THE RENEWABLE ENERGY DIRECTIVE & FOREST MONITORING

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ABOUT: The Renewable Energy Directive requires a certain percent of energy consumed within the EU to be renewable. The Directive includes rules to ensure the uptake of renewables in the transport sector and in heating and cooling, as well as common principles and rules for renewables support schemes, and sustainability criteria for biomass. As of mid-2023, a provisional agreement has been reached between the three EU institutions (Commission, Council, and Parliament), in which a binding target of at least 42.5% of energy must come from renewables by 2030, with a (non-binding) objective to reach 45%.

Under the RED, a range of biomass feedstocks have been classified as renewable, making them eligible for public support. As a result, the EU renewable energy mix contains a large share (almost two-thirds) of biomass used for energy, with woody biomass (indirect and direct) encompassing the largest share of energy sourced from biomass (JRC 2019).

To ensure that renewable energy targets do not undermine climate targets, Member States will be required to assess if the burning of forest biomass for energy is in line with LULUCF carbon sink targets. In addition, the updated RED has strengthened sustainability criteria for the use of woody biomass, which will apply to biomass installations of 7.5 MW thermal input and above. Direct payments for energy generation from saw logs, veneer logs, industrial grade roundwood, stumps and roots are banned (although tax breaks are still allowed). Direct financial support for electricity generated from burning woody biomass is no longer allowed.

The agreement requires that countries or regions providing biomass have national or sub-national laws as well as monitoring and enforcement systems to ensure that certain "sustainable" harvesting requirements are met. If those conditions are not met, the agreement disqualifies wood sourced from certain ecosystems from counting toward renewable energy targets or receiving subsidies. These ecosystems include primary forests, old growth forests, "highly biodiverse" forests, wetlands, peatlands, and heathlands.

Existing sustainability criteria for agricultural biomass (i.e. no-go areas) are extended to forest biomass (including primary, highly diverse forest and land with high carbon stocks, such as continuously forested areas): powerplants using woody biomass are required to provide a declaration of assurance that it does not stem from no-go areas.

MONITORING AND REPORTING REQUIREMENTS

Demonstration of compliance with the sustainability criteria for forest biomass is laid down in Article 29 of the RED. According to Article 29(6), five criteria apply as requirements for woody biomass to be considered sustainable: the timber harvest is legal according to national and subnational laws; forest regeneration takes place on the harvested area; protected areas are safeguarded; during harvesting, care is taken to maintain soil quality and biodiversity in order to

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minimise disturbance; and harvesting activities maintain or improve the long-term production capacities of the forest.

For Member States with national and/or sub-national legislation in place in the harvesting area on the points outlined in Article 29, and with monitoring and enforcement systems in place to ensure compliance, forest biomass can be considered 'sustainable.' For implementation, a written self-declaration in which a forest enterprise assures compliance with the respective rules could be sufficient.

However, in Member States where monitoring and enforcement systems are considered to be insufficient for one or all criteria, it must be demonstrated that management systems in the forest sourcing area ensure the criteria are adhered to. This means that proof of adherence to such criteria is needed, for example, through a certification system at forestry operation level.

The EU will introduce implementing acts to establish operational guidance on the evidence for demonstrating compliance with these criteria.

HOW CAN THE FOREST MONITORING FRAMEWORK PLAY A ROLE IN SUPPORTING THE RENEWABLE ENERGY DIRECTIVE?

To assess the potential impact of the use of woody biomass to meet renewable energy targets under the RED, strong monitoring framework is needed. Such a framework can enable more comprehensive assessments of the multifunctional use of forests to meet both bioeconomy objectives and environmental objectives. In particular, the Framework can support Member States in their assessments required under the RED to ensure the use of woody biomass for energy aligns with the EU's carbon sink target under the LULUCF Regulation.

While there are special conditions related to the harvesting of old growth forests under the RED, the monitoring of old growth forests needs be improved. A Framework for Forest Monitoring should provide improved and harmonized data and monitoring of old growth forests across the EU as their detailed extent and current status are largely unknown.



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