





## A better use of wood and public funds

*Brussels, 11 June 2026*

To: President Von der Leyen

CC: Secretary General Juhansone,  
Executive Vice-President for a Clean, Just and Competitive Transition Ribera,  
Executive Vice-President for Prosperity and Industrial Strategy Séjourné,  
Commissioner for Energy and Housing Jørgensen,  
Commissioner for Climate, Net Zero and Clean Growth Hoekstra

**As the European Commission ponders how to respond to the cost-of-energy crisis, and looks at its post-2030 climate and energy package, we urge it to stop wasting billions of euros each year on wood burning incentives that harm forests and the climate, other industries using wood, while harming the energy security of EU citizens still depending on wood for heating. The EU's limited public funds and wood supply should be used for boosting cheaper decarbonised energy and more competitive uses of wood in the (bio)economy.**

**The simplest course of action would be to exclude woody biomass from the EU Renewable Energy Directive's (RED) list of renewable energy sources, and end the zero-rating of its considerable CO<sub>2</sub> emissions on the EU Emissions Trading System (ETS).**

Dear President von der Leyen,

Bioenergy incentives have been part of EU renewable energy policy since 2001 and wood burning still represents the largest source of energy classified as renewable, but such incentives have:

- undermined the EU's climate action by doubling CO<sub>2</sub> emissions from bioenergy and driven the reduction of the EU's land carbon sink, now [43% lower than in 2001](#),
- diverted 180 billion euros of public funds to subsidies for inefficient energy production since 2015,
- harmed the competitiveness of many wood-using industries by distorting wood markets,
- increased wood demand to levels that are now undermining energy security, forest health and resilience, and maintaining dependency on imports,
- delayed the deployment of decarbonised energy, particularly in the heating sector, and,
- increased toxic air pollution and public health costs.

Since 2015, EU Member States [spent more than €180 billion to support bioenergy](#) through direct subsidies or tax rebates, including paying energy companies to burn millions of tonnes of wood in power stations and district heating networks in the name of climate action. Today, [nearly half](#) of Europe's yearly wood harvest is burnt, which only meets about 7.5% of the EU's energy demand. Large amounts of wood are also imported from places like the US, Canada or Brazil, undermining EU energy sovereignty.

This is wood and public funds wasted on an industrial scale.

EU legislation supposed to keep this sector under control (Land Use Land Use Change and Forestry (LULUCF) and RED sustainability criteria) has failed. The exclusion of a few feedstocks and the introduction of the cascading principle in RED III have been incremental but insufficient progress.

We are writing to you with the strong belief, drawn from many years of working on this file, that a strategic decision is needed: these incentives must be phased out.

The next opportunity to do this is in the post-2030 Climate and Energy package. The European Commission is [currently considering](#) the post-2030 RED, which defines wood burning incentives in EU legislation. The Commission is also looking at ways to boost decarbonisation (AccelerateEU, Electrification Action Plan, Heating & Cooling Strategy), and its climate action (ETS, LULUCF, ESR...).

## **Decarbonising the EU's energy sector is urgent and strategic**

The latest cost-of-energy crisis reminds us that we need to decarbonise the EU's energy supply as fast as possible, for the climate, the EU's energy sovereignty and to stop funding authoritarian regimes. The EU's renewable energy supply is its key asset, and the European Central Bank [urges](#) EU policymakers to accelerate deployment.

But bioenergy is not a decarbonised energy source. [Burning wood emits more greenhouse gas per unit of energy than fossil fuels, even coal](#). It also emits [huge amounts of toxic fine particles](#) and [heavy metals, even in modern, more efficient installations](#) – wood burning is [increasingly being banned in large cities](#) on health grounds. Annual biomass combustion emissions have [doubled in the EU since 2001](#), now the equivalent of Germany's annual CO<sub>2</sub> emissions. EU bioenergy incentives have also been [a significant driver](#) of the loss of the carbon sink in the EU, as pointed out by the European Scientific Advisory Body on Climate Change.

The zero-rating of biomass emissions in the ETS was always premised on a growing land-use sink as counterbalance. With the land sink in decline, that justification collapses.

The EU's renewable energy policy classifies energy from wood burning as renewable, as if wood can be renewed like wind or sunlight, and as if [ancient forests logged for wood pellets](#) can be renewed at all. As all trees can be fuel, logging is increasingly being done solely for bioenergy, with terrible impacts on biodiversity and forest resilience.

Forests can grow back but there is no guarantee they will, and it takes decades to centuries. Trees burn much faster than they grow, and in the meantime the carbon debt worsens global warming just when catastrophic tipping points must absolutely be avoided. We must stop adding greenhouse gases to the atmosphere, from all sources, and let forests remove more.

## **Subsidising wood burning undermines energy security and industries that use wood**

Many EU Member States responded to EU renewable energy targets by boosting wood burning for industries and [households](#), and [inflating](#) unverifiable residential biomass heating data rather than investing as much as they could in power grid developments, insulation and electrification.

