

From: [REDACTED] (CAB-ARIAS CAÑETE)
Sent: Wednesday 16 November 2016 11:56
To: CAB ARIAS CANETE ARCHIVES
Subject: FW: Review of the Renewable Energy Directive (RED) – comments by Metsä Group

For registration pls

From: Peltonen Tytti [REDACTED]
Sent: Wednesday, November 16, 2016 11:26 AM
To: SCHELLEKENS Pierre (CAB-ARIAS CAÑETE)
Cc: [REDACTED] (CAB-ARIAS CAÑETE)
Subject: Review of the Renewable Energy Directive (RED) – comments by Metsä Group

Dear Mr Schellekens,

In follow-up to our recent meeting, I hereby send you some comments on the RED review which I hope you find useful.

Please do not hesitate to contact me if you need any further information.

Kind regards,
Tytti Peltonen

Review of the Renewable Energy Directive (RED)

Metsä Group is strongly concerned that the current recast of the RED will incentivize the use of industrial wood (pulpwood) for biofuel production, and wishes to underline that the commercial availability of sustainable forest resources, such as pulpwood, is approaching the limits of sustainable uses in many areas.

Promoting and incentivizing the use of industrial wood for biofuel production via the Annex IX list will direct valuable, scarce raw materials away from existing higher value uses into direct energy use of wood. Such an approach fails to recognize alternative, more sustainable uses of biomass and the benefits of material use of wood.

Evolving forest industries need a regulatory framework under which they can compete for raw materials on free and competitive market terms on a level playing field. Resource efficiency, the cascade use principle and circular economy aims must be respected in the RED.

Use of delegated acts to both add and remove feedstocks from Annex IX

It is therefore of utmost importance that the European Commission puts in place a sustainable framework for the ten year period 2020 – 2030 when reviewing the RED. To this end the Commission must be able to assess and take the latest scientific, technology and market evidence into consideration when determining whether feedstocks should still be on the Annex IX list, by not only adding but also removing feedstocks from the list by the use of delegated acts, given that markets for (by-) products, wastes or residues develop and since supply of raw

material alters, thus changing existing situations. In this regard it is essential that the test set out in Article 3 (5) of the RED is applicable to all feedstocks that are included in the list in Annex IX. The Commission should thus also be empowered to remove feedstocks from Annex IX, should the application of the test result in such an outcome, given that research and innovation can alter previous truths about greenhouse gas emission savings. To this end please find our suggestion below.

Suggested amendment to the RED Article 3, subparagraph 5

The Commission shall be empowered to adopt delegated acts in accordance with Article 25a to ~~amend the list of feedstocks in part A of Annex IX in order to add~~ **and remove feedstocks in the list of feedstocks in Annex IX, but not to remove them.** The Commission shall adopt a separate delegated act in respect of each ~~feedstock to be added to~~ **amendment of the list in part A of** Annex IX. Each delegated act shall be based on an analysis of the latest scientific and technical progress, **as well as current and anticipated raw material consumption,** taking due account of the principles of the waste hierarchy established in Directive 2008/98/EC, and supporting the conclusion that the feedstock in question does not create an additional demand for land or cause significant distortive effects on markets for (by-) products, wastes or residues, **that it does not have adverse impact on raw material supply,** that it delivers substantial greenhouse gas emission savings compared to fossil.

Tytti Peltonen

Vice President, Corporate Affairs

Metsä Group

Sustainability and Corporate Affairs

Avenue Louise 250/11, B-1050 Brussels, Belgium



www.metsagroup.com