

Mr. Peter Handley
Head of Unit, Resource Efficiency, Secretariat General
European Commission
Rue de la Loi 200, Brussels

11 December 2015

Subject: Inception impact assessment of the Renewable Energy Package - new Renewable Energy Directive and bioenergy sustainability policy for 2030

Dear Mr. Handley,

The undersigned NGOs would like to convey their reaction to the inception impact assessment on the Renewable Energy Package published in November 2015. We welcome the opportunity to provide input on the design of future policy proposals, as you proposed to BirdLife Europe and the European Environmental Bureau in a meeting early November.

Firstly, we would like to highlight that the Renewable Energy Directive and the bioenergy sustainability policy that will accompany it must be seen as part of a comprehensive climate and energy package. For our organisations, it is clear that the EU will be unable to reach its targets in terms of climate change mitigation and security of supply unless energy efficiency and energy savings are put at the core of the approach, alongside ambitious targets for renewable energy. Without an actual reduction in energy demand, it will be impossible to respond to energy needs through sustainable renewable sources. Lowering the EU's general demand for energy will also be helpful in achieving more than the current 27% low ambition target for renewables adopted by the European Council.

We believe that all forms of renewable energy, including bioenergy, have a role to play in our energy transition towards 100% renewables by mid-century at the latest, but the necessary environmental and social safeguards and planning tools must be in place for all renewables to ensure EU renewable energy policy is in line with EU objectives towards nature protection, emissions reduction, resource efficiency, stopping global deforestation and respecting human rights. Safeguards and appropriate planning are crucial for the policy framework to remain adequate throughout the delivery period up to 2030. This will allow to avoid uncertainty for the actors in this sector, as well as the need to make fundamental policy changes halfway through.

Regarding the content of the inception impact assessment, we would like to highlight our recommendations below to improve the policy options outlined by the Commission. In light of the analysis provided in the inception impact assessment and the existing evidence on the impacts of the current bioenergy use, it is clear that a new sustainability policy for all forms of bioenergy will be needed.

We are also highlighting in annex a list of studies and publications that we think should be considered when doing the full impact assessment. They represent a broad overview of the work NGOs have done or contributed to.

We hope this letter will help clarifying some of our key concerns and recommendations. We remain at your disposal for any further questions you might have.

Yours sincerely,

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NGO recommendations on bioenergy sustainability in the inception impact assessment of the renewable energy package

Member States should be required to plan for renewable energy delivery in ways that address and minimise cumulative impacts on biodiversity and sustainability. We agree that the national renewable energy action plans haven't effectively followed or guided the path towards the 2020 targets, especially due to the lack of regular updates by Member States and lack of robustness in the planning. In the absence of clear binding national targets under the new policy framework, and no proper emphasis on more robust governance, these plans (or an equivalent version thereof) will become even more important to plan and monitor the progress made towards achieving the overall target. To be a more effective tool in ensuring sustainable deployment of renewable energy, the national plans should at least include:

- A more realistic and rigorous evaluation of the supply, availability and the kinds of biomass that the energy sector plans to use, taking into consideration sustainability safeguards
- An evaluation of the true greenhouse gas emissions of the mix of renewable energy deployed, particularly for bioenergy
- Recognition of the need for spatial planning for different renewable energy technologies

In this regard, we were disappointed to notice that the Commission's guidance to Member States on national energy and climate plans¹ failed to include any mention of strategic environmental assessments of Member States' plans and we urge the Commission to correct this in its legislative initiative on streamlining of planning and reporting requirements in 2016.

Explore the opportunities of the guarantees of origin system for renewable energy. NGOs believe that the **guarantees of origin system** could be used beyond just tracing general types of renewables. More information on the feedstock could be added so that it could also help the transparency needs in terms of the sustainability demands.

A full revision of the biofuels and biomass policy is needed in order to ensure its sustainability and benefits for the climate. We fully agree with and support the analysis of the inception impact assessment on the need of a new sustainability policy for all bioenergy. The absence of any form of sustainability criteria for solid and gaseous biomass as well as incorrect accounting of biomass and biofuels emissions have raised many environmental, climate and social concerns together with a big degree of uncertainty for investors. In order to have a robust and solid sustainability policy for bioenergy, the following four key issues (outlined in a joint set of policy recommendations for bioenergy by 10 European NGOs²) should be addressed by the policy:

- Introduce a cap to limit the use of biomass for energy production to levels that can be sustainably supplied;
- Ensure efficient and optimal use of biomass resources, in line with the principle of cascading use and in line with the circular economy;

¹ Annex 2 to COM (2015) 572 final: http://ec.europa.eu/priorities/energy-union/state-energy-union/docs/annex2-guidance-communication-state-energy-union_en.pdf

² http://www.birdlife.org/sites/default/files/attachments/Bioenergy_post_2020_NGO%20recs.pdf

- Include correct carbon accounting for biomass;
- Introduce comprehensive binding sustainability criteria for the sourcing and use of bioenergy.