But the wood supply is limited and many industries are competing for it: overall energy from solid biomass (mostly wood) already [peaked in 2021](#). Replacing imported fossil fuels at scale will need to come from another source, but bioenergy incentives are still not capped in EU policy. As a result, EU wood burning incentives inflate the overall wood demand, push up wood prices, and [deplete](#) the supply of other non-energy industries in the bioeconomy such as pulp and paper, wood panels, furniture... that generate economic value without subsidies and/or tax rebates.

By creating a structural demand exceeding supply, wood burning incentives have also started to undermine the energy security of the households still depending on wood for heating in some EU countries, such as in [Hungary](#). In Poland, this winter, thousands

were [unable to purchase the wood pellets needed to feed their wood stoves and boilers](#), either because they had become too expensive or supplies had run out. With the recent spike of gas prices caused by the Hormuz crisis, and as a result of the lack of sufficient support for healthier alternatives, consumers are understandably [purchasing more wood stoves](#), without always realising the uncertainty of future supply or risks from air pollution. A similar thing happened during the 2022 cost-of-energy crisis.

### **Improving the EU biomass sustainability framework is not realistic**

The RED's sustainability criteria, supposed to act as environmental safeguards, have failed: this costly and complex private certification bureaucracy has largely proven it is [ineffective at protecting forests](#) in Europe and abroad, differentiating feedstocks, preventing fraud, and enabling traceability and public oversight.

Persistent subsidiarity conflicts between the EU and its Member States have prevented meaningful EU regulation of forestry practices and logging levels, and these conflicts are [not going away](#). As a result, these criteria have remained a national legality test where Member States are free to interpret the RED's loose stipulations as suits them, and this is not likely to change soon.

The EU needs renewable energy policies that boost the most efficient options and don't worsen the climate crisis, with incentives to use the limited wood supply more wisely.

Rather than trying politically unrealistic incremental alterations to fix the woody biomass sustainability framework, it is simpler and clearer to stop the root cause of the problem and the growth of this sector by phasing out EU wood burning incentives as soon as possible.

For this, woody biomass must be excluded from the EU RED's list of renewable energy sources, and its zero-rating on the EU ETS replaced by accounting for its real emissions. Targets matter, but meaningful incentives and climate action matter more.

We thank you in advance for your leadership on this file and look forward to further engagement. While we appreciate the pressures of your calendar, we would really appreciate the opportunity to discuss these matters with you and your cabinet in a meeting.

Yours Sincerely,

*Australian Forests and Climate Alliance, Australia*

*Biofuelwatch, International*

*Biom - Birdlife Croatia*

*Birdlife, Europe & Central Asia*


*Birdlife Sverige, Sweden*

*Blue Dalian, China*

*Bulkley Valley Stewardship Coalition, Canada*

*Canopée, France*

*Carbon Market Watch, Europe*  
*Clean Air Action Group, Hungary*  
*Climate Communications Coalition, USA*  
*Comité Schone Lucht, Netherlands*  
*denkhausbremer, Germany*  
*Deutsche Umwelthilfe e.V., Germany*  
*Dogwood Alliance, USA*  
*Earth Ethics, Inc., USA*  
*Earth Thrive UK/Serbia*  
*Ei polteta tulevaisuutta, Finland*  
*Environment East Gippsland, Australia*  
*Environmental Coalition on Standards (ECOS), International*  
*Environmental Justice Foundation, UK & International*  
*Environmental Paper Network, Biomass Action Network, International*  
*Estonian Fund for Nature (ELF), Estonia*  
*Fern, Europe*  
*Focus Association for Sustainable Development, Slovenia*  
*Forests of the World, Denmark*  
*Forum Ökologie & Papier, Germany*  
*Friends of the Earth (NOAH), Denmark*  
*Great Lakes and Wetlands Association, Hungary*  
*Green Finance Observatory, Europe*  
*Green Global Future, Denmark*  
*Green Impact, Italy*  
*Green Step Forward, China*  
*Health and Forests, Switzerland*  
*Heartwood, USA*  
*Institute for Sustainable Development Foundation, Poland*  
*Landelijk Netwerk Bossen en Bomenbescherming, Netherlands*  
*Latvian Ornithological Society, Latvia*  
*Leefmilieu, Netherlands*  
*Mount Shasta Bioregional Ecology Center, USA*  
*NABU, Germany*  
*Natural Resources Defence Council (NRDC), USA*  
*Natuur & Milieu, Netherlands*  
*Partnership for Policy Integrity, USA*  
*Pracownia, Poland*  
*Protect Our Streams, USA*  
*Protect the Forest, Sweden*  
*Rainforest Action Network, USA*  
*Rainforest Relief, USA*



*RESTORE: The North Woods, USA*

*Rettet den Regenwald, Germany*

*Robin Wood, Germany*

*Romanian Landscape Architects Association, Romania*

*Salva la Selva, Spain*

*Snow Alliance, China*

*Umanotera, Slovenia*

*Wild Europe, Europe*

*Zero, Portugal*

