

## **Open letter: Europe can Count on the Bioenergy Industry for its Net Zero Goals**

We, the undersigned CEOs, and high-level representatives of European industry, wish to draw attention to the critical role which bioenergy technologies play in delivering the European Union's net-zero goals for 2050.

Our coalition is broad, ranging from providers of food that nourishes millions of Europeans, to producers of electricity, heating and biomass fuels that help meet the energy needs of millions of EU consumers and businesses.

Several of us are manufacturing companies from a variety of industrial sectors (wood products, paper& pulp, lime, ceramics, steel, etc.). These sectors all require large amounts of energy to produce materials essential for modern day life and the construction of projects key to meeting climate goals, such as solar parks, wind farms and other infrastructure vital to the energy transition.

Others among us are technology providers for modern bioenergy solutions, which fulfil energy needs across a myriad of applications – from residential heating and specialised, high-temperature industrial heat solutions, all the way to advanced biofuels for aviation and shipping.

Bioenergy companies are small & medium-sized businesses as well as large multinationals, together employing close to half a million people across Europe.

The profiles of our companies may differ, but we are united in our belief that bioenergy will play an increasing important role in the EU's efforts to decarbonise. Bioenergy will be indispensable for meeting the European Union's climate targets for 2030, 2050 and beyond.

Sustainable bioenergy has multiple benefits. It is a cost-effective, readily available solution for decarbonisation: utilising sustainable biomass resources obtained through sustainable forest management, good agricultural practices, and the valorisation of residues. Modern bioenergy solutions maximise energy efficiency and minimise pollutant emissions in the atmosphere to negligible levels. Bioenergy, in combination with Carbon Capture and Storage technologies (BECCS) or biochar carbon removal (BCR), can not only generate fossil-free, renewable energy but can also deliver, in a cost-effective manner, the carbon removals that will be necessary for achieving carbon neutrality by 2050.

Above all, it should not be forgotten that bioenergy is a largely indigenous, European solution: with 95% of the solid biomass used in Europe being locally sourced and the remainder overwhelmingly sourced from trusted allies. Europe is the undisputed leader in bioenergy technologies worldwide. European companies are at the forefront of deploying innovative bioenergy solutions supplied by European technology providers. At a time when the technology suppliers from so many other sectors have moved to other non-EU countries, these European technology providers are an asset we cannot afford to lose.

Confronted with Russian aggression in Ukraine and high energy prices, the EU is at the turning point today in its energy security. We therefore need to objectively consider all available options in the energy portfolio, including sustainable bioenergy.

European policymakers should not shy away from embracing the full benefits provided by bioenergy solutions, nor fail to recognize the importance of the sector in our future energy system. Considering all of this, we:

1. Welcome the recent provisional compromise on the Renewable Energy Directive (REDIII) and the confirmation that bioenergy is 100% renewable. Regulatory certainty is vital for future investments.
2. Encourage the EU institutions to include manufacturing of bioenergy technology as a strategic technology in the Net Zero Industry Act (NZIA), since this will send a strong policy message for further investments. It will also ensure that Europe maintains its technological leadership in modern bioenergy solutions, expanding the highly skilled workforce that is already active in the sector.
3. Ensure that both indigenous and imported biomass supply is not arbitrarily constrained beyond existing sustainability considerations.
4. Call for the EU institutions to create clear policy environment for further mobilisation of new sustainable biomasses from currently unexploited sources and call to ensure that negative emissions policy framework builds incentives.

Sincerely,