New EU climate targets open way for more sustainably produced biomass

by Jens Price Wolf

General Manager Europe and Vice President Commercial, Enviva

> Delivering Europe's long-term ambition to become the first climate-neutral continent by 2050 requires an extensive set of urgent measures to scale up action.

In a recent proposal set forth by the European Commission to speed up the EU's transition to a carbon-neutral economy marks an important moment in Europe's global leadership on climate action. Leaders in Brussels are united in doubling-down on a green recovery from the current crisis that will lay the foundation for a stronger economy and a cleaner planet in the decades to come.

These ambitious new 2030 climate targets, which include cutting EU greenhouse gas emissions to 55% from 1990 levels, increasing the EU's share of renewable energy, and reducing coal and gas consumption, will help place Europe on a better pathway to achieving the most vital goal: net-zero carbon emissions by 2050.

As the world's largest producer of sustainable biomass, which is also the EU's largest single source of renewable energy, Enviva applauds the Commission's bold vision, in particular, its plan to "increase the use of sustainably produced biomass." In order to meet this challenge, a smart, consistent regulatory environment is necessary.

The European Commission and leading international climate science authorities, such as the UN Intergovernmental Panel on Climate Change (IPCC), have long recognised the critical role of sustainable bioenergy in all viable pathways to net-zero emissions. For instance, last year the IPCC's Special Report on Climate Change and Land found that "a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks — while producing an annual sustained yield of timber, fiber, or energy from the forest — will generate the largest sustained mitigation benefit for climate change."

As Commission President Ursula von der Leyen stated in her State of the Union address, "decarbonising both energy supply and demand is key to achieving climate neutrality." This priority – specifically displacing coal – is Enviva's central mission. According to peer-reviewed research published by scientists from the Universities of Illinois, Georgia and North Carolina, the carbon intensity of electricity from sustainable wood biomass is 74%-85% lower than that of coal-based electricity.

A forest in the US Southeast where "US federal data shows the forest area is growing, even as it supplies one fifth of the world's wood," Enviva said. ENVIVA

By converting old coal plants to wood-based biomass, we can essentially recycle existing energy infrastructure – keeping the boilers, the grid connection, the transport links and more – while maintaining low costs and employment, and most importantly delivering carbon reduction quickly and at scale. As an example, thanks in large part to sustainable biomass, the UK's Department for Business, Energy and Industrial Strategy last year recorded the country's lowest level of coal consumption since the 1880s. Even during the COVID-19, the UK had over 60 days of coal-free power generation.

More importantly, sustainable biomass enables us to decarbonise the heat sector, a challenge that solar and wind cannot tackle. Denmark is a great example of an economy that has embraced this green heat principle with a strong district heating system that largely runs on sustainable biomass and, as a result, contributed to a sharp drop in Denmark's coal consumption. With its expected agreement on defining what constitutes sustainable biomass, Denmark will continue to be a climate trailblazer in Europe and beyond. Brussels should take note.

The future of our business at Enviva is tied directly to the health of growing forests in the U.S. Southeast. According to U.S. Forest Service data, forest and carbon stocks in Enviva's source areas are higher today than they were when the industry first started a decade ago. It may seem counterintuitive, but Clemson University research shows that a strong market for forest products – of which sustainable wood biomass is a part – helps incentivise landowners to plant more trees and grow more forests. In addition to following strict sourcing principles – including protecting biodiversity and other environmental and social priorities – Enviva uses a range of sustainability certification standards that are routinely audited by third parties to ensure we continue to produce sustainably.

To this end, Enviva strongly supports the strict, EU-wide, world-leading sustainability criteria established by the Renewable Energy Directive II (REDII), and we welcome the Commission's call to adopt it more quickly. However, given that REDII has still not been fully implemented more than two years after its passage, adding further measures would only cause additional uncertainty and potential delays for an industry that needs regulatory predictability. Such steps would likely be counterproductive to the goal of supplying an increase in sustainable biomass as outlined in the Commission's climate plan.

Earlier in September, Enviva joined more than 180 business leaders and investors in asking EU leaders to support this ambitious, forward-looking vision for our economy and planet.

As the letter states, "The right decisions now can help create and protect healthy, thriving and fair communities and secure a roadmap for a prosperous economy. Delivering Europe's long-term ambition to become the first climate-neutral continent by 2050 requires an extensive set of urgent measures to scale up action."

In April, Enviva joined the Alliance for a Green Recovery set up by European Parliament Environment Committee Chair Pascal Canfin MEP. In fact, Enviva's John Keppler was the first U.S. CEO to sign this initiative.

The time for climate action is now, and Enviva is proud to be part of this action.