

### **Dutch Biomass Certification Foundation Q&A**

- 17 March 2017 -

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## 1. What is Dutch Biomass Certification Foundation (DBC)?

DBC was established under the Covenant 'Duurzaamheid Biomassa' (Biomass Sustainability), which is part of the Dutch Energy Agreement. In the Covenant, it was agreed that DBC shall promote and accomplish sustainability certification of small forest owners in North America by developing and implementing a Simulation Program. DBC is thus an implementing agency of the Covenant. Back to top

## 2. What is the objective of DBC?

DBC's objective is to promote and accomplish certification among small forest owners (defined as smaller than 500 hectares, or 1200 acres) in North America. This effort supports the agreed goal in the Covenant to reach 100% FSC or equivalent certification of woody biomass used in cofiring in The Netherlands. This goal should be achieved between 2020 and 2023. Back to top

### 3. How are the activities of DBC financed?

The four energy companies who have signed the Covenant provide for the financing. These companies are Engie, RWE, Uniper and Nuon/Vattenfall, and all have biomass cofiring capacity. Based on the agreed maximum of 25 PJ of biomass cofiring, DBC has a budget of 3 million Euro. Back to top

#### 4. Who is on the Board of DBC?

In line with provisions in the Covenant the four energy companies form the Executive Board of DBC. A seat is also available to the five environmental organizations that have signed the Covenant. Back to top

# 5. Are all energy companies involved in DBC?

All companies that can cofire biomass have signed the Covenant and were involved with the establishment of DBC. Back to top



#### 6. Are there environmental organizations involved with DBC?

Five environmental organizations have signed the Covenant and were as such closely involved with the decision to establish DBC. The environmental organizations have the right to appoint a member to the DBC Executive Board in order to contribute and advise effectively. Back to top

## 7. Why is no representative of the environmental organizations on the DBC Executive Board today?

The environmental organizations have the right to appoint a member to the DBC Executive Board in order to contribute and advise effectively. As of today, they have decided not to make use of this right. Back to top

#### 8. What are the plans of DBC?

In 2016, DBC focused on the development and content of the Stimulation Program. DBC made use of international experts and contributions by environmental organizations. DBC organized e.g. two workshops in Rotterdam (NL) and Miami (FL, USA) with participants from The Netherlands, USA and Canada. Beginning in Q1 2017, DBC has commissioned an extensive research study on the North American forest sector, with specific focus on small forest owners. The research study will enable DBC to obtain the necessary data on the North-American forest sector (including data on small forest owners) in order to design the most effective program possible. This phase will also begin to build relationships with relevant and prospective stakeholders. Back to top

#### 9. What will make the DBC a success?

DBC will be successful when the Stimulation Program is executed efficiently and reaches the stated goal that 100% of the woody biomass used for energy generation in The Netherlands is certified to FSC or equivalent standard. Back to top

#### 10. How much biomass will the energy companies cofire?

In the Energy Agreement, a maximum of 25 PJ (petajoule) of biomass cofiring was agreed. This corresponds with ~ 3.3 million tonnes of biomass per year (for a period of eight years). <u>Back to top</u>

#### 11. What biomass does it concern?

Biomass has a broad scope, but in the context of cofiring in coal-fired power plants it generally concerns wood pellets.

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## 12. Why does DBC focus specifically on North America?

The United States and Canada are important export countries of wood pellets to the Dutch market. Back to top

## 13. There are different political standpoints regarding biomass. Does DBC have a right to exist?

DBC is an implementing agency of the Covenant. The Covenant has laid down agreements between the energy companies and the environmental organizations on the sustainability of biomass used in cofiring. The mandate of DBC is to implement these agreements. Back to top

## 14. How can a Dutch entity like DBC effectively promote certification in North America?

DBC will need to collaborate closely with local organizations in the United States and Canada. To enhance this DBC will appoint a representative in North America. <u>Back to top</u>

## 15. How long will DBC exist?

The Stimulation Program will run until 2023. This is the final date for reaching 100% certification. Back to top

## 16. Is DBC exposed to antitrust risk?

DBC is bound to all applicable laws and regulations, including but not limited to laws and regulations relating to antitrust and competition. To meet this requirement DBC has adopted an Antitrust Policy Statement. Also, it is required to perform a legal review of the Stimulation Program. <u>Back to top</u>

## 17. How important are the small forest owners in North America to reach 100% certification?



The 100% certification target concerns all biomass used in cofiring. This may include biomass from small and/or large forest owners in North America, or small and large forest owners in e.g. Europe or elsewhere. The share derived from small forest owners in North America is conveyed with the annual reporting by the energy companies. Back to top

## 18. Who checks on the work of DBC?

Every year in March an independent reporting is done on the biomass used and the achieved certification levels. The reporting also includes the results of the Stimulation Program. The report is discussed with all signatories to the Covenant and the Chair of a supervisory board to the Energy Agreement and may produce further advice to adjust or improve the Stimulation Program. Back to top

## 19. Does DBC have a website?

Yes, www.DBCFoundation.com. Back to top

# 20. Who can I call or email for any further questions?

You may contact Mr. Ronald Zwart, DBC secretariat, via info@DBCFoundation.com or +31-6-81 84 42 88. Back to top