



EIA BRIEFING

The EU's Renewable Energy Policies Driving the Logging and Burning of Europe's Protected Forests

There is a lie at the heart of Europe's climate policy – the fallacy that burning trees for energy is good for the climate. The EU is the world's largest market for wood pellets, and the largest burner of woody biomass for electricity and heat generation. More than one third of EU renewable energy targets are met by burning wood, even though burning wood releases more carbon emissions per unit energy produced than burning coal. In support of this deeply flawed policy, EU governments hand over around [16 billion euro of taxpayer money](#) in direct subsidies to the wood burning industry every year.

A new investigation from the Environmental Investigation Agency (EIA) reveals that more than a dozen biomass facilities and pellet factories across four countries in Eastern and Central Europe received tens of thousands of whole logs from protected forests. Not only were these inputs not wood waste, as the industry claims, but they were sourced from Natura 2000 sites, Nature Reserves and National Parks, contributing to the destruction of the last wild forests on the continent. At a time when the world is already witnessing the [impacts](#) of climate change, the last thing that Europe should be doing is cutting down and burning its protected forests for energy.

Our investigations tracked wood directly from the forest to the pellet and bioenergy facilities based upon government registered transport data, GPS trackers and on the ground field investigations including use of drones and satellite imagery.

On September 13, 2022 the European Parliament will cast its vote on changes to the EU's Renewable Energy Directive (RED) – a critical vote that will either help protect the EU's forests or further fuel their destruction. Environmental NGOs from across the EU and internationally have campaigned for years to stop governments from counting burning wood towards their renewable energy targets. In May, the EU Parliament's Environment Committee voted for the first time to remove support for burning primary woody biomass – wood taken directly from forests, the most damaging form of wood burning – from the RED. In July, the EU's powerful Industry Committee upheld this amendment. This amendment is a huge step in the right direction towards ending incentives and subsidies for burning all forms of woody biomass. The upcoming vote will determine the fate of Europe's last wild forests, and of the global climate, which rests on their decision.

EIA's investigations with partners

Over six months in 2022, EIA worked with five local NGOs to conduct extensive data analyses and on-the-ground investigations in Romania, Bulgaria, Poland and Slovakia. Our investigations tracked log trucks from protected forests to over a dozen major pellet and biomass plants, confirming that pillaging protected forests to make heating pellets and burning for energy has become a widespread practice in the region. In many cases, we found these pellets are sold to consumers in Western Europe.

Romania: thousands of truckloads of protected forest logs turned into pellets

In Romania, EIA found that the majority of pellet plants with an internationally recognized private certification, [ENplus](#), have received logs from protected forests within the last year. Logging in protected forests is common in Romania, and EIA found that about 40% of the registered wood shipments leaving Romanian forests originate in protected areas – a total volume of more than seven million cubic meters each year. While it is not possible to know the destination for all shipments, we found, based on transport information provided by the transporters themselves, that thousands of

these shipments went to facilities that either manufacture pellets or burn wood for energy, making up at least one third of the facilities' total log purchases.

Romania's failure to provide adequate protections for its Natura 2000 forests has already landed the country in hot water with the European Commission. The Commission initiated an [infringement case](#) against Romania in 2019, citing numerous examples of destructive commercial logging being authorized without environmental impact assessments, and often without approved management plans, inside Natura 2000 forests. EIA's investigation shows that EU subsidies for biomass burning are fuelling that very logging in these forests.

EIA's partner, [Euronatur](#), found that one of the largest pellet producers in Romania, Ameco Renewable Energy, sources logs extensively from protected forests. EIA and Euronatur investigators analyzed months of data from Romania's public timber tracking geoportal, the [Forest Inspector](#), and identified hundreds of shipments of whole logs from thirteen Natura 2000 protected forests and from two national parks; shipments that ended their journeys inside the Ameco facility. The Forest Inspector transport data indicated that nearly half of all logs that investigators identified as coming from protected areas were listed as higher quality sawlogs, while the others were listed as firewood quality. Euronatur filmed whole logs being fed into a giant chipping machine at Ameco's mill. Research indicates that Ameco pellets are sold in Italy and Greece, and likely other countries as well.



