

European Commission  
DG COMP Units B2, B3 & H2

Brussels, 16 December 2020

**Proposal for a consultation system at national, regional or local level to verify whether projects by applicants for biomass energy support comply with the sustainability requirements of REDII and to evaluate any potential distortions of raw material markets**

The European Panel Federation (EPF) believes that Member States should require applicants for biomass energy support to present a detailed supply plan for their woody biomass describing the type, quantities and origin of the material and an evaluation of any potential conflicts with existing users. The supply plan should not only cover the start-up phase but should be for at least 2 to 5 years or could be described for the entire time of receiving support. In this plan, applicants should already provide as much information as possible showing that their supply plan will not cause any market distortion for the existing wood processing industry.

During the evaluation of the application and the possible granting of support, the national/regional/local authority shall inform all potentially relevant stakeholders within the expected supply area of the bioenergy plant to provide comments and in case they object to support being given, deliver proof that they are already using the envisaged feedstocks by the applicant. Given the uncertainties on the supply range, authorities shall always as a minimum inform National/European associations of wood by-products and wastes such as the wood panel industry, the pulp industry, the wooden packaging sector and any other relevant associations. Only biomass supply which clearly shows that no market distortion will be caused by granting of support, will be eligible for granting of support.

Support granting authorities shall take due account of any proof of existing materials and the expected socio-economic impact of granting the support to the biomass energy plant.

During the entire supporting time and at the time of any application for renewal, support granting authorities shall require the supported operator to document the real origin and quality of the woody biomass at least once per year to verify that it matches with the supply plan used when granting the support. In case of any discrepancies, a consultation shall be launched when new materials from new origins are being used, and in the case of proof of market distortion to material users, the granting of support shall be re-evaluated and preferably stopped.

*EPF represents the manufacturers of wood-based panels being particleboard, dry process fibreboard (MDF), oriented strand board (OSB), hardboard, softboard and plywood. EPF has members in 32 European countries. The EU wood panel industry has a turnover of about €22 billion every year, creates over 100,000 jobs directly and counts more than 5,000 enterprises in Europe. The production of wood-based panels in the EU-28 (+EFTA) in 2019 was an estimated 59.2 million m<sup>3</sup>. [www.europanel.org](http://www.europanel.org)*

Ref: 2020-103