



## UNECE/FAO Policy Forum

### **Opportunities and Impacts of Bioenergy Policies and Targets on the Forest and Other Sectors**

What is the future contribution of wood to meeting UNECE region's energy needs?

Geneva, 10 October 2007

## **CHAIRMAN'S SUMMARY**

1. Wood is currently the most important utilised source of renewable energy in the UNECE-region.
2. In many countries, policy, institutional and economic measures promote renewable sources to tackle the challenges of secure energy supply and climate change mitigation, leading to a rapidly increasing demand for wood.
3. Overall energy efficiency and efficient wood use are essential to approach renewable energy objectives.
4. Policies rarely define the share of wood in renewable energy supply. Clear bioenergy policy goals would help defining the role of forests in energy supply.
5. Analysis of energy policies lead to assumption that huge amounts of wood are needed in the future to fulfil these targets, likely to exceed sustainable domestic supply. Forecast use, assuming the energy targets is higher than forecast supply, although the size of the difference is open to discussion.
6. Closing the "gap" between the amount of wood required to fulfil energy objectives and support a growing wood-processing industry and the sustainable supply of wood, is a major challenge in order to increase the share of renewables without jeopardizing the existence of traditional industries.
7. Sustainable mobilisation of wood resources require in particular overcoming legal and institutional constraints (e.g. forest ownership structures), access to data, forest infrastructure, adequate prices for wood, etc., as well as motivating forest owners to utilise their forests. Supportive laws, regulations and policies are needed, as well as information and motivation of forest owners and other actors, especially entrepreneurs.
8. European forest owners see a potential to increase the harvest from currently underused areas substantially, and by further increase wood supply through improved silvicultural methods.
9. Forest-based industries may serve as an enabler to help meeting renewable energy targets.

10. Policies to promote renewable energy should have a holistic approach between sectors, and balancing potential of new markets with existing markets, and be targeted at national and sub-national levels in relation to both resources and needs.
11. Traditional analysis of wood supply and demand, centred on wood removals from forests and wood input to industries is no longer fully adequate. Therefore, an up-dated, more complex approach, based on comprehensive wood resource balances, is necessary. Many of the elements for such a wood resource balance are already available, even at the international level, but several other elements need original research and data gathering, notably the following:
  - a. Unrecorded sources of wood supply and use (trees outside the forest, logging residues, and post-consumer recovered wood on the supply side, as well as wood use for energy, in particular in private households and small CHP plants, on the wood use side)
  - b. Incompleteness of existing forest inventories
  - c. Input/output conversion factors for wood-using industries (inaccuracies in this respect could significantly increase, or decrease, the estimated “gap” between supply and use of wood)
12. The concept and level of sustainable wood supply needs re-examination. Net annual increment, although vitally important, is not a sufficient indicator by itself of what is a sustainable level of supply; age structure, ownership, location and infrastructure, biodiversity conservation and protection needs, quality aspects, employment and other features must all be considered.
13. Potential wood supply from sources outside the forest (woody biomass outside the forest, wood residues and post consumer recovered wood) can play an important role in future wood supply as well. Their potential should be analysed on national level, and data gathered internationally.
14. A level playing field between agricultural and forest biomass has to be assured, as well as between imported and domestic biomass.
15. Decisions on future land use will be crucial for food supply, supply of wood and non-woody biomass and nature conservation.