We support the assessment of the inception impact assessment that there is a clear need for the EU to intervene on the issue of bioenergy sustainability. The current Renewable Energy Directive does not contain any type of sustainability criteria for solid or gaseous biomass. It only contains sustainability criteria for liquid biomass used in a single sector (transport). This has resulted in some Member States putting in place some sustainability criteria while other Member States did not address the issue at all. This causes market distortions and serious environmental problems, and clearly illustrates the urgent need for a coherent system at EU level.

The undersigned NGOs believe that a more holistic view on the issue of energy security and bioenergy imports is needed. Replacing imports of fossil sources of energy with imports of food products or other biomass will not make the Union as a whole more “secure” for its energy supply. Ideally, the new policy framework should focus on ensuring that energy imports are reduced by substituting them by more locally produced renewable energy sources, such as wind and solar.

Assessing true greenhouse gas savings of bioenergy and competing uses of biomass are key aspects for a future sustainability policy on bioenergy and we are encouraged to see that the inception impact assessment has addressed both issues.

For the greenhouse gas emissions of bioenergy, there should be a solid scientific basis to ascertain the real greenhouse gas savings of different types of bioenergy. The greenhouse gas emissions assessed should cover the production and harvesting of biomass feedstocks and their sourcing, impacts on carbon stocks of land and forests, direct and indirect land use change, changes in management regimes as well as the efficiency of the end use.

For the competing uses of biomass feedstocks it would be important to analyse which sectors are already competing with the energy sector for the same feedstocks and which new sectors are likely to be using / relying on the same biomass feedstock in the future (e.g. in the context of an emerging bio-economy).

The environmental, climate and social impacts of the biomass demand for energy predicted by energy and climate modelling of the Commission carried out earlier as part of the 2030 framework communication’s impact assessment³ should be evaluated more carefully in the future impact assessments. The modelling predicts a conversion of up to 10 million hectares for energy crop cultivation which would come with serious environmental impacts, indirect land use change emissions and impacts on food markets. None of these consequences were reflected in the impact assessment appropriately.

Social impacts are referenced in an extremely narrow way in the inception impact assessment. The preliminary assessment of expected impacts only refers to the potential for job creation in Europe, without mentioning that the impact assessment will have to look in a balanced and objective manner at the potential negative social impacts in Europe, as well as social impacts related to land use, smallholders and family farmers in Europe. A study recently commissioned by the European Parliament

³ <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014SC0015&from=EN>

concludes that expanding biofuel cultivations is among the key drivers of land concentration and land grabs in Europe⁴.

The preliminary assessment of expected impacts on third countries should explicitly recognize the social, human rights and environmental impacts of bioenergy on developing countries, Yet this would have been required to comply with the policy coherence for development obligation under the Lisbon Treaty as well as with Tools #30 and #24 of the toolbox for impact assessments adopted last May by the European Commission as part of the Better Regulation package. Tool #30 focuses on how to deal with developing countries in the Commission's Impact Assessments and includes an extensive list of economic, social, and environmental issues which should be addressed. Tool #30 further foresees that the potential impacts on human rights in developing countries are addressed, with cross-reference to Tool #24. As recently stressed by CONCORD and FIDH⁵, these tools should now be effectively implemented.

We find it a shocking omission that DG Devco is not listed among the "relevant DGs" who will participate in the impact assessment, especially in view of the fact that the EU delegations have recently reported that the "biofuels/food security/land use nexus" has been one of the main issues raised in third countries as problematic from a policy coherence point of view⁶. We ask the Commission to ensure the upcoming impact assessments will use country level case studies and field research from the developing countries most targeted for large scale land acquisitions for bioenergy. Field research should in particular be considered in some of those countries where EU delegations have raised concerns on the impact of the EU biofuels policy. We also urge the Commission to ensure that the impact assessments review the impact on food prices for people living in poverty in developing countries, and the impacts on land use rights, especially for women.

