



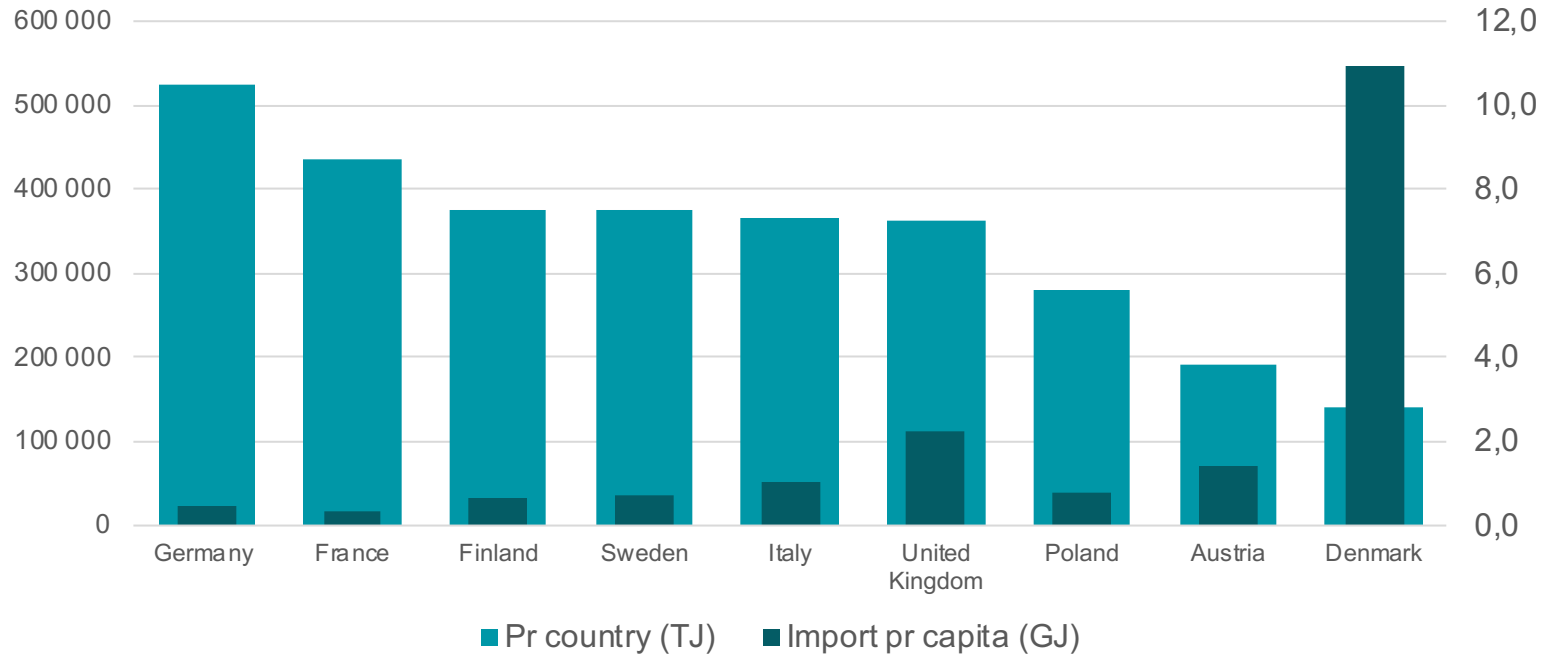
Danish biomass sustainability framework

Nordic Pellets Conference

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Consumption of primary solid biomass in Denmark, 2019



Political agreement on sustainability criteria for solid biomass (wood)

Voluntary Industry Agreement 2014

On certain areas more strict criteria than REDII:

- Covers all existing CHP and district heating plants
- Covers residues from wood industry
- Higher CO₂-emission saving requirements
- Higher requirements on biodiversity

Political agreement on sustainability criteria for solid biomass (wood)



Political agreement on sustainability criteria for solid biomass (wood) October 2, 2020

Voluntary Industry Agreement 2014



REDII-directive



- more ambitious than both the Industry Agreement and the REDII

- ✓ Criteria for existing plants, smaller plants (>2,5 MW), industry and biomass used in households (importers/producers)
- ✓ Criteria for non-forest wood and residues from wood industry
- ✓ Biodiversity criteria: protection of valuable areas and - species
- ✓ Climate-sustainability: maintaining forest carbon stocks and higher CO₂-emission savings in the production chain
- ✓ Third party verification – also up to the first gathering point

Article 29.7 LULUCF-criteria

(a) the country or regional economic integration organisation of origin

i) is a Party to the Paris Agreement and

ii) **has submitted a NDC** (..) which ensures that changes in carbon stock (..) are accounted towards the country's commitment as specified in the NDC;

or

xxx

(b) (...) **management systems** are in place at forest sourcing area level to ensure that carbon stocks and sinks levels in the forest are maintained, or strengthened **over the long term**



The NDCs submitted so far are not sufficient to limit the global temperature rise to 2°C.



How can a management system at the wood pellet producer ensure this?



How long is “long term” - too long?

Extra Danish requirement concerning carbon stock

Forest carbon stock in country or forest sourcing area must be maintained or increasing

OR

Forest sourcing area must be forest certified (FSC or PEFC or similar)

OR

Only residues can be used

Forest statistics



How to document compliance with the Danish criteria?

- Approved "Voluntary schemes" (VS) for all REDII requirements
- The supplementary Danish requirements have to be documented by 3rd party verification of qualified verifier
- The verifier audits all requirements that are not verified by a VS
- The verifier must be accredited to certify under at least one forest certification scheme (e.g. FSC, PEFC) and at least one "chain-of-custody scheme" (e.g. SBP) as well as being an EUTR "monitoring organization"
- Danish Energy Agency: supervision and control of verifiers

Conclusion and perspectives

- Denmark will add several extra criteria beyond the REDII in order to make the biomass as “sustainable and climate friendly as possible”.
- The solution is a compromise – security of supply and consumer costs have been taken into account.
- Some stakeholders find the sustainability criteria “not strict enough” – others “too strict” and “too burdening”.
- The covered stakeholders want their competitors to be covered as well (small plants/producers)
- Analysis in 2021 on possible measures and consequences of limiting the consumption of wood biomass.
- Analysis in 2023 will evaluate the sustainability criteria, potentially followed by covering more plants or adjustments of the criteria.



Thank you for your attention