Ameco sourced logs from this 60 hectare windfall clearcut. Images taken July 2020 vs July 2022, obtained from Planet Labs

A severe natural windfall occurred in 2020 in and around Romania's Cheile Bicazului – Hășmaș National Park. Government officials issued a so-called accidental permit for clearing the fallen trees. Euronatur investigators found indications that the logging companies likely abused this permit to cut healthy standing trees, based on analysis of high resolution satellite imagery and the high proportion of upright stumps observed, relative to stumps pulled out of the ground. The result is a barren mountainside with a clearcut of about 60 hectares. Forest Inspector data indicates that numerous truckloads of logs were taken from this site directly to Ameco's mill.

Windfall clearings are widespread in Romania, and many environmentalists and scientists argue that companies should not be allowed to clear fallen logs, due to the high levels of suspected abuse, but also because the fallen trees provide important wildlife habitats, prevent erosion, and support regrowth of the forest.

In addition to direct deliveries, Ameco receives hundreds of shipments from third party log depots – independent companies that buy, sort, and sell logs. One of its largest depot suppliers, a company called SC FAB PROD COM SRL, received dozens of shipments of logs from a Natura 2000 site south of Ameco’s mill. Satellite imagery shows this area pockmarked with clearcuts, and photos uploaded by truck drivers show wide-diameter logs being delivered to FAB PROD COM.



Large logs from a Natura 2000 protected area transported to Ameco supplier FAB PROD COM (Source: Forest Inspector)



Patchwork of clearcuts in a Romanian Natura 2000 site linked to Ameco supplier FAB PROD COM. August 2022 imagery obtained from Planet Labs



Clearcut in a Natura 2000 site linked to Ecoforest, Romania (EIA)

Through detailed analysis of Forest Inspector transport data, EIA and Greenpeace experts found that Ecoforest sources logs from at least ten different Natura 2000 protected areas. Investigators visited some of the protected area sourcing locations and documented intensive logging of trees that were on average 120-130 years old. Ecoforest’s use of large diameter logs was confirmed by the photos of logs in transports recorded in the Forest Inspector system, and by the size of logs photographed by investigators inside Ecoforest’s yard.



A log truck that delivered to Ecoforest from a Natura2000 site (Source: Forest Inspector)

Many [previous studies](#) have shown that illegal logging is rampant in Eastern Europe, and that in some countries like Romania more than half of all trees cut each year are [felled illegally](#). This wood is often laundered onto the national market through intermediary depots. We found that pellet producers in Eastern Europe rely heavily on shipments from depots, which makes it nearly impossible for these pellet makers to confirm the legality of wood flowing into their supply chains.



Whole logs at Ecoforest’s mill in western Romania (EIA)

Bulgaria: old growth forests chipped for pellets for export



Piles of logs at the Energy Pellets facility in Bulgaria. (Greenpeace Bulgaria)

Similar to Romania, Bulgaria has implemented a digital timber transport system where all wood transporters must register on a mobile application prior to starting each journey. This data is accessible through a publicly available [portal](#), though it is not represented geographically as in the case of Romania.

Investigators with Greenpeace Bulgaria worked with EIA to analyze transport records, and found large quantities of whole logs from Natura 2000 protected areas being delivered to a number of pellet plants including an ENplus-certified pellet manufacturer called [Energy Pellets](#), which sells pellets under the Pelletissimo brand name. The company’s website lists their target markets as Bulgaria, Greece, Italy and Germany.

Investigators visited a Natura 2000 protected area linked to Energy Pellets, and found a clear cut of 110 year old trees in a forest that was [mapped as an old growth forest](#) by WWF Bulgaria.



Poland: biomass sourcing from some of the most controversial forests in the country

Between 2005 and 2020, the bioenergy sector in Poland experienced dynamic growth. The total installed capacity of biomass facilities [increased seven times](#), from less than 190 MW to 1512 MW.

In Southern Poland lies the Carpathian Primeval Forest, one of the last places in Poland where old-growth and close to primary forest stands still remain. The Bieszczady Mountains are the best preserved part of this forest complex. The Lutowiska Forest district forms part of these mountains and NGOs have been fighting for strict protection of these forests for over five years. However, logging has intensified recently with the ten year forest management plan for 2015-2024 authorizing the extraction of [eight times more wood than in the previous decade](#).

One large wood processing company in this region is called Dankros. Their [website](#) states that 75%

of their supply is exported to other EU countries. Pellets are listed as their number one product, although they do make sawn lumber and other products. They print “100% ECO” on their pellet bags, along with “wood pellets” written in five languages.

