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**Prime Minister's Office**

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Ibrahim Baylan



**Ministry of Economic Affairs  
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Minister of the Environment, Energy and  
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Members of the European Parliament

Distinguished Members of the European Parliament,

The Paris Agreement requires swift and firm action against climate change. Sweden has a legally binding target to reach net-zero emissions by the year 2045. Finland's Climate Change act sets a greenhouse gas emissions reduction target of at least 80 % by 2050, compared to 1990. In the mid-term climate policy plan for Finland setting down a carbon-neutrality target for 2045 is foreseen. The proposed non-ETS targets for 2030 for both countries are among the highest in EU, 40 % for Sweden and 39 % for Finland.

Forests are a significant renewable resource and for us a sustainable forest management is a necessity for both environmental and economic reasons. Finland and Sweden are among the frontrunners in EU in increasing the share of renewable energy and leading forest nations. We have already exceeded our 2020 renewable energy targets and have ambitious plans to increase renewable energy also beyond 2020. We have significant forest resources, which is used for many purposes, including for bioenergy. The majority of the bioenergy is based on forest resources and will be produced from the sidestreams of other market based wood use. We are fully committed to sustainable forest management.

The vote on the revised Renewable Energy Directive (RED) II is a unique opportunity to set ambitious rules for renewable energy in Europe. The transition that we have made so far has equipped us with some insights that we would like to share with you. As energy ministers of Finland and Sweden

we want to bring following issues into your attention ahead of the vote on RED II scheduled to take place 17 January at the plenary session:

***RED II must enable the EU and its Member States to meet ambitious climate and renewable energy targets and goals. Undue burden on the development of bioenergy jeopardizes the cost-effective achievement of our climate and energy targets.***

Bioenergy plays an important role in reaching both the 2020 and the 2030 climate and energy targets. Bioenergy is a cost-effective and readily available source of renewable energy and already represents a significant part of the renewable energy mix in the EU. Bioenergy also plays an important role in the current and future European energy system since it complements other forms of renewable energy, for example through balancing of variable energy production, combined heat and power, generation of high-temperature heat and decarbonisation in transport.

***On transport, RED II must provide an ambitious and stable legislative framework in order to give the necessary investor certainty.***

Binding and ambitious targets both for renewables in the transport sector and advanced biofuels are needed to encourage the development of necessary technologies and to provide certainty for investors. However, binding and ambitious targets requires a broad base of sustainable feedstocks for biofuels.

It is necessary to avoid policy changes that would create further distrust in the predictability of EU biofuels policy and impede new investments. The content of Annex IX should not be opened to amendments. Furthermore, cascading and waste hierarchy are principles that Member States should adhere to as much as possible, but a strict legal application of these principles in RED II would hinder locally adapted and competitive solutions to substitute fossil fuels.

***On sustainability criteria for forest biomass used for electricity and heat production the commission's proposal on a "risk based approach" in RED II should prevail. It provides a guarantee for sustainable forest biomass production and minimises the risks of unsustainable sourcing of woody biomass.***

The risk based approach assesses the sustainability of forest based bioenergy via the comprehensive systems that are already in place to ensure sustainable forest management in countries or regions. The strength of the risk based approach is that it utilizes existing instruments to identify risks for the sustainability and does not impose unnecessary regulatory burdens on market actors. Additional or alternative requirements to the comprehensive risk-based approach requiring detailed information and control on consignment or forest site level would cause a very costly administrative burden for the vast majority of biomass that is already sustainable.

We count on your support to realize the full potential for sustainable bioenergy in Europe.

Yours sincerely,



Ibrahim Baylan



Kimmo Tiilikainen