

From Brussels to Biomass: What EU Energy & Climate Policy Means for the Pellet Sector

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About Bioenergy Europe



Common voice of the European bioenergy sector since 1990



Unites more than **40 national associations** and around **140 companies** from all steps of the bioenergy value chains



Hosting the **European Pellet Council (EPC)**



Quality & Sustainability **Certifications**

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Our Services:



EU Policy Monitoring & Influence



Market Data



Visibility



Networking

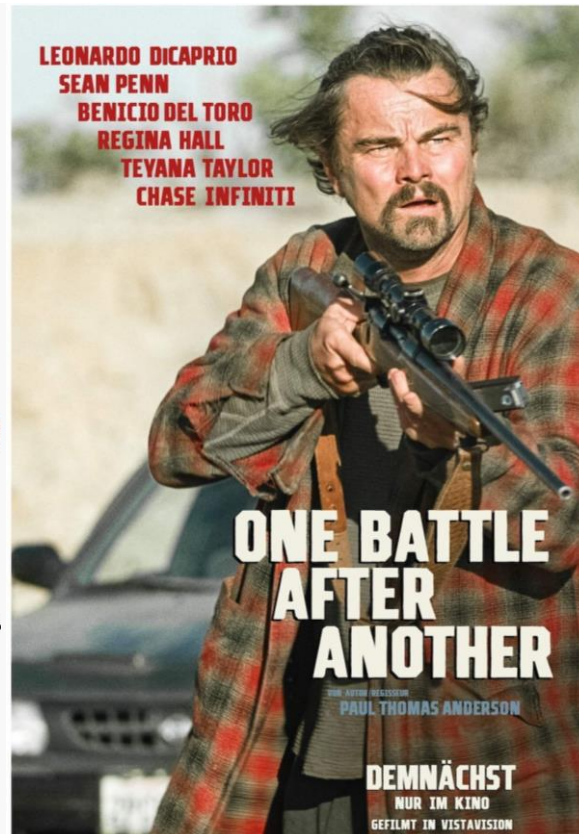


Free & Discounted Events

Brussels advocacy: a guide for beginners



But what happens in Brussels does not stay in Brussels...



This is how everyday work often feels like.



Some issues are very technical. Some less technical. All are political.



Working together can bring results!

First leak (September 2025)

*"The Commission will work towards **disincentivising inefficient biomass combustion and substitute it with other types of renewable energy [...]"***

*"[...] to avoid **prioritising biomass combustion** over material use. Where energy use is prioritised, it should primarily be in high- efficiency combined heat and power systems or as **a last step [...]"***

Bio-CCUS not mentioned



Final Version (27 November 2025)

*"Bioenergy **continues to play a role in energy security**, particularly where it uses residues, does not increase water and air pollution, and complements other renewables."*

*"Residual and secondary streams **can be used for energy**, particularly where no alternative decarbonisation solutions exist. or **where it ensures energy security and energy affordability [...]"***

*"Developing **permanent storage of biogenic carbon** can support European leadership in net-zero industrial technologies"*

Renewable Energy Directive: Consultation for revision of Annexes V and VI

GHG saving levels for electricity, heating and cooling from biomass fuels:

- REDII (2018): >70 % for installations starting operation from 1 January 2021 until 31 December 2025, and 80 % for installations starting operation from 1 January 2026
- **REDIII (2023):** more complicated rules, **but eventually > 80% for all installations**
- Annex VI of REDII defines the **rules for calculating the GHG impact of biomass fuels and their Fossil Fuel Comparators (FFCs)** for the calculation of savings
- Several tables provide **typical values and default values** of GHG emissions and savings for different types of biomass fuels and production pathways
- **Typical values** are the (calculated) estimates and of the GHG emissions and GHG savings for a specific biomass fuel production pathway, representative of EU consumption
- **Default values** are derived from the typical values by the application of pre-determined factors; to avoid administrative burden, operators are always entitled to use the default values of the Annexes
- **Actual values** can be used to demonstrate compliance, if the GHG savings with the default values are below the required level



https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14343-Renewable-energy-revising-biofuel-bioliquid-and-biomass-fuel-production-pathway-values-and-modifying-methodology_en

