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Dutch Roadmap for Sustainable Energy

Report Categories:

Biofuels

Wood Products

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Report Highlights:

On September 6, the Dutch Government, private sector and NGOs signed the Dutch Energy Accord. In the agreement co-firing of biomass is capped at 25 PJ per year, equivalent to about 3.5 million MT of wood pellets. Before the end of 2014, the sustainability requirements for the biomass will be determined.

<u>Dutch Energy Accord caps biomass use at 25 PJ per year</u>

On September 6, the Dutch Government (GONL) signed the Dutch Energy Accord. This agreement is the result of eight months of negotiations led by the Dutch Social Economic Council (SER) and was signed by more than forty Dutch organizations representing the energy and construction sector, labor unions and NGOs.

In the Energy Accord the following has been decided:

- -To reduce the national goal from 16 to 14 percent sustainable energy generation in 2020. This is an adjustment of the previously established ambitious 2020 goal of 16 percent decided upon in the coalition agreement (see GAIN Report NL2037: Dutch Refine Agricultural Priorities). It also voluntarily exceeds the requirements of the Renewable Energy Directive by establishing a goal of 16 percent by 2023.
- -To reduced national energy consumption by 1.5 percent.
- -To further subsidize solar energy for household use.
- -To expand offshore and inshore wind energy generation.
- -To cap biomass co-firing at a net energy output of 25 PJ per year, equivalent to about 3.5 million MT of wood pellets. During 2011 and 2012, the level of biomass co-firing was about 1.5 MMT (see GAIN Report NL3001: The Market for Wood Pellets in the Benelux).
- -To fund the co-firing of biomass through the Support Sustainable Energy Production (SDE+) program (see GAIN Report NL3001). It is anticipated that these funds will be available from 2014 to 2023. Funding of biomass cofiring will be limited to power plants build after the 1990's. The GONL decided that five older power plants will be closed during 2016 and 2017, and will be replaced by three new plants.
- -To expand the criteria for biomass laid down in the sustainability program NTA8080 (see GAIN NL3001) to include carbon debt, Indirect Land Use Change (ILUC) and sustainable forest management. The GONL, energy sector and NGOs will develop these requirements before the end of 2014. The discussion will be led by the Commission Corbey. The GONL will put these criteria forward for harmonization on EU level.

U.S. pellets sector calls for harmonized sustainability criteria

On September 11, the sustainability criteria for biofuels were discussed in the Dutch Parliament. Just before the discussion, the U.S. Industrial Pellets Association (USIPA) and the Port of Rotterdam handed over a petition to the Dutch Parliamentarians. In the petition, USIPA states its commitment to the European sustainability standards, but calls for harmonization of these standards throughout the EU. The paper further explains the sustainable sourcing of the waste materials for pellet production. On September 10, the delegation visited the Parliament in the UK, and on September 12, the European Commission.

Abbreviations:

- -PJ = Petajoule = 10¹⁵ Joule = 1,000,000 Gigajoule
- -Caloric value of wood pellets is about 17 GJ per MT.
- -Net energy output of wood pellets is about 7 GJ per MT.