

# Swedish concerns with fit for 55

Svebio Fuel Market Day  
Stockholm 7 September 2021

Kjell Andersson

# Revision of Renewable energy directive RED III

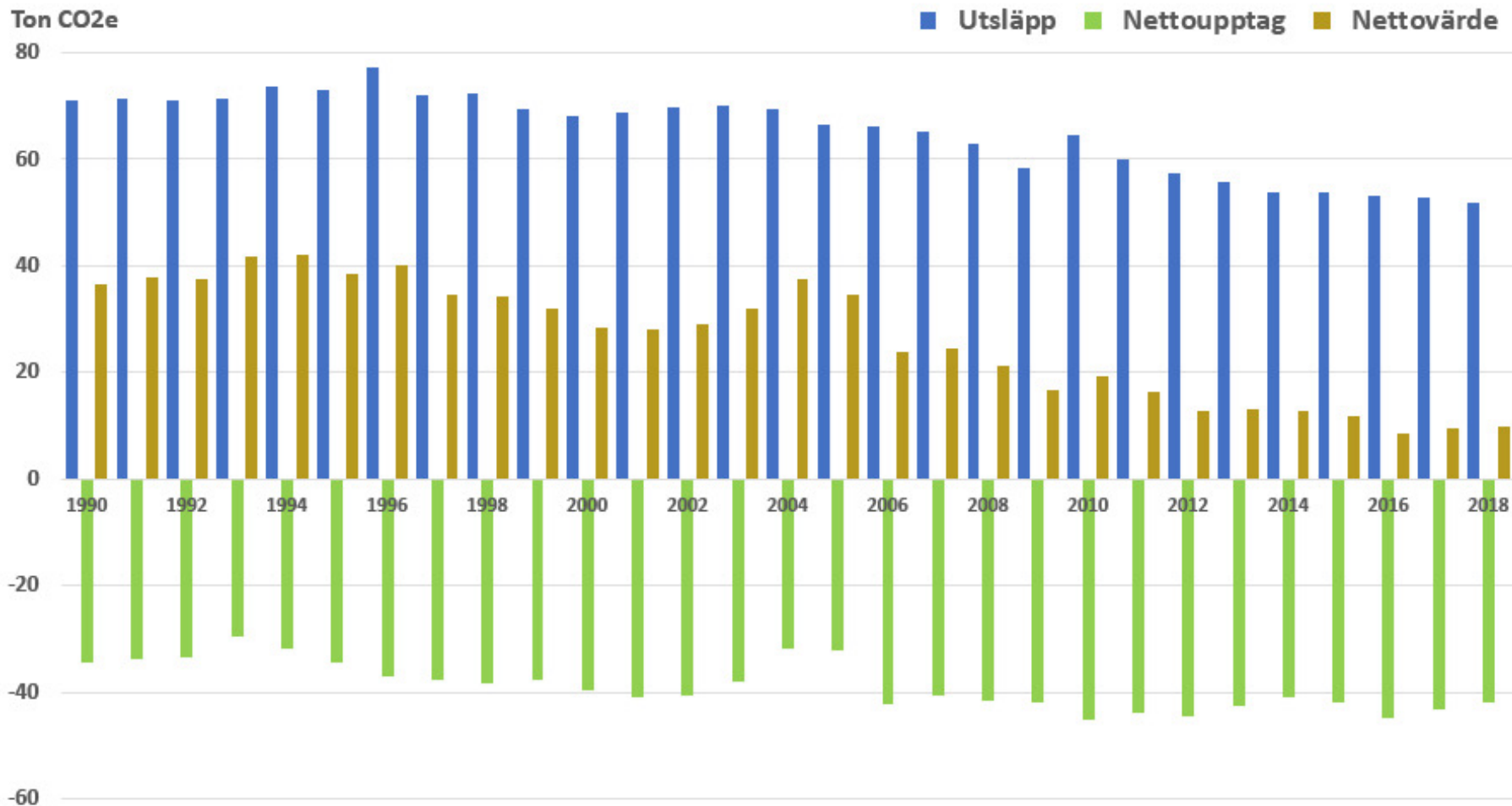
- Extended sustainability criteria to include more "no-go-areas".
- Restrictions on stumps, large clear-cuts, thresholds for deadwood, etc.
- Reporting for smaller heat plants and other users down to 5 MW (now 20 MW).
- COM propose delegated act to apply cascading principle and minimise the use of "quality roundwood" for energy.
- Stricter GHG-criteria for existing plants.

Effects: Impossible to apply current risk assessment model. Will lead to higher cost, more administrative burden and difficulties to mobilise rawmaterial. Stricter regulation of biofuels than of industrial wood.

# LULUCF

- Sweden to increase LULUCF target from 36 Mt CO<sub>2</sub>/year to 47 Mt CO<sub>2</sub>/year
- Only possible to make major increase in forest management.
- 11 Mt CO<sub>2</sub> is equivalent to 14.8 Mm<sup>3</sup> wood harvest, or 16% of current harvesting level.

Effect: 16% less saw-wood, 16% less pulpwood, 16% less income to forest owners, 16% less employment in forestry and forest industry, 16% less byproducts for bioenergy – less substitution of fossil fuels and materials with high carbon footprint.



Swedish emissions (blue) and removals (LULUCF green) and net values 1990 – 2018 in Mt CO<sub>2</sub>/y.

# Revision of energy tax directive ETD

- Minimum tax on woody biomass on all use above 5 MW
- Tax exemption on electricity production from biomass, but not on heat production
- Punitive tax rate on "food and feed based biofuels"
- Minimum tax on all biofuels for transport
- No proposal of common carbon tax

Effect: will lead to extra costs and administrative burdens for both fuel producers and users.

# Taxonomy

- New annex defining criteria for biodiversity and bioeconomy.
- No biomass from "whole trees". No deadwood, no stumps, residue threshold for each harvesting site, etc.
- No biomass from food & feed crops nor from other energy crops (cellulosic).
- Instead of farming, biodiversity through "rewilding".
- Very strict criteria for forestry. Climate plans for forest holdings above 13 hectares. Management plans for all (above 0.5 hectares).
- Maximum clearcut 3 hectares in conifer forest and 1 hectare in broadleaf forest. No logging in forest "untouched" for 60 years.
- At least three species with minimum 20% of trees.

**Effect: The criteria disqualifies most of our boreal forests.**



Examples of discarded wood. Crooked stem. Splinted stem.  
Insect infested stem. Fire damaged, charred stem. Rotten stem.

What is quality stemwood?

These stems are not, but what about wood that nobody wants to buy?

Because there is no pulpmill nearby or no other demand.

Why not trust the market?



”It was considered that slash harvesting on 50 % of the clear-cuts and stump harvesting on 20 % of all clear-cuts would be possible without negative impact on the environmental goals.”

Swedish Energy Agency in research synthesis report (ER 2018:02) concluding stump research program 2008 – 2015.

## Stumps

– what does science say?