

AEBIOM

EUROPEAN BIOMASS ASSOCIATION

www.aebiom.org

How does sustainability influence the compliance with nREAP bioenergy targets ?



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About AEBIOM European Biomass Association

- Represents and promotes interests of bioenergy stakeholders
- 31 national associations
- About 80 associated companies
- Activities: lobbying, workshops, newsletters, European projects, working groups, conferences and networking, etc.
- Based in Brussels in the Renewable Energy House
- Member of EREC (European Renewable Energy Council), WBA (World Bioenergy Association) and EUFORES (MEP association)





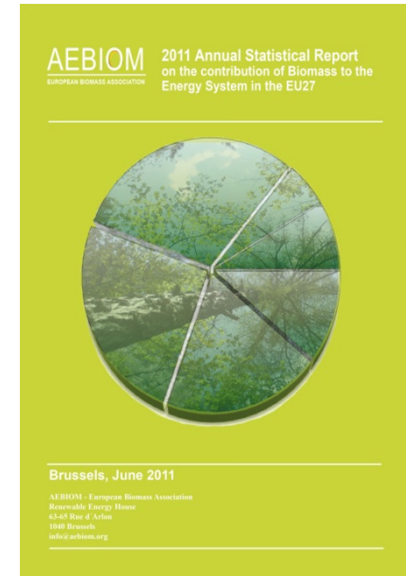
Annual report 2010



Member's catalogue



www.pelletcouncil.eu



Annual Statistical report



AEBIOM Full Members



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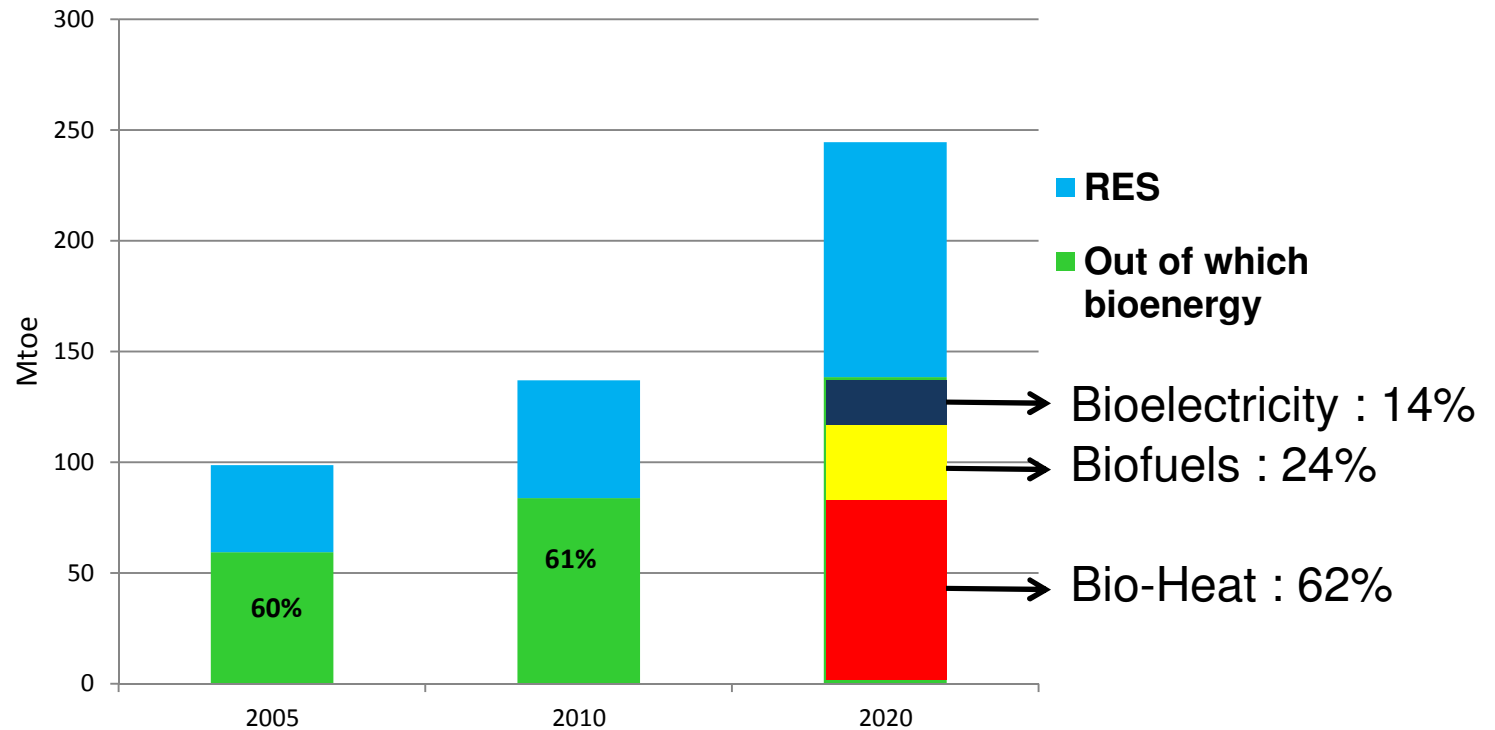