EIA’s investigation partner, Polish NGO [Stowarzyszenie Pracownia na rzecz Wszystkich Istot](#) (Association Workshop for All Beings – “Pracownia”, for short), obtained official data showing that Dankros signed [six contracts](#) sourcing from the Lutowiska forest district.

In a separate investigation, investigators focused on the ENEA Electric Plant Połaniec (EPP), one of the largest power generating [facilities](#) in Poland. It belongs to ENEA S.A. a joint-stock company listed on the Warsaw Stock Exchange and controlled by the Polish State Treasury. Its installed power capacity amounts to 1899 MW of which 225 MW in its so-called “Green Block” – an energy block fueled entirely with solid biomass.

In 2021 EPP’s [revenues](#) from financial incentives for producing “renewable energy” amounted to 312 million PLN (68.4 million euros), through the sale of green certificates.

Pracownia investigators observed huge piles of wood chips on EPP’s site, and witnessed many deliveries by log trucks. One such truck entering the site is from a company called [Multon](#), a company that sources logs and produces wood chips. Multon’s website confirms that it delivers its products to ENEA, the energy company that owns EPP.

A visit to Multon’s facility, only 3km from the EPP biomass plant, confirmed large piles of logs on site, along with piles of wood chips and sawdust. Photos [published](#) by the company itself show a wood chipping machine chipping whole logs. Pracownia obtained [official documentation](#) confirming that Multon obtained timber from the controversial Lutowiska Forest District.



Images of whole logs on Multon’s premises, only 3km from the Green Block power station. (Pracownia)



Dankros pellets bag (Source: ENplus online database)

Slovakia: the BioMassacre continues

In Slovakia, EIA worked with the local environmental organization Lesoochranské Zoskupenie VLK (Wolf Forest Protection Movement). Through their “[BioMassacre](#)” campaign (2014-2018), Wolf helped uncover widespread fraud in the biomass trade, which they claim contributed to the logging and loss of around seven hundred square kilometers of forests from 2009-2019. One of the companies involved in this is the TEHO plant. TEHO is one of the largest biomass burning facilities in Slovakia, and in 2020 it received almost [thirteen million euros in subsidies](#), paid for by Slovakian energy consumers, for burning biomass (at two of its plants – Bardejov and Topolcany).



