

## GBEP Working Group on Capacity Building for Sustainable Bioenergy

### Webinar Activity Group 4 “Towards sustainable modern wood energy development” 24 June 2015

#### Summary

##### Background

During the November 2014 meeting of the GBEP Working Group on Capacity Building (WGCB), the session dedicated to the Activity Group 4 was opened by a presentation of the stocktaking paper “*Towards sustainable modern wood energy development*” by Cornelia Sepp, ECO Consult, who conducted the study generously funded by GIZ (German Agency for International Cooperation).

The paper was well received by the participants and it was considered informative and well-structured although it was clearly felt the ***need for further discussions on its recommendations and the next steps***. FAO, co-leader of the AG4, guided the discussions on the next steps for this activity and it was agreed to organize a webinar to be focused on the recommendations of the report and how to contribute to address them.

##### Webinar discussions

The organization of the webinar was coordinated by the GBEP Secretariat and GIZ. Invitations were extended beyond the GBEP Membership to interested participants belonging to the networks of ECREEE, GIZ and the Global Alliance for Clean Cookstoves (GACC).

About 30 participants attended the webinar and exchanged views and information with the members of the Activity Group 4.

The webinar was opened by an introductory statement by Mr. Olivier Dubois, FAO, as co-leader of this Activity Group. Mr. Dubois briefed the participants about the background of this Activity Group and the drivers that induced GBEP to dedicate attention to modern wood energy development. It was highlighted, for instance, that as of 2015 the single major use of wood harvested globally is energy and in absolute terms, about half the global roundwood harvest is used for woodfuel, and it is mainly employed for heating and cooking.

Mr. Steve Sepp, from Eco Consult and lead author of the stocktaking paper commissioned by GBEP and GIZ, presented the main findings and recommendations contained in the report. Several participants interacted with Steve Sepp and discussed a number of aspects highlighted by the author. After the main challenges of and limitations to the sound management of wood energy supply chains in developing countries were discussed<sup>1</sup>, the moderator pointed the attention of the participants towards the success stories in managing the wood energy sector in the developing regions of the world, including technological advancements in the conversion of wood into charcoal, regulatory frameworks, tax systems etc. Governments' action to formalise the value chains (as in Chad and Niger) seem a key success factor to reduce deforestation, together with the possibility to combine wood energy with benefits to other sectors (e.g. improved cookstoves concerning health and agroforestry concerning food production). Another decisive factor seems to be the need to consider interventions along the whole value chain, i.e. both supply and demand sides. Stakeholders are organized in the form of local wood and charcoal producer groups, cooperatives or professional associations. Property or management rights are transferred to such producer groups. Harvesting areas, standards and quotas are specified.

An interesting discussion concerned the pros and cons of differentiated wood energy taxation which would tax non-sustainably sourced woodfuel higher than sustainably produced woodfuel. One possible implication could be that it might limit the affordability of wood energy and make other energy options, but also the use of improved cookstoves, more attractive. In line with this, the Global Alliance on Clean Cookstoves (GACC) informed the participants that a comprehensive comparative study between different types of energy for cookstoves based on case studies in eight countries will be released soon. This report is expected to add interesting information to that included into the AG4 Report prepared by Steve and Cornelia Sepp.

Ms. Suani Coelho, from Brazil, highlighted that modern applications of wood energy include also the generation of electricity even at the small scale, the primary focus of the webinar, and that experiences on small-scale wood energy gasification exist not only in India, but also in Brazil (Amazon) and Cuba. It was agreed that these, and other similar experiences, should be shared with the members of the AG4 in more details.

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<sup>1</sup> 1) Lack of data on wood energy, 2) a non-conductive image, 3) low woodfuel producer prices, 4) unsecure land-tenure, 5) uncontrolled open access areas, 6) poor institutional settings, 7) low enforcement capacities, 8) corruption

### **Recommendations and next steps**

One of the recommendations proposed by the authors and broadly agreed during the webinar is to focus on the necessary efforts for increasing the formalization of the wood energy sector in developing countries and on how to contribute to building a positive image for small scale wood energy particularly in developing countries, which is fundamental for creating an enabling environment surrounding this sector.

In order to meet the aforementioned recommendations it was proposed to **organize an event in Africa**, in the context of the GBEP activities, where **success stories are exchanged between neighbouring countries and/or countries with similar contexts** in order to facilitate the transfer of these experiences and their replication. This event would bring together governmental experts on wood energy, policy makers and representatives of the financial institutions, both public and private, that work towards the replication of the strategies and procedures that have proven effective in similar contexts. In particular, this event would address successful financial mechanisms and business plans that make wood energy value chains work.

It was agreed that the first necessary step for enabling the share of success stories on wood energy management is the **collection of further examples** to add to those already included in the stocktaking paper "*Towards sustainable modern wood energy development*". To this end, the GBEP Secretariat has volunteered to compile **a template form** to be circulated among the AG4 members and webinar participants in order to collect the most interesting success stories in a standardized format, with a view to be posted in a dedicated section of the GBEP website.

On the other hand, it might be worth exploring the extent to which Brazil's experience in requesting SMEs that consume wood energy to pay a wood replacement fee to a local Forest Replacement Association could be relevant to other regions of the world, in particular South-Asia. Finally, GBEP could also serve as disseminators of interesting studies related to wood energy, starting with the forthcoming aforementioned GACC study.