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## **Introduction**

The Netherlands Enterprise Agency (RVO.nl) published a draft verification protocol (VP) 'Sustainability solid biomass' on 29 March this year. This protocol is part of the legal framework that will be used in the coming year to secure sustainability of biomass for large scale applications in the Sustainable Energy Production Incentive (SDE+ subsidy scheme). For three weeks the document was open for consultation. 24 organisations used this opportunity to give their remarks and suggestions for improvement of the protocol. This document summarizes the nature of the reactions and how they were dealt with.

Although the consultation was not meant for discussion on the overall framework of principles and criteria behind the protocol, many parties used the consultation to express their views on the framework. To international parties, the framework was also not completely clear. Because of all this, this document will start with an explanation of the overall framework. Note also that another element of the legal framework, the draft Decree of Royal Decree entitled 'Conformity assessment of solid biomass for energy applications', was consulted separately last month by the Ministry of Infrastructure and Environment (IenM). See for the draft decree [https://www.internetconsultatie.nl/bijstookbiomassa\\_energiecentrales](https://www.internetconsultatie.nl/bijstookbiomassa_energiecentrales).

## **Energy agreement**

The verification protocol is part of an overall framework that has its political origin in the Energy Agreement for Sustainable Growth. In this Agreement central, regional and local governments, employers' associations and unions, nature conservation and environmental organizations, and other civil-society organizations and financial institutions agreed on measures to be taken to reach the Dutch EU renewable energy goals: 14% in 2020 and 16% in 2023. This included an agreement on co-firing of biomass (not to exceed 25 PJ), with strict sustainability criteria.

The use of biomass for energy is not obligatory, nor is the use of non-sustainable biomass for co-firing forbidden. Energy companies are free in their choices as to which biomass they will use. However, this regulation will stimulate the use of sustainable produced biomass. Only if the biomass proves to be sustainable can a company apply for subsidy based on the SDE+ subsidy ruling.

Sustainability can be proved based on existing schemes for certification and also based on verification. In these systems conformity assessment bodies (CAB's) can give certificates and verification statements providing evidence that the biomass is sustainable.

### **Conformity for SDE+-subsidy**

Considering the amount of subsidy expected to be granted and also the sustainability risks, the decision was made to build a legal assurance framework for the otherwise mainly private system. Therefore a public framework for proper execution of the private system with instruments to enable public supervision has been developed as part of the new regulation under the Environmental Management Act (Wet Milieubeheer). This will be connected to the subsidy ruling to secure the sustainability criteria mandatory for subsidy.

Besides securing sustainability the verification protocol will provide a conformity statement for the SDE+-subsidy including a number of demands not related to sustainability issues because these are a direct result of the definition of Subsidy categories in the SDE+-regulation and some extra demands, such as:

- For co-firing and co-gasification only 15% non-wood biomass is allowed (based on NTA 8003-categorie definitions), for steam production the subsidy is restricted to wood pellets.
- Only coal-based power plants above 100MW and steam production with wood pellets above 10 MW are included in the scope.

### **Sustainability**

The sustainability criteria are already set. They are the result of a discussion with the national parties of the Energy agreement mentioned above. No foreign parties were involved in this process.

The new regulation that is developed under the Environmental protection act will provide a basis for the sustainability criteria. (Until this is in place these criteria will be part of the SDE+-ruling.) When this is ready, compliance with the sustainability criteria can be proved by certain certificates that are approved by the Minister of Economic Affairs or by verification using this verification protocol. Also a combination of certificates and verification is possible and seems a realistic approach for the near future since most certification schemes do not cover all the sustainability criteria in the regulation.

For the period that the sustainability criteria are still part of the SDE+-subsidy ruling (presumably 2017), there have been no certificates approved by the Minister as yet. There is also no legal framework thus far for the public supervision on the, partly private, system in place. During this period energy companies can use the verification protocol to prove sustainability of the biomass used to RVO. In this way the protocol provides guidance for the years to come and enables the energy companies to safeguard sustainability in the chain.

## Position of certificates

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The verification protocol is not meant for the review of the certification schemes. A separate process will be started in order to review these schemes based on a review protocol that will soon be developed. This will be preliminary based on the sustainability criteria.

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In the short term, when certification schemes have not yet been assessed, Annex 4 of the draft verification protocol (2.00, Annex 5 in version 1.00) shows which certification schemes prove which part of the sustainability requirements.

