

Taxonomy: Bioenergy Europe welcomes the inclusion of bioenergy as an environmentally friendly economic sector, but consistency is necessary.

Brussels, 13 March 2020 – Yesterday, the European Commission officially presented the *Taxonomy: final report of the technical expert group on sustainable finance*. This report sets the performance thresholds for economic activities to help identify the ones considered environmentally friendly and ultimately supports the growth of low carbon sectors. The final report acknowledges the essential role of bioenergy to ensure the decarbonisation of EU economy, yet the metrics are still not consistent with REDII and could hamper the competitiveness of the sector.

Bioenergy Europe welcomes the inclusion of bioenergy equipment suppliers in the list of *Manufacture of Low Carbon Technologies*. It is worth to remind that **bioenergy is today the largest indigenous energy source in Europe providing 11% of total European energy supply**. In addition, **the value-chain of the bioenergy industry is solidly based in Europe with 50.000 business units** working to the further deployment of the sector. *“Access to private finance is crucial to accelerate investment in sustainable solutions such as Bioenergy”* says Jean-Marc Jossart, Secretary General of Bioenergy Europe. *“However, the lack of consistency between EU legislations entail risks and could discourage banks and investors to invest in the sector”* he adds.

Metrics and thresholds selected in the technical annex of the Taxonomy report are in many cases not consistent with the recently approved sustainability criteria set out by the Renewable Energy Directive. For example, the report introduces an all-encompassing 80% greenhouse gas emission reduction threshold. The threshold would be then increased every five years in line with a trajectory to reach net-zero in 2050.

Bioenergy Europe believes that the existing legislative frameworks laid by the REDII and that will be implemented starting July 2021 constitutes a solid basis to guarantee sustainability of the sector. In order for any thresholds and metrics to be considered adequate and realistic, they must be impact assessed before being imposed via legislation.

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