⁴ http://www.europarl.europa.eu/RegData/etudes/STUD/2015/540369/IPOL_STU%282015%29540369_EN.pdf

⁵ <http://www.concordeurope.org/coherent-policies/pcd-in-the-eu/item/465-spotlight-2015-the-european-commission-s-better-regulation-package>

⁶ https://ec.europa.eu/europeaid/sites/devco/files/policy-coherence-for-development-2015-eu-report_en.pdf

Studies and reports related to this Inception Impact Assessment

- [Up in Flames, how biomass burning wrecks Europe's forests](#), case study report published by Fern (November 2015)
- [Delivering Synergies between Renewable Energy and Nature Conservation: Messages for Policy Making up to 2030 and Beyond](#). A report for RSPB/Birdlife Europe by the Institute for European Environmental Policy (November 2015)
- Fern Bioenergy briefing note 1: [The limited availability of wood for energy](#) (October 2015)
- Report: [In the U.S. Southeast, Natural Forests Are Being Felled to Send Fuel Overseas](#) (October 2015)
- Letter: [New Study Shows Drax/Enviva Reliance on Southeast U.S. Hardwoods for Pellets Will Result in Greater Carbon Emissions Than Continued Reliance on Coal](#) (June 2015)
- [NRDC Issue Brief: Think Wood Pellets are Green? Think Again](#) (May 2015)
- [Cascading Use of Biomass: opportunities and obstacles in EU policies](#) (May 2015)
- [Open letter: Request to include the Land as a Resource Communication in the 2016 Work Programme of the European Commission](#) (May 2015)
- US Wetland Logging Investigation [May 2015](#) and [December 2014](#)
- [Pitfalls and potentials: the role of bioenergy in the EU climate and energy policy post 2020](#) (April 2015)
- [The end game on biofuels](#) (April 2015)
- [Reasons to change the zero rating for biomass in the EU ETS](#) (March 2015)
- [Letter by 78 scientists to the US EPA on the treatment of bioenergy in Clean Power Plan](#) (February 2015)
- [The little book of biofuels](#) (September 2014)
- [Space for energy crops – assessing the potential contribution to Europe's energy future](#) Prepared by IEEP (May 2014)
- [Forest biomass for energy in the EU: current trends, carbon balance and sustainable potential](#) Prepared by IIAS, European Forest Institute (EFI) and Joanneum Research (May 2014)
- [Joint NGO Consultation Feedback on the Biomass Assurance Framework of the Sustainable Biomass Partnership](#) (May 2014)
- [Wasted: An assessment of advanced biofuels from wastes and residuals](#) (February 2014)
- [A brief assessment of the proposed methodological changes for the RED and FQD](#) (January 2013)
- [Uneven returns? The economics of EU biofuels policy](#) Summary of IISD report (2013)

- [Sustainable alternatives for land-based biofuels in the European Union](#) (CE Delft) Study report (2013)
- [Biofuels, at What Cost? A review of costs and benefits of EU biofuels policies](#) (2013)
- [Putting EU green transport policy back on track - Briefing of CE Delft report on sustainable alternatives for land based biofuels in the EU](#) (2013)
- [Briefing - Wastes, residues and co-products for biofuels and bioliquids](#) (2013)
- [Putting EU green transport policy back on track - Briefing of CE Delft report on sustainable alternatives for land based biofuels in the EU](#) (2013)
- [Accounting for uncertainty: Precautionary principle and Indirect land Use Change](#) (April 2013)
- [Optimising the "grandfathering" of existing biofuels production](#) (Ecofys) Study report (2012)
- [Open letter on "Biofuels and Carbon footprint" signed by +100 European NGOs](#) (April 2012)
- [International Scientists and Economists Statement on Biofuels and Land Use](#) (2011)
- [Analysis "Anticipated ILUC associated with expanded use of biofuels and bioliquids in the EU"](#) (IEEP report, March 2011)
- [Meeting Europe's Renewable Energy Targets in Harmony with Nature -Summary report](#) (October 2011)
- [Bioenergy: carbon accounting time bomb](#) (2010)
- [Joanneum Research Study \(Zanchi G, Pena N., Bird N., The upfront carbon debt of bioenergy, Graz, Janneum Research - June 2010\)](#)
- [CE Delft Study \(Bergsma G. C., Croezen H. J., Otten M. B. J. & van Valkengoed M.P.J., Biofuels: indirect land use change and climate impact, Delft, CE Delft \(June 2010\)](#)