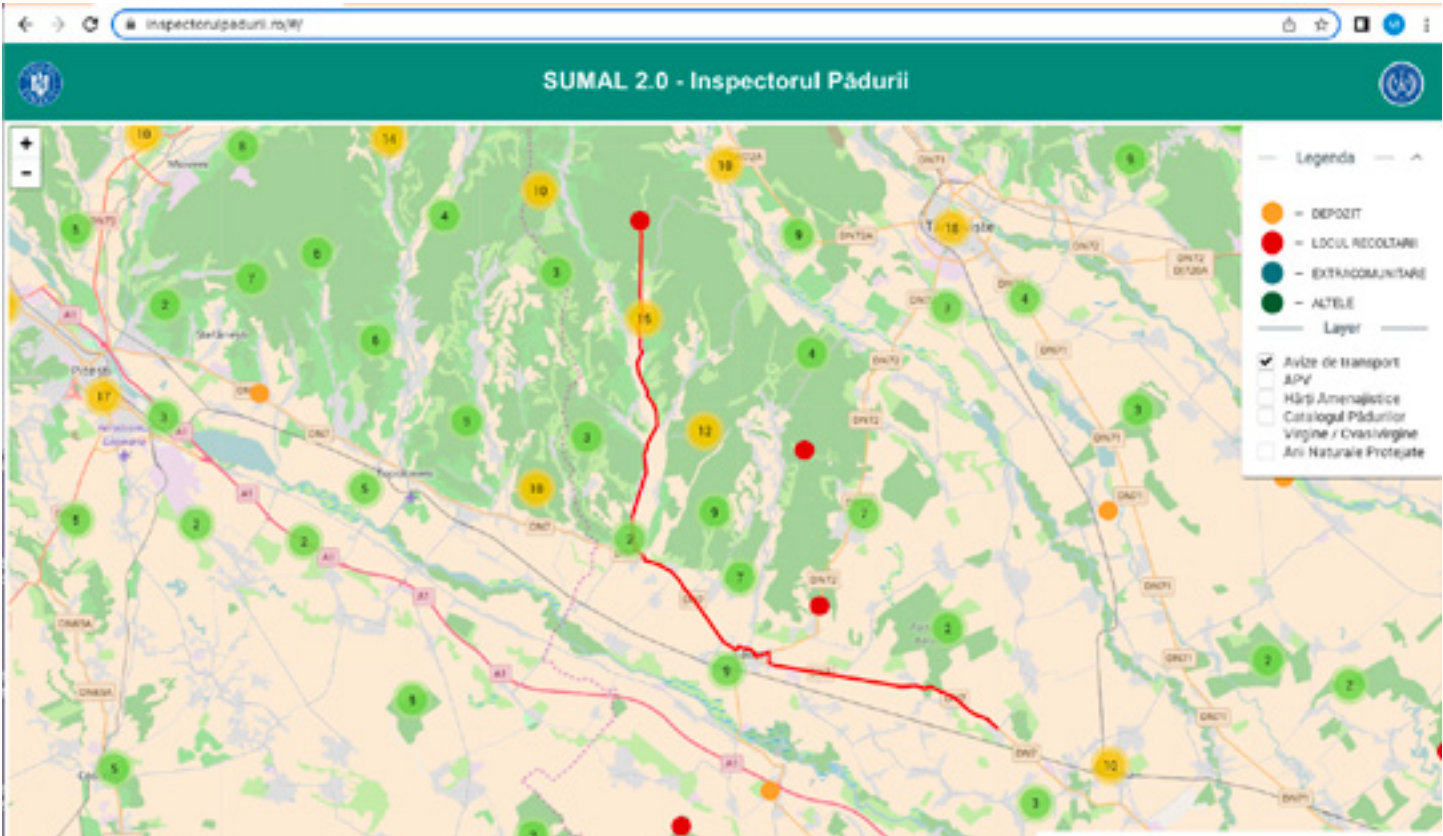
Old trees ready to be chipped and taken to be burned at the TEHO facility, Bardejov, Slovakia. (Mario Hudak)

Wolf tracked wood cut from Natura 2000 Sites, including from Poloniny National Park, through use of GPS locators attached to trees. Wolf also tracked wood from protected forests to the TEHO Bardejov plant in northeastern Slovakia.

Romania and Bulgaria lead in providing public transparency and traceability in Europe

EIA’s investigations in Romania and Bulgaria benefitted from the relatively high levels of timber data transparency available. Both countries require log trucks to register their journeys on a mobile application before beginning to drive. They make this data available in real time on a public database, together with authorized harvest amounts. In this way, the public has an inside view into how their countries’ forests are being managed, and where the trees are going. This level of data transparency is unique on the continent – no other European countries provide such a great level of public access.

In Romania and Bulgaria, EIA was able to document widespread sourcing from protected areas, thanks to this public data. In Poland and Slovakia, investigators were able to prove that companies are sourcing from protected areas, but the absence of public data makes it far more difficult to know how widespread such practices are.



Romania’s public Forest Inspector geoportal shows the full GPS tracks of log truck journeys as recorded by a mobile app on the driver’s phone (Source: Forest Inspector)

Natura 2000: the EU’s forest protection network further degraded and destroyed by logging for energy production

All EU states have designated between 10-40% of their land area to conservation under the [Natura 2000 network](#). Biodiversity protection is the priority on these lands, and environmental impact assessments are required for any activities that might negatively impact the ecosystem. Unfortunately, destructive commercial logging remains common on Natura 2000 protected areas across Eastern Europe.

As a signatory to the United Nations Convention on Biological Diversity, the EU clearly posits that its Natura 2000 network is [protected](#) and contributes to global biodiversity protection goals. The importance of the Natura 2000 framework is reflected in the mandatory need for implementation of Natura 2000 sites and corresponding conservation legislation framework – the Birds and Habitats Directives – upon accession into the EU. Environmental organizations have been fighting logging in these forests for decades, but they continue to be threatened by both legal and illegal logging operations. Our latest investigations now show clear links between the direct use of wood for energy production and the logging and loss of protected Natura 2000 forests.