Consultation for revision of Annexes V and VI

Current situation in REDII	New EC proposal	Bioenergy Europe position
FFC for electricity: 183 g CO ₂ eq/MJ FFC for heat: 80 g CO ₂ eq/MJ	No change in the FFCs	😊 No change needed.
Typical total GHG emissions for solid biomass fuels calculated using older reference data	Typical total GHG emissions for solid biomass fuels are lower than REDII, primarily due to processing (lower carbon intensity of grid electricity)	😊 Good that this reflects the progress of the sector and the wider EU electricity mix.
Default values for processing, transportation and fuel-in-use emissions from forest biomass are 20% higher than the typical	Default values for processing, transportation and fuel-in-use emissions from forest biomass are 40% higher than the typical	😞 😞 No justification for this! The 20% increase should be kept.
Efficiency for heat: 85% Efficiency for electricity: 25% (conservative)	Efficiency for heat: decreased to 75% / 65% Efficiency for electricity: same	😞 Not huge impact since operators can use total GHG emission values and their own efficiencies. But decrease is unjustified.
No special considerations for biomass storage	New Cstor factor for biomass storage. Can increase the emissions by 15% if storage conditions are inappropriate	😞 The Cstor factor has methodological issues and lacks guidance for its application. It should be removed.
Emissions from electricity used in biomass processing the average emission intensity of electricity in a defined region or plant-specific if the plant is not connected to the electricity grid	No change in the approach	😞 Pellet plants and other operators cannot benefit from their own defossilisation measures. More flexibility should be allowed for specific conditions (i.e. use of certified metering).

Our detailed response is publicly available [here](#)

EU Deforestation Regulation

Successor to the EU Timber Regulation (EUTR)



Which Products: **Wood**, rubber, palm oil, soy, coffee, cacao, and cattle products are all covered by this regulation ([Annex](#))



What : Requires **due diligence system to prevent** sourcing products associated with **deforestation** and **forest degradation**



How: Operators and traders will need to report data on product origins for the **entire (?) supply chain** to a central EU Information System



Compliance date: initially was **30 December 2024**. Then postponed to **30 December 2025**.

Information System: prerequisite for compliance; launched last year ([link](#)); Commission claimed that the system is not capable to handle the flow of information from economic operators → Commission proposal brought to the table (simplification measures + grace period).

Advocacy Efforts: **Bioenergy Europe very active as a part of an informal coalition** of EU associations representing commodities affected by EUDR
→ **Our main ask = postponement + simplification.**


Council + Parliament: discussions taking place in Autumn 2025; adopted positions going beyond the Commission proposal and mostly aligning with messages from trade associations; **informal political agreement reached quickly in one trilogue on 4 December.**

Revised text published on the Official Journal of the Union on 23 December.


Key elements of Regulation (EU) 2025/2650 amending EUDR

 **New entry into force 30 December 2026** + 6 extra months for SMEs and micro enterprises (which were not already in EUTR).

 Obligation and responsibility to submit the required DDS will fall exclusively on the **operators who first place the product on the market.**

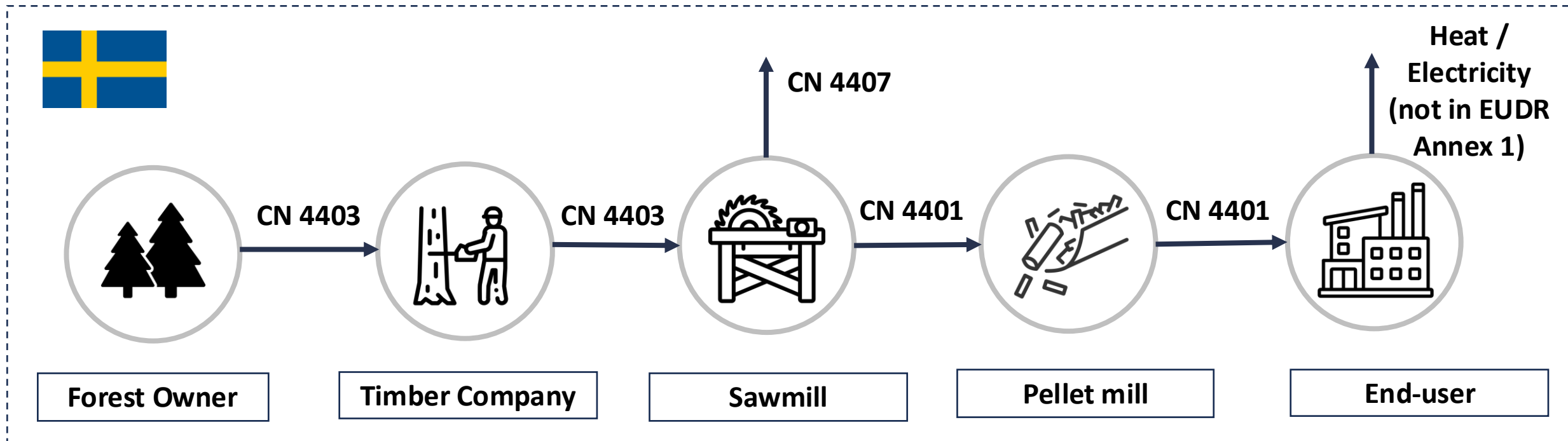
 New category of “**downstream operator**”, with similar obligations to traders. No requirement to ascertain that due diligence was exercised or to submit DDS. **First downstream operator** or trader in the supply chain will be responsible for collecting and retaining the reference number of the initial DDS. Non-SME downstream operators and non-SME traders obliged to register on the IT system.