- nREAP targets
- Need for sustainability
- Impact on actors
- How to go forward
- Conclusion



nREAP targets

RES objectives in EU



Source: AEBIOM, based on NREAPs

Can we reach this target ?



Reaching the nREAP targets

Standards

Agriculture
CAP policy
attractiveness for farmers

Forestry
wood industries
logging residues

Legislation

Heat
competitiveness

Electricity
ETS
support schemes

Biomass supply → Bioenergy markets

Waste
landfilling

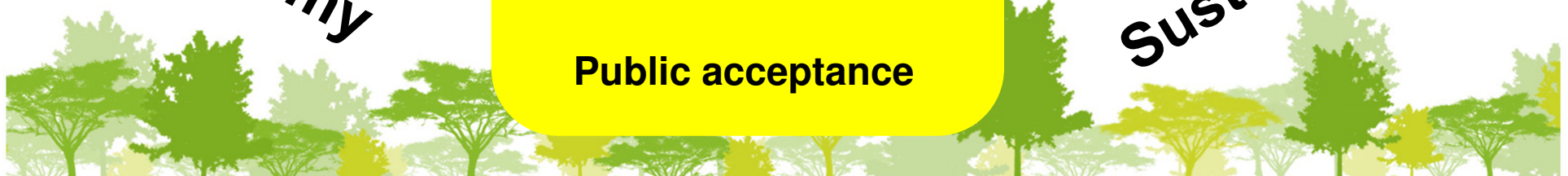
Imports
logistics

Transport
scheme for advanced biofuels

Economy

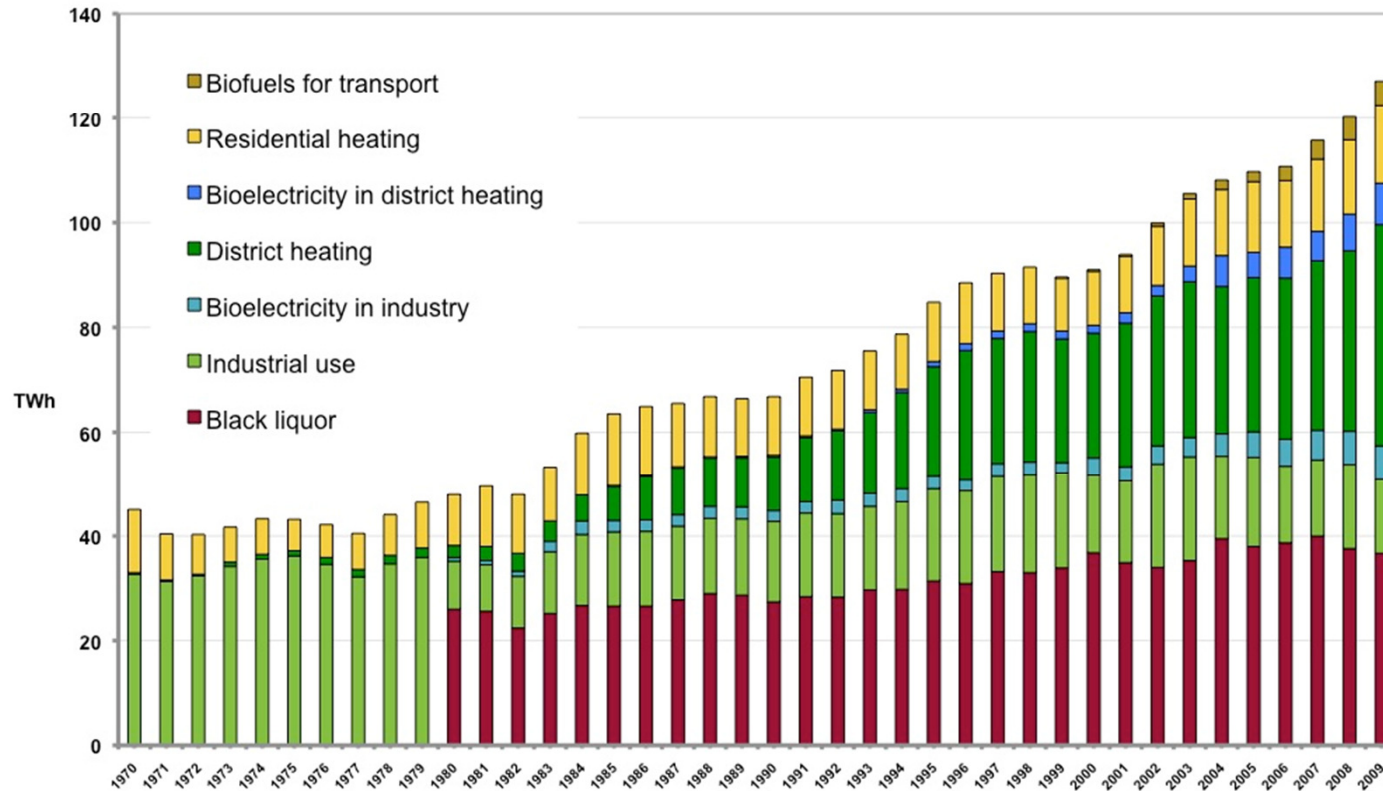
Political support
Industry commitment
Investors confidence
Public acceptance

Sustainability



Why sustainability ?

Bioenergy in Sweden since 1970 (SVEBIO)



Bioenergy has tripled in Sweden. Do we have major environmental concerns ?

However wild imports might be worrying.



