Opinion – ATT. POLITICO: opinion@politico.eu Loopholes in Biomass Subsidy Legislation Threaten European Climate Policy

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Loopholes in Biomass Subsidy Legislation Threaten European Climate Policy

Fenna Swart, Maarten Visschers

Recently, energy prices have risen exponentially and Europe is going through difficult times. Reason for the European Commission to intervene in the energy market, so that energy bills remain affordable and do not immediately end up in a financial malaise. A sympathetic endeavor. However, European producers of 'green' electricity, including the combustion of biomass, are in turn making sky-high profits that they never anticipated. Hence, if Brussels is to maintain any yield in terms of climate ambitions in the upcoming an final trialogues, it must act - once and for all - against subsidies for energy from primary woody biomass, without political exceptions or loopholes in subsidy legislation.

The energy sector is responsible for three quarters of global greenhouse gas emissions. According to Frans Timmermans, Vice-President of the European Commission, this means that Europe must say goodbye to its 'extreme dependence on fossil fuels ' and therefore 'has to continue with biomass' to achieve the desired CO2-free energy mix in Europe, as agreed in the Paris Agreement. But repeating the so-called 'sustainability credo' of the energy and forest industry does not make industrial tree burning green or clean.

In 2020, Europe obtained 22% of the energy consumed from renewable sources. According to the Joint Research Center (JRC), biomass made up about 60% of the total, of which more than half came from wood in both 2020 and 2021. The main reason for this unprecedented flight of biomass is that this 'business' under the guise of 'green energy' is being boosted with billions of euros in subsidies, namely \in 17.5 billion European (tax) money on an annual basis.

Under current Brussels incentives for biomass in the Renewable Energy Directive (RED), many Member States fund their energy companies to cut down and burn forests for energy production. But the ability of forests to fulfill their functions as a carbon sink, purifier of air and water, and hotspot for biodiversity are chronically undermined, as a result. In several Member States, forests have become carbon emitters as a result of this policy. Sweden showed a loss of 18% of carbon storage in its forests in only 1 year. Wood burning is a traditional source of energy for many Europeans and remains a relatively cheap form of heating. Due to the war situation, Europe will burn significantly more amounts of wood this winter (apart from the RED incentive). In that context, it makes no sense to continue rewarding energy companies to burn millions of tons of forest biomass every year, which make record profits in the current market conditions.

More importantly, biomass combustion for energy has structural problems that are not overcome by the (tightened) sustainability criteria. Burning wood of any origin (logs, waste wood, branches) more CO2 is emitted per unit of energy supplied than fossil fuels (coal and gas). Residual wood and waste wood can be used in sustainable products (fibres suitable for building materials) or must remain in the forests as necessary organic matter. In order to reduce CO2, it is therefore necessary to look for other emission-free energy sources. When using biomass, it is not possible to have a sustainable forest management system. Not even under current operational forestry techniques. One of the reasons is that you need an increasing flow (annual) increment (growth) to absorb the abundance of CO2. Because total forest cover is qualitatively shrinking and remaining forests are not managed with the aim of increasing the average annual growth rate, current growth (i.e. the capacity to capture CO2) is not nearly sufficient to capture sufficient CO2. There are no certification schemes available that can or are aimed at such sustainability. Neither generic (FSC or PEFC) nor specific as stated in the underlying documents.

The European Parliament did recognize these problems inherent to wood burning for energy last month. In particular, the problems of burning primary woody biomass, i.e. raw wood taken directly from forests. The Parliament therefore made a number of proposals to strengthen the Commission's legislative proposal (decision of 14 September 2022). In spite of this, the Council watered down the proposal of Frans Timmermans (decision of 29 June 2022). This situation seriously complicates any potential tightening up during the upcoming and defining trialogues (of council, commission and parliament) in Brussels. Against this background, the mega marketing of energy companies is understandable. Some shouting even louder than others about 'green and sustainability'. But is in fact nothing more than a last and ultimate attempt to maintain the guaranteed profit through the billions of subsidies for biomass combustion.

The upcoming trialogues will determine the fate of our forests. If Brussels wants to maintain any credibility with regard to its sustainability ambitions, it must act diligently and end the subsidies for energy from primary woody biomass. In addition, Brussels should not allow exceptions such as the use of forest biomass from making forests fireproof, from pests and diseases, and from natural disasters. These loopholes are already being exploited by the forestry sector to burn forests for 'green' energy. Good governance, also in Brussels, should be based on science for decision-making without political exceptions or loopholes in subsidy legislation. Only then can enforcement take place and the forestry and energy industry will know where it stands, for the benefit of forests and biodiversity.

About the authors

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Dr. Fenna Swart & Drs. Maarten Visschers Foto @ComiteSchoneLucht, 2022

About Clean Air Committee

Forest advocates in Europe, led by the Clean Air Committee, Netherlands, have campaigned against the growing use of biomass across the continent for several years now. They've been joined by an international coalition group of NGOs from Europe, the United Kingdom to the Baltic states, all raising public opposition to wood-burning-for-energy-and-heat. Citizen petitions have been signed by the hundreds of thousands. Collectively, their efforts, combined with forest ecologists using their science to speak up as well, have had a major impact on both the turnaround of public opinion and the awareness of national governments and politics in Brussels about the EU's faltering biomass policy. The Clean Air Committee played an important role by acting as a critical link between politics, science and the energy sector. By not only reacting, but also anticipating current developments and translating the message to society, there has been increasing awareness about the dark side of biomass combustion. At present, a vast majority (98%) in Dutch society believes that woody biomass combustion should be banned. The new Dutch Minister of Climate, Rob Jetten, therefore decided to abolish all new biomass subsidies with immediate effect last spring. A financial decision and a big win for the Clean Air Committee. The Netherlands functions as a forerunner in Europe in this regard. For this reason, political and social developments are followed with great interest from other European countries, not only from the surrounding EU member states, but also from Japan, China, England, Australia and America. A few years ago biomass proved to be a lucrative business for the energy and forestry industry. Large entrepreneurs and multinationals like Vattenfall are now shrinking because they fear major reputational damage by angry citizens, and billions of euros in subsidies are at stake. Against this background, the question is no longer whether biomass will be removed from the renewable energy list, according to Clean Air Committee, but when; "The point of no return has been passed. It is only a matter of time before EU climate policy will eliminate the burning of biomass"