forest biomass, carbon neutrality and climate change mitigation. From science to policy 3. EFI.

We ask the Commission to recognize the already existing and well-functioning laws and governance systems of the Member States and the forest owners and managers' long-term commitment to sustainable management of their forests. Only by doing so, the contribution of the forest sector to deliver solutions to climate change, the energy transition, jobs, growth and rural development, can continue.

Thank you for taking our concerns into consideration. We would be pleased to meet to discuss our position further at your earliest convenience.

Yours sincerely,



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CEPF President



Per-Olof Wedin  
EUSTAFOR President



Emma Berglund  
CEPF Secretary General



Piotr Borkowski  
EUSTAFOR Executive Director