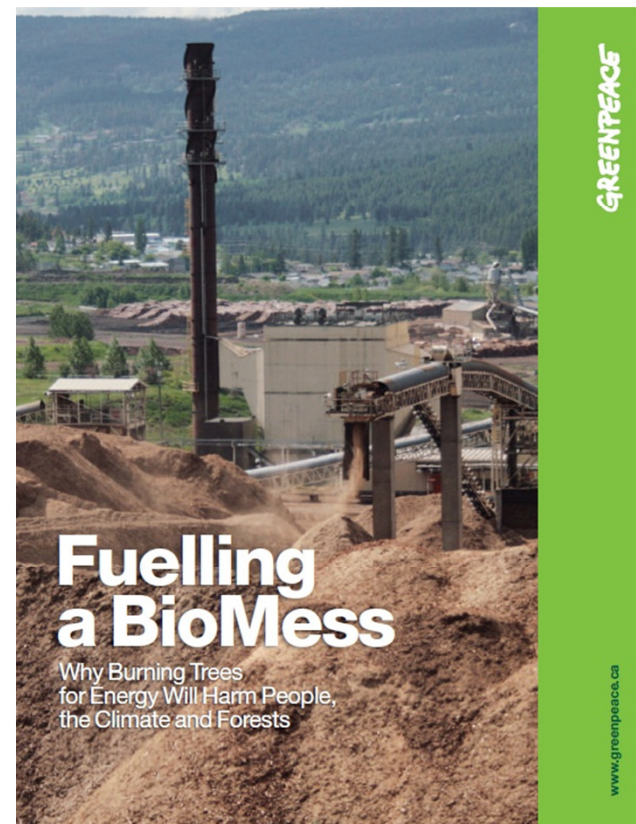
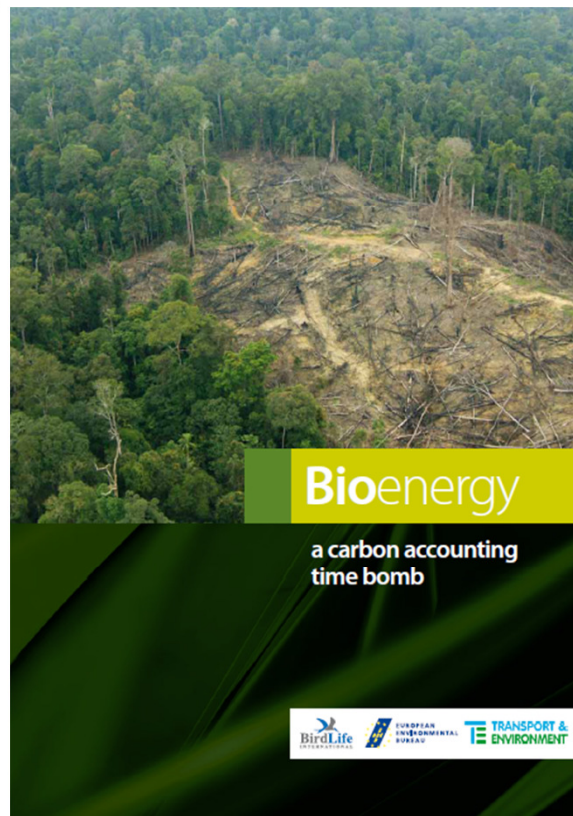
Why sustainability ?



Sustainability becomes more and more necessary to become eligible for support schemes



Why sustainability ?



Keep high confidence of public, market stakeholders and politicians. Large scale and imports are needed in EU. Learn from transport biofuels experience.





*We obviously need
to address sustainability
for a smooth market
development of bioenergy.*

But how does it impact the actors ?



Biomass value/volume matters !

If price for verification/certification is 15 c€/t (large volumes)

- Pellets : 20 – 60 €/MWh (100-300 €/t) → <0,1%
- Wood chips : 10-20 €/MWh (20-40 €/t) → 0,5%

For small volumes costs can be much higher.



Type of actors matters !

- Energy producers, traders → cost forwarded to clients
- Farmers and forest owners → generally increased costs without compensation (e.g. PEFC, FSC, cross-compliance)



Type of markets matters !

- **Power** → large and medium scale
(maybe small in future)
- **Biofuels** → rather large scale, criteria
already mandatory
- **Heat** → small, medium and large scale



