Expert Exchange Workshop on the Promotion of Sustainable Wood