## Summary of the comments

Many reactions were related **to scope and used definitions** which appear to be not in line with the daily practice of sustainable forest management. However many of these choices were made under the SDE regulation. These comments could not be used for improving the protocol but some can be part of improvement of future versions of SDE regulation. In other cases changes in definitions were made, mainly to bring the protocol more in line with common practice in sustainable forest management.

In order to bring the protocol more in line with the new legislation under development, distinction was made between the verification declaration and the annual statement providing proof of conformity with the requirements of the SDE+-subsidy scheme. Therefore the sustainability statement is replaced by a **conformity year statement**, which, as the name already says, is a third party statement providing evidence that the SDE+ demands are met.

Many changes were made in the protocol regarding **the verification strategy**. The verification was perceived as being overly complex, especially for the smaller FMU. The most important change in this regard is the introduction of the **SIR-concept** in phase 1 of the verification strategy. Depending on the characteristics of an FMU, that is, the size of the FMU, intensity (of production) and risk for non-compliance with the criteria, a different set of indicators is applicable for certain criteria. During the field tests the verifiers will check whether or not the SIR-concept could be used for other criteria as well.

Comments suggested that requirements for meeting criteria to be **100%** makes the protocol too strict. It was suggested that, like certification, major and minor non-conformities should be allowed to a certain extent and that resolving times could be a solution. However in a verification process, a declaration is given on an already produced amount of biomass at a certain point in time. Non-conformities are usually not in line with a verification approach because there is no time to make adjustments. Thus, it is very important that indicators should be defined in a way that leaves the verifier enough room for professional judgement but also enough guidance for uniformity between verifiers and securing sustainability. The field tests will show whether or not more changes should be made in this regard. The SIR-approach also should be helpful in addressing this issue, because it makes the depth of the verification dependent on a risk assessment. However, all applicable criteria and indicators should always be met in verification.

In this regard the verification protocol was also checked on indicators that go **beyond the requirements of the criterion**. Some were deleted for that reason. However, comments suggested that FMU's cannot be asked to deliver the proof when the criterion does not specifically ask for it. This is not the case. In some circumstances the indicator has to be more explicit than the criterion in order to safeguard the criterion. This is not contrary to the verification method.

Many comments addressed **the carbon stocks and conversion** criteria and indicators. The issue of carbon stocks, conversion and carbon debt is a much discussed, complex topic. For this reason only few of the suggestions were addressed in this version of the VP. A group of experts was asked to reflect on the comments and advise on a follow up in the final draft. Their findings are also input for the field tests that are scheduled for this summer.

Many remarks were made on **the iLUC-criteria** and the lack of indicators. iLUC work on valid indicators is still in progress. So far no workable indicators were found, making it impossible to test iLUC-criteria in the field tests. Decisions still have to be made whether or not iLUC-criteria should be part of the first verification protocol.

The indicators on **HCV** have been completely revised. Because the SIR-method was applied, wording of the indicators was changed. Appendix 12 was integrated and definitions were added and SIR was applied. The discussion on HCV-areas is ongoing and this part of the protocol will be updated after the field test.

Comments were also made on the criteria and indicators in **the Chain of Custody**. A number of changes has been made in the text, including a better description of the system required for GHG-emission calculation. The difficulty of getting greenhouse gas emission data through the chain of custody is one of the topics addressed to the field test projects. A number of remarks require clarification on criterion level. This cannot be solved within this protocol. However, these remarks are taken into account in the update of criteria for future regulation.

### **Procedure to finalizing the verification protocol from here on**

The comments given to the concept protocol were used to improve the document and come to a second draft version that will be input for the field tests that are performed this summer. In these field tests the protocol will be checked by verification bodies in the complete chain of custody of the biomass. The tests will provide further information necessary to finalise the protocol. The field test version of the verification protocol will be sent to all parties that have commented during the consultation in order to show how remarks have been dealt with. The following main topics will be added separately to the field test (they have not yet been processed in the protocol):

- The definition of Plantation forest. This is a vital issue in the discussion on forest conversion, however so far no clear workable definition has been found.
- Carbon storage indicators.

- Increasing number of SIR-indicators. Many remarks made on the strict structure of the protocol could be solved with a SIR-approach. During the field test this will be further investigated.
- Chain of custody data collection for greenhouse gas calculation. Is the correct information provided through the chain for correct calculation at the energy companies.

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After the field tests a final version of the verification protocol will be sent to the Accreditation Board in order to start the procedure for accreditation. The protocol will be published on the website of RVO.