







To: Financiers of RWE

CC: Members of EKZ/LNV commission, Dutch Senate

Amsterdam, 8 November 2019

Dear Sir/Madam,

Last week, the Dutch newspaper *Algemeen Dagblad* published an article called "Boze Amerikanen: Nederlandse subsidies voor biomassa maken onze natuur kapot" ("Angry Americans: Dutch subsidies for biomass are destroying our nature"), which exposed the growing impact of RWE's wood pellet burning in Dutch coal power stations will have on forest degradation in North America. Another commentary published in the newspaper *Het Parool*, co-authored by a spokesperson for Forest Aid Estonia, exposed the serious impacts which RWE's wood pellet burning is having on Estonian forests.

RWE operates two coal power stations in the Netherlands: One in Eemshaven, near Groningen, the other (Amercentrale) in Geertruidenberg. In order to keep those two coal power stations and obtain subsidies, RWE has started burning 1.7 million tonnes of wood pellets per year (many or all of them sourced from the southern USA and the Baltic States) in Amercentrale and 0.8 million tonnes in de Eemshaven centrale, with a near-term plan to increase this to 3.3 million tonnes and a longer-term plan to convert both power stations to 100% biomass (in order to avoid having to close them when coal burning is phased out). This would require them to burn 7.5 million tonnes of pellets annually. This is double the amount of wood burning that has been agreed in the SER Energy Agreement 2013, namely a maximum of 25 PJ or around 3.5 million tonnes of wood pellets per year.

The Dutch environmental NGO Mobilisation for the Environment (MOB) has launched a court action against the environmental permit extending the life-span and permitting wood pellet burning in Amercentrale which, if successful, could lead to the power station's closure.³

There is a broad scientific consensus that generating energy from woody biomass is also damaging to the climate. Last year, nearly 800 scientists asked the European Union to stop subsidizing biomass.⁴ A follow up letter focused specifically on why carbon accounting in the land use sector doesn't mean that biomass is carbon neutral, or even necessarily better than fossil fuels.⁵

 $^{^1\,}https://www.ad.nl/buitenland/boze-amerikanen-nederlandse-subsidies-voor-biomassa-maken-onze-natuur-kapot~a84b8eed/$

² https://www.parool.nl/columns-opinie/houtverbranding-in-biomassacentrales-is-totaal-niet-duurzaam~b4108a1a/

³ https://nos.nl/nieuwsuur/artikel/2301502-milieuorganisatie-richt-stikstofvizier-nu-ook-op-bestaandevergunningen.html

 $^{^4\} https://www.forbes.com/sites/michaelshellenberger/2019/03/07/with-ethanol-and-biomass-no-longer-viewed-as-green-will-other-renewables-soon-follow/#2d3b14377fb9$

⁵https://www.dropbox.com/sh/sqhn0b4h6dwvq65/AADnK8Q18AAFaCeWvbZ40vFGa?dl=0&preview=Scientists+letter+to+lea d+European+Parliament+negotiators+regarding+biomass+rules+in+renewable+energy+directive_June+2018.pdf

The undersigned, including the EPN network that represents over 150 social and environmental organizations⁶, share this vision. Our statment "The biomass delusion" details why burning trees is bad for the climate, for forests, for people and for the energy transition.

At the same time, climate science clearly shows that continued burning of coal is incompatible with the goal of the Paris Agreement to limit global warming to well below 2 degrees.

As your financial institution is a known financier of RWE, we hereby urge you to divest from RWE's coal, coal-and-biomass and coal-to-biomass conversion projects in the Netherlands. We also strongly recommend your financial institution to adopt policies that exclude any large scale woody biomass projects — as well as plants burning coal -from receiving finance in the future. You can find detailed information on the risks of investing in biomass in our report "Risky Biomass Business". 8

We would appreciate it if you could inform us of your financial institution's policies on biomass and we would welcome an opportunity to discuss this issue with you in more detail in a call.

Fred Vos fred.vos@the-fab.org Coordinator Federation Against Biomass power plants the-fab.org/en

Almuth Ernsting biofuelwatch@gmail.com Co-director of Biofuelwatch www.biofuelwatch.org.uk

Rita Frost rita@dogwoodalliance.org Campaigns Director www.dogwoodalliance.org

Merel van der Mark merel@environmentalpaper.org Coordinator of EPN's Pulp Finance Working Group Environmentalpaper.org

⁶ https://environmentalpaper.org/about/members/

⁷ https://environmentalpaper.org/the-biomass-delusion/

⁸ https://environmentalpaper.org/2019/05/warning-issued-to-investors-forest-biomass-is-risky-business/