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European Energy Policy puts industries using renewable raw materials at risk

The European industries using renewable raw materials from agriculture and forestry are part of the solution for a sustainable Europe. They are however increasingly concerned about the potential economic and environmental impact of current shortages and price increases of their raw material, as a result of the European Commission's narrow focus on targets for renewable energies.

The industries concerned have a combined turnover of more than 310 billion Euros and directly employ more than 3 million people in Europe*. They are an important contributor to the EU's economy and competitiveness (in particular in rural areas), deliver high quality products to society and contribute to the European Union's objectives for CO₂ reduction and renewable energy use.

The availability of raw material for these industries is vital to deliver the high quality every day products they produce. Putting at risk the production of such products jeopardises the future of these industries and the European employment dependant on them. It could also lead to either replacing their products with alternatives made from non-renewable materials or importing them. This would lead in turn to exporting the EU's ecological footprint to other parts of the world.

The industries using renewable raw materials are particularly concerned by the possibly binding nature of the targets for renewables and biofuels. Binding targets can lead to disproportionate subsidies, distort access conditions to raw materials, and take away level playing fields for their markets.

Policy-makers at European and national level are therefore urged to consider the following recommendations related to the implementation of European Renewable Energy Sources policies:

- European industries based on renewable raw materials should be closely involved in the setting of all RES targets and in the development of national/regional biomass action plans. This will make use of their important experience in the efficient production of renewable energy as well as the mobilisation of biomass resources. Conflicts between different uses of biomass can thus be avoided, increasing the chances of achieving the RES objectives.
- ➤ Bio-energy policies should include incentives for the mobilisation of existing biomass resources, the activation of new biomass sources and the increase of biomass production without endangering the existing sustainable and environmentally friendly industries.
- ➤ Biomass should be provided from sustainably managed sources regardless of its end-use and its origin.

see Note to Editors

- ➤ The cascade of renewable raw materials (Lansink's ladder), whereby renewable raw materials are used for products first, and then recycled, leaving burning for energy recovery and incineration at the end-of-life stage as the last steps of the use of biomass, should be respected to optimise added economic value, environmental benefits such as CO₂ capture and storage and preserve existing employment in the EU manufacturing industry.
- > The efficiency of biomass based energy production should be a priority and should be monitored in order to optimise the use of renewable resources.
- ➤ Incentives for innovation and technological development are needed to further boost the use of increasingly efficient technologies (such as 2nd generation biofuels and cogeneration).

The renewable raw materials based industries urge the European Spring Council 2007 to take into account these recommendations in its conclusions on the Energy Policy for Europe.

Note to Editors:

The industries using renewable raw materials include the European Oleochemical Industry, the Rosin Resins and Pine Chemicals Industries, the Margarine and Fat Spreads Industry, the Woodworking Industries and the Pulp and Paper Industries. These industries produce day-to-day products such as wood-based building materials, joinery, furniture, flooring, vegetable oil-based food products, chemical intermediates for the whole European chemical industry (cosmetics, plastics additives, printing inks, adhesives, tyres, rubbers), paper and board, packaging, filters and hygiene products.



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