 **Micro and small primary operators** (in low-risk countries) will only submit a 1-time **simplified declaration** and receive a **declaration identifier** for traceability purposes

 **Certain printed products** (such as books, newspapers, printed pictures) **removed from the scope of the regulation**, reflecting the limited deforestation risk associated with these items

 **Simplification Review by 30 April 2026, to evaluate the impact and administrative burden of the EUDR** and indicate ways to address the identified issues. The review should be accompanied by a legislative proposal if necessary.

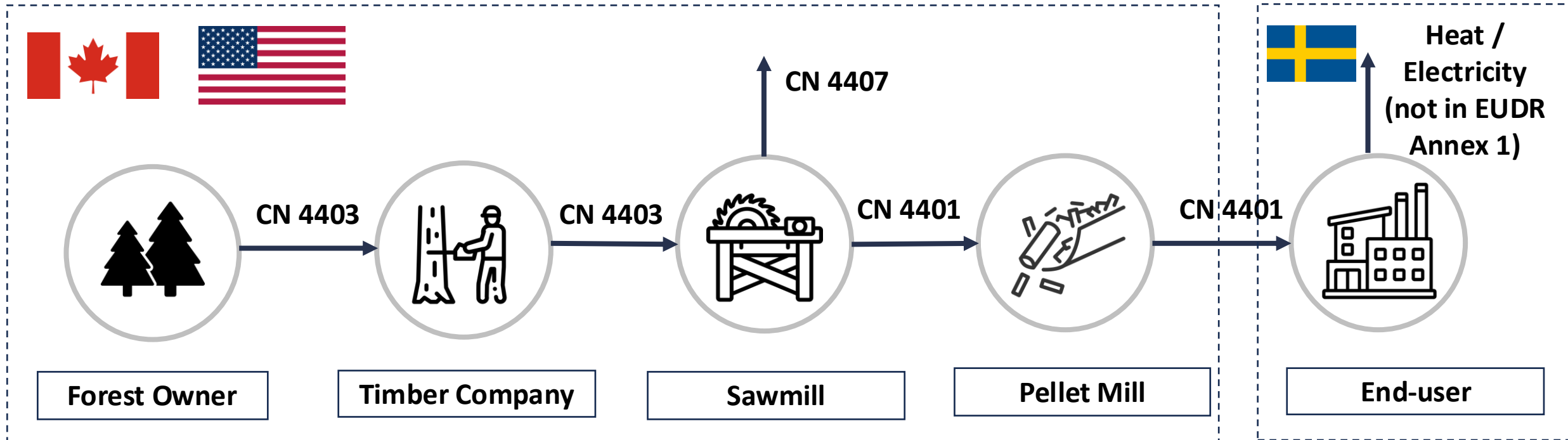
EUDR - Pellet supply chain within the EU



Disclaimer: the following analysis is based on our understanding of the revised regulation.

- **Forest owner:** upstream operator, required to submit a DDS. If small/micro, the DDS can be simplified.
- **Timber company:** first downstream operator. Required to collect and retain the reference number of the initial DDS.
- **Sawmill:** downstream operator. If non-SME they need to register on the Platform. No obligation to submit a DDS or retain reference numbers.
- **Pellet Mill:** downstream operator. If non-SME they need to register on the Platform. No obligation to submit a DDS or retain reference numbers.
- **End-user:** not in the scope of EUDR, since they produce products not in Annex 1.