**Increased
number of
small actors**



**Increased
total market
size**

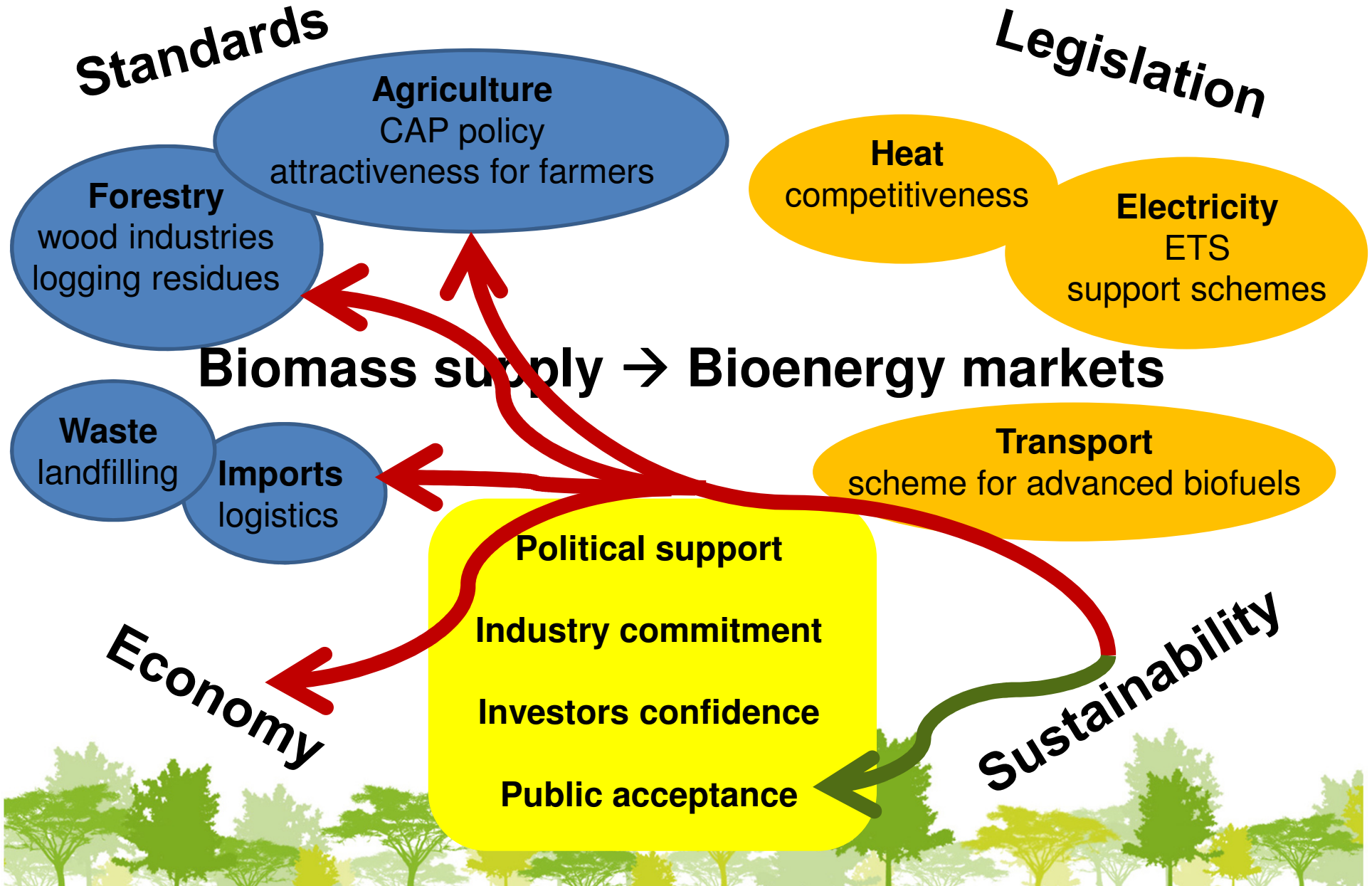


Type of requirements/criteria/locations matters !

- FSC-PEFC : costs acceptable (but voluntary systems)
- But costs/administration are increasing for criteria difficult to measure/monitor and where information availability is poor.
- Requirements: administration, audit, certification, forest management plan, etc.



Reaching the nREAP targets



How to make it acceptable for bioenergy stakeholders ?

- Voluntary approach by market actors is not obvious.
- Member states approach → Biomass benchmarking study for EC → at least 54 different national sustainability rules were introduced in about 20 MS.
- Existing legislation, schemes, certification → do not re-invent the wheel.
- Existing criteria in RES Directive → overlapping between heat – electricity – transport → use RES Directive as base, but need to be adapted/clarified.
- Small market players → costs, administration → **attention to counter-productive effect** .



