



Wood energy in the long term outlook: results of the EFSOS analysis

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UNECE TIMBER COMMITTEE

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Structure of presentation

- Background
- The EFSOS approach
- Wood and energy policy interactions
- Long term outlook and issues



EFSOS policy study methods

- Transparent, participatory
- Delphi approach: bring together experts, and through iterative processes achieve consensus (event though stakeholder views differ widely)
- Mostly non-quantitative
- Linked (loosely) to quantitative analysis (trade/market model)
- Still experimental !



Policy analysis process

- Identify potential policy and market issues, inside and outside sector
- Prioritise issues, by probability and impact
- Group and describe priority issues (5 “scenario packages”)
- Identify possible impact of policy choices on major sector parameters: forest available for wood supply, removals, production, trade, consumption



The 5 scenario packages:


- Biodiversity including nature conservation
- Globalisation, innovation and market structures
- Countries with economies in transition
- Regional development
- **Energy** and environment



Energy and environment: 3 scenario areas

- Promotion of renewable energy resources
- Improvement of waste management and emission controls
- Climate change





Focus on promotion of renewable energy sources ...

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Promotion of renewable energy sources: policy measures

- Emphasize use of wood biomass as a source of energy
- Tax fossil energy sources and utilisation
- Abandon nuclear power
- Promote energy saving technologies



Probability

- All the measures under promotion of renewable energy sources were considered probable (100% probability) in all regions





If the policy measures listed were implemented, what would be the impact on forest sector major parameters (by region, compared to the baseline)?

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NB: the responses presented on the following slides originate from the best judgement of the EFSOS group: they require critical review and discussion by a wider circle!

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Impact on area of forest available for wood supply

EU/EFTA	Baseline
CEEC	Higher
CIS	Baseline

- Implies more wood supply from same area of forest
- No energy plantations?



Impact on removals, production and trade

EU/EFTA	Higher
CEEC	Higher
CIS	Higher

- New (energy) markets would stimulate roundwood supply, and probably raise roundwood prices
- A “renewable energy economy” would be favourable to all forest products, not just energy wood



Impact on consumption

EU/EFTA	Higher
CEEC	Higher
CIS	Higher

- Forest products would have advantages of cost (lower share of fossil fuels in energy costs) and image (renewability recognised)
- Are higher consumption levels compatible with lower GDP growth to be expected in the Conservation scenario?



Further issues


- Interactions with agriculture: land use competition, mechanism of support for biomass production
- Energy plantations (land availability, biodiversity, which energy crops..)
- Should wood energy be a small scale or a large scale sector? (or both?)
- Forms of delivered wood energy: heat, CHP, solid or liquid biofuels, electricity?
- Etc.



Need for a balanced approach

- Recognising imperatives of energy policy need for sustainable renewable energies (and limited potential of wood energy in big picture!)
- Recognise present contributions of forest sector to sustainable development, in energy field, but also elsewhere (recycling, low emissions, landscape etc.)
- Develop energy policy and forest policy together





Draft EFSOS recommendation (6.4.5)

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Balanced implementation of wood energy policies

- Governments should promote wood energy production and use, notably by raising prices for fossil fuels
- Governments should increase funding for R&D and create infrastructure for modern and competitive wood energy sector
- Pulpwood users would face higher costs (no “shortage”), but have an opportunity to become wood energy suppliers
- Need for consultation and analysis of interactions