EUDR - Imported pellets into the EU



Disclaimer: the following analysis is based on our understanding of the revised regulation.

- **End-user:** transformation of pellets into heat/electricity is not in the scope of EUDR (products not in Annex 1). However, usually the end-user first places a product on the EU market, so they need to ascertain due diligence and submit a DDS. Alternatively, a trader might be the first placer and responsible for the DDS.
- **Pellet Mill:** they should provide data so that the first placer on the EU market can submit the DDS.
- **Forest Owner, Timber Company, Sawmill:** the Pellet Mill should collect data (e.g. geolocation) from them, to be passed on to the end-user for the DDS.

- Commission will publish **revised FAQ and Guidance Documents** for the Regulation, considering also stakeholder feedback.
- **Simplification review by 30 April 2026** & legislative proposal (if considered appropriate).
- Still pending: **Delegated Act amending Annex I of EUDR**, potentially taking out of scope of the Regulation some products / CN codes (probably to be released as package with the Simplification Review?)
- **Review of country classification** (low, medium, high risk) expected to take place in 2026.

→ **Bioenergy Europe will keep advocating for meaningful simplification and proper guidance for the implementation of the Regulation by engaging with the Commission and by coordinating efforts with other associations on topics of joint interest**

Ecodesign Regulations for solid fuel boilers and local space heaters

Ecodesign Regulations for solid fuel LSHs and boilers

- **Commission Regulation (EU) 2015/1185** – Ecodesign requirements for **Solid Fuel Local Space Heaters (SFLSHs)** with nominal heat output up to 50 kW → applicable since 1st January 2022
- **Commission Regulation (EU) 2015/1189** – Ecodesign requirements for **Solid Fuel Boilers (SFBs)** with nominal heat output up to 500 kW → applicable since 1st January 2020
- Relevant for new appliances that are placed into the market and put into service (do not affect already operating appliances)
- Cover aspects related to energy efficiency, pollutant emissions and product information requirements
- Both Regulations foresee a review, "*in light of technological progress*" to update certain aspects, e.g. set stricter emission and energy efficiency requirements

THE BIOENERGY SECTOR WHEN READING THE FIRST "NON-PROPOSAL" OF THE COMMISSION FOR THE REVISION OF THE ECODESIGN REGULATIONS IN JANUARY 2025:



THE EUROPEAN COMMISSION WHEN SEEING THE POLITICAL BACKLASH OF ITS "NON-PROPOSALS":



- Consultation Forums organized by the Commission on 25 June 2025 for SFLSHs & 8 December 2025 for SFBs
- Different Policy Options presented (sometimes indicating Commission preferences). General trend is still tighter requirements than current Ecodesign Regulations
 - Example: for SFBs Commission intends to extend scope to 1,000 kW and include agrobiomass fuels
 - Example: for SFBs fired with wood pellets, Commission considers the reduction of current PM limit of 40 mg/m³ to either 28, 15 or 3 mg/m³
 - Example: for SFLSHs Commission considers the introduction of a mandatory technical requirement for automatic airflow control
- Ecodesign for SFLSHs: draft publication by Q4 2025 (delayed), final legal text by Q3 2026
- Ecodesign for SFBs: draft publication by Q4 2026, final legal text by Q2 2027

What is Bioenergy Europe doing?

- Creation of an internal Expert Group for SFLSHs from among its members
- Participation in the Consultation Forums and in Informal Discussions with the Commission (with the Expert Group)
- Position papers with feedback from our members through the WG Domestic Heating
- Contacts with member states representatives

→ Bioenergy Europe will fight for a meaningful revision of the Ecodesign Regulations that reflects the technical realities and market situation of the residential heating appliances with biomass and that enables its sustainable growth

What comes next:
2040 targets, Energy Governance, new RED?

- Political agreement in December for the 2040 climate target: 90% (domestic target of 85% and up to 5% of international carbon credits)
- Ongoing public consultation (until 12 March) on the **update of the governance of the Energy Union and climate action**
- **New policy options under consultation, incl. electrification target rather than a renewable target!!**
- **New RED on the horizon?**

Overall post-2030 energy targets structure

[Please rank the options from 1 to 5, where 1 is the most important and 5 the least important]

Use drag&drop or the up/down buttons to change the order or accept the initial order.

