Brussels, 29 February 2008

The availability and mobilisation of woody biomass

The demand for wood and woody biomass is growing, driven by the wood processing industries and the bio-energy sector. Wood is already today the most important source of renewable energy in Europe. The ambitious targets set by the Council of Ministers in March 2007 increase the share of renewable energy in the EU’s energy consumption to 20% by 2020 and will further increase the pressure on wood and woody biomass.\(^1\) Energy-efficient uses should be given preference and the resource hierarchy should be respected whereby wood is used for products, which are first recycled and ultimately incinerated for energy recovery at the end of their life-cycle.

Bio-energy policies should better focus on and include incentives for the mobilisation of existing biomass resources and the activation of new biomass. Recent studies have shown that the supply will have to be substantially increased to meet the future demand. The increasing demand for solid biomass for energy purposes cannot be met only by European forestry alone but requires the production of solid biomass on agricultural land by planting new long-standing energy crops (short rotation forests, energy grass, etc.). It will be one of the main challenges for the common agricultural policy to create new incentives for farmers to grow these crops.

The European Pulp and Paper Industry, together with the stakeholders along the wood chain and public authorities will have to search for measures to increase wood mobilisation, e.g. through intensified forest management, the support of different initiatives (e.g. the creation of local forest management associations, co-operatives and service centres) to encourage forest owners to actively manage their forest, in particular small forest owners. However, forest owners, the forest-based industries and other players along the wood chain need the support of governments to effectively mobilise more wood and woody biomass at the level of policy instruments. The situation also differs from member state to member state. The following are examples of measures that could contribute to effective and sustainable biomass mobilisation:

- Elimination of administrative and legal obstacles to efficient forest management
- Use of incentivising or deterring mechanisms, including revision of the tax system, to address forest fragmentation and encourage forest owners to manage their forests.
- Simplification of requirements to obtain permission for transport and transformation of wood
- Bring coherence in policies (e.g. need to protect forests for biodiversity vs. need to collect more wood out of the forests – need to sequester carbon in forests vs. need for biomass)
- Implement mechanisms to actively prevent and fight forest fires

Wood resources availability and demands – implications of renewable energy policies in the EU/EFTA region, UNECE, FAO, Hamburg University, 2007
• Establish legal, policy and market security and long-term stability that would attract more investments in the forest sector
• Balance biodiversity protection policy requirements, limiting management restrictions in a way that is adequate and proportionate to the conservation needs.

The private sector and the authorities have to make joint efforts to enhance the mobilisation of wood and woody biomass at different levels:

- At the level of land-use, sustainably managed forest plantations should be supported, while short-rotation forestry and coppices of highly productive species with high energy content should be developed. In the longer term, the forest area should be expanded to currently idle land.

- At the level of resource use, the principle of resource efficiency that gives preference to the most value-adding and job-creating uses of raw materials should be promoted. Sustainable use of biomass is an important contributor to the security of energy supply if the resource is used efficiently. The potential of recovered wood could be used more, if the market for recovered wood would be further developed and if contamination limits of recovered wood were reassessed as too tight limits might exclude a significant amount of wood from the feedstocks market.

- At the level of silviculture best practices should be promoted. For example effective regeneration methods and optimized thinning of growing stands are needed to improve the growth and to ensure the production of biomass in the future.

- Facilitate imports of woody biomass from outside the EU, including clarifying the applicable sanitary and phytosanitary rules.

- At the level of logistics, road transport weight limits should be increased, as this would contribute to bringing more material to the mills at lower cost, whilst reducing road congestion and the environmental impacts. Road, waterways and railway networks and services have to be improved, since poor transports act as a bottleneck to efficient mobilisation. Targeted investments in infrastructure which reduce logistics cost will help to increase wood availability from economically marginal areas.

- A low degree of mechanisation in forest operations and the scarcity of manpower in rural areas are major obstacles to mobilisation. It is therefore necessary to increase the level of mechanisation in forest operations and to improve the image and the attractiveness of forest-related jobs, e.g. forest entrepreneurs, foresters, but also mill workers.

- Research and technological development and science could contribute further to increased woody biomass availability and mobilisation by developing knowledge on biotechnologies, by defining areas for large scale experiments and by communicating efficiently on the results. Furthermore, innovations leading to a significantly higher biomass yield per hectare should be supported as well as establishing a list of tree species and their “fit-for-purpose” for the end-use. Finally further research to improve harvesting and residues collection, especially in hardwood stands should be carried out.

The European pulp and paper industry is willing to contribute as much as it can to the European policy objectives on renewable energy sources and is convinced that it can be a key enabler in fulfilling the targets, provided the relevant conditions are put in place and the obstacles are overcome.

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2 “Added value and job creation by the Forest based industries and the bio-energy sector” Pöyry 2007
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Notes to editors:

European Pulp and Paper industry key figures:

- Composed of 800 companies and 1200 mills
- Turnover of € 75 billion and a value added of € 20 billion
- Employs 270,000 people and provides indirect employment to some 1.8 million people
- Produces some 100 million tonnes of paper and 42 million tonnes of pulp, representing 27% of world production
- It is part of the forest-based industries, which has a turnover of € 375 billion, i.e. 6.5% of the European manufacturing industry’s turnover.