Sustainability should give a clear framework to investors

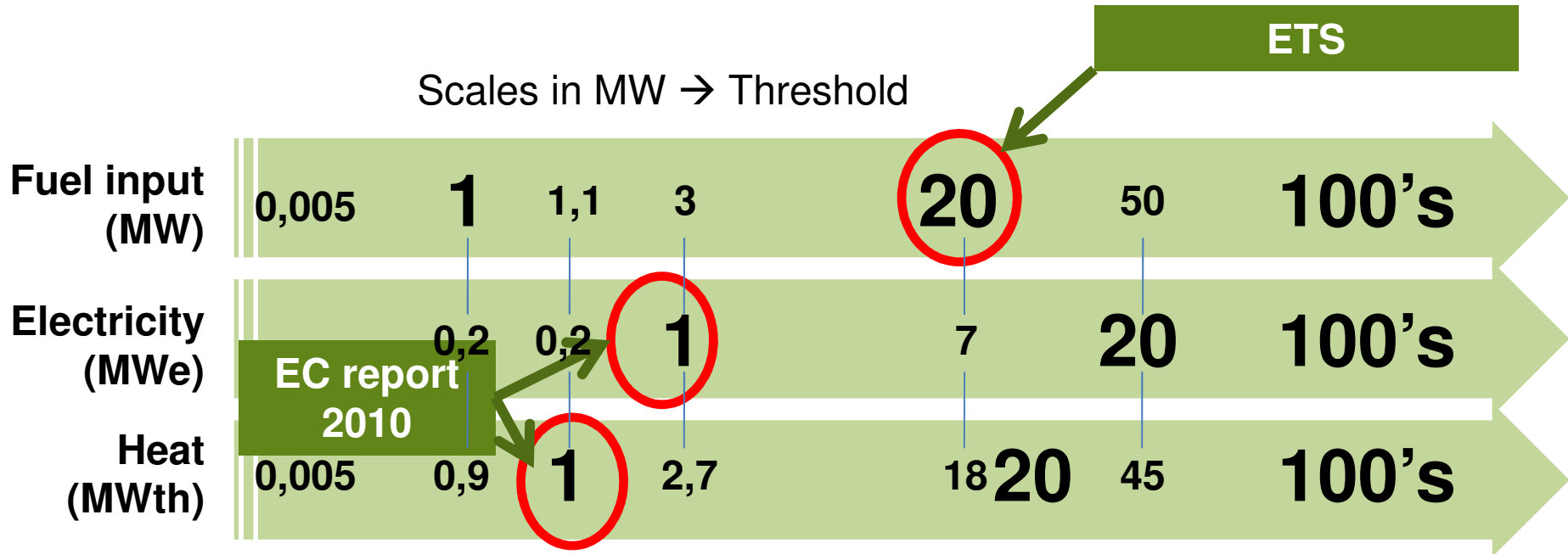
- How far can we use land ?
- How far can we use dead biomass ?
- How far can we use stumps ?
- Etc.



Use of old rubber trees in Liberia



How ?



Households, services



Small cities (DH), wood industries



Utilities, pulp&paper, large cities(DH/CHP)



*AEBIOM suggests mandatory
criteria above 20 MW.*

- **Harmonization**
- **Flexibility** : Possibility to rely on existing relevant legislation, schemes and initiatives
- **Level playing field** : Vision is to have a scheme independent from final use of biomass
- **Cost effectiveness and proportionality**



Conclusion

- *Bioenergy should play a key role in the 2020 energy picture and needs public, market and political confidence.*
- *Difficult trade-off to avoid counter-productive effects in the heat markets, and miss the 2020 targets.*
- *AEBIOM suggests harmonized and mandatory criteria for projects above 20 MW fuel input , based on existing initiatives.*



AEBIOM

EUROPEAN

BIOENERGY

CONFERENCE

25-26-27 JUNE 2012

RENAISSANCE BRUSSELS HOTEL

Programme Overview

- Future European Legislation
- Biomass Supply
- Sustainability and certification
- Markets opportunities
- Dinner at the EU Parliament
- B2B meetings
- Visits to bioenergy plants



Thank you for your attention

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