⋮ **Option 1:** Continue with the current structure of binding EU targets for renewables and energy efficiency, supported by national contributions guided by formulas (Based on the formulas for Member States contributions on renewable energy and energy efficiency under the current governance framework).

⋮ **Option 2:** Keep a similar structure with binding EU targets as in option 1 while allowing for flexibilities that reflect Member's states' specificities.

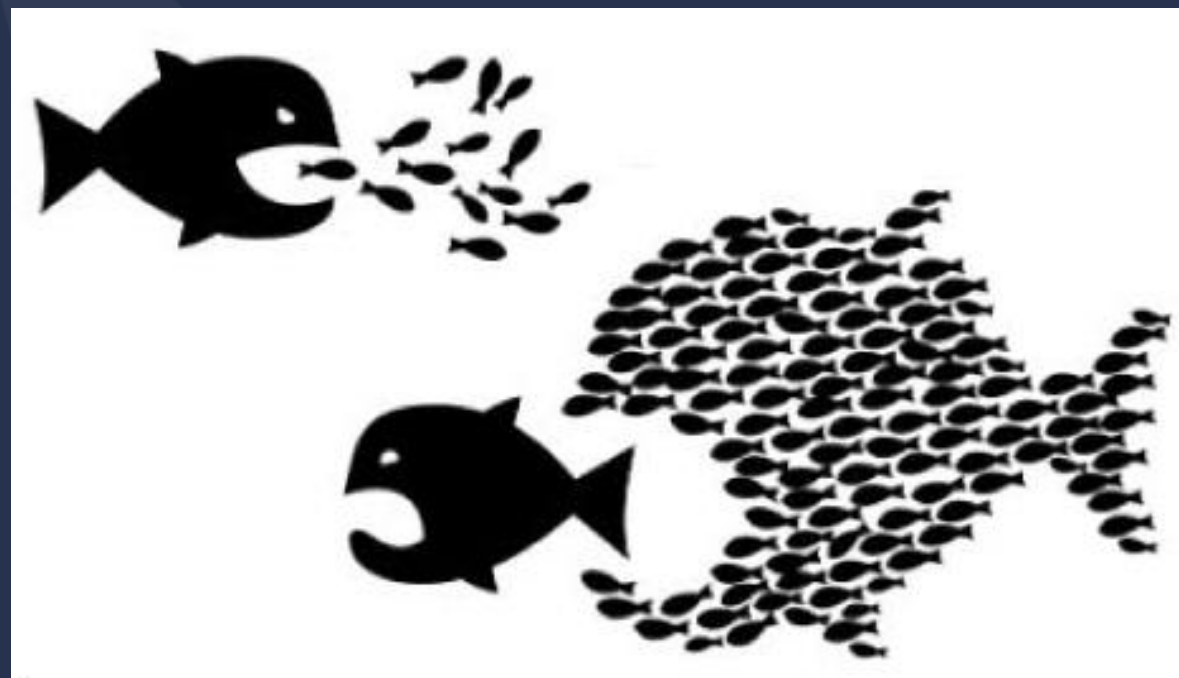
⋮ **Option 3:** Define a single, overarching clean energy target for the EU, with embedded minimum thresholds for key energy parameters (e.g. renewable energy, energy efficiency).

⋮ **Option 5:** Option 1, 2, 3 or 4 complemented/combined with monitoring KPIs for key energy system components (e.g. electrification, waste heat reduction or re-use), while ensuring transparency and comparability.

⋮ **Option 4:** Define a single, overarching electrification target for the EU, with embedded minimum thresholds for key parameters (e.g. renewable energy, energy efficiency)



Don't panic, Organize!



European Pellet Forum 2026 – See you in Verona!



EUROPEAN PELLET
COUNCIL
A NETWORK OF
BIOENERGY EUROPE



EUROPEAN PELLET FORUM



Verona

27th Feb. 2026

9:00 am - 1:00 pm



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EUROPEAN PELLET FORUM



"I will deliver a high-level overview of the European pellet market, highlighting key statistics on production, consumption, trade flows, and price dynamics, along with expected future trends. I will focus on premium and residential pellet segments, with a focus on key markets that are closely interconnected with the Italian pellet market. I will also present an update on pellet appliance sales (stoves and boilers) across Europe, since this is a key factor influencing the organic growth of the pellet sector."



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Director, Bioenergy
Europe

For more information on the agenda and registration, please visit

<https://pellet-forum.eu/>

Thank You!