Billions in EU subsidies for renewable energy fueling forest destruction

On its own, burning wood for energy is inefficient and costly. However, because it is heavily incentivised and subsidized, burning woody biomass makes up [37% of renewable energy](#) in the EU. These subsidies include tax exemptions and credits, direct grants for projects including cash back for buying pellet burners, and indirect transfers (feed in tariffs, traceable certificates), among many other incentives.

Our investigations in Poland link the logging in some of the most controversial areas of forests in that country to the Green Block biomass power station, where over a million tonnes of wood is burned every year. In 2021, this facility received [financial incentives](#) for producing “renewable energy” worth around 68 million euros for burning biomass, according to the company’s annual financial report. In Slovakia, we have tracked wood to biomass plants that received millions of euros in subsidies. In Romania and Bulgaria, pellets are sold nationally and internationally where consumers receive large rebates on their purchase of expensive pellet stoves.

The EU [directly subsidizes](#) burning wood to the tune of sixteen billion euro per year through member state financial market interventions. The emissions from burning wood that are currently ignored under the EU’s Emissions Trading Scheme are [worth about twelve billion euro](#) per year. The [cost to the EU health system](#) for burning wood, through air pollution related illness and fatalities and other costs such as loss of employment, is also around twelve billion euro per year. Therefore, the financial cost to society for the burning of wood is at least forty billion euro per year. Subsidies are put in place to give momentum and market access to undeveloped industries that are deemed worthwhile to society. Combustion of wood is not an industry in its infancy, and the health, climate and biodiversity impacts are well known and well documented.

This enormous financial cost to society should instead be redirected to other true low-emissions renewables technology such as solar, wind and geothermal, coupled with radical investment in energy efficiency measures.

Use of whole trees negatively impacts the climate and biodiversity

According to the [European Commission’s Joint Research Centre \(JRC\)](#), most forest biomass burning produces more greenhouse gas emissions than fossil fuels, and in almost all biomass scenarios it assessed, it has negative impact on climate, biodiversity, or both. Our investigations into the use of large tree trunks for bioenergy production clearly fall into the JRC scenarios that make climate change and biodiversity worse.

While pellet companies [often claim](#) that their product is made from the left-over by-products of making goods like boards or plywood, local investigators found that in many cases whole logs were being immediately ground into wood chips at pellet facilities. We confirmed that these plants are selling their products in Western Europe.

Trade data from [Eurostat](#) shows an influx of pellets from Eastern Europe to the rest of Europe, suggesting that rising demand for so-called renewable wood pellets in countries like Italy, Austria and Greece incentivizes the destruction of the last intact forests remaining



on the continent.

Looming over the biomass issue is Russia’s invasion of Ukraine, which has placed energy security squarely in the center of EU policy debates. Some in Europe’s biomass industry have sought to take advantage of this crisis, the increased logging of Europe’s forests for biomass, in the name of replacing Russian oil and gas. As the winter approaches, the pressure will build on Europe’s forests.

Non-negotiable in the EU’s climate commitments is the need for a radical increase in the uptake of carbon from the atmosphere in the land sector. The best, most cost effective and most resilient way to do this is to protect forests and allow them to be restored and to grow old. Our investigation provides clear evidence that these forests are being logged and burned for so-called renewable energy. During times of crisis, it is critical to make strategic decisions that benefit the long term, avoiding short term opportunism that give rise to monumental problems into the future.

Conclusion

EIA’s investigation shows that the consumption of whole logs from protected forests for biomass is not an isolated problem, but instead is common in many EU countries. Nor is it a problem confined to Eastern Europe – many of the pellets made from protected trees in Eastern Europe are shipped as pellets to Western Europe, and burned in cozy heating stoves. In this way, European consumers are unwittingly contributing to the destruction of Europe’s last wild forests and exacerbating climate change.

To meet EU climate and biodiversity commitments, renewable energy policy must only incentivize and support technologies that actually make the climate better, and protect our precious natural environment. Burning trees does the opposite.

The vote in the European Parliament on September 13th provides the EU with the opportunity to correct this fatal flaw at the nexus of climate, energy and biodiversity policy. EIA’s investigation provides clear evidence that the Renewable Energy Directive must immediately remove all support for woody biomass. The European Parliament must vote for the protection, not the ongoing destruction, of our last intact natural forests.

EIA reached out to all of the companies named on this report and had not received any responses at the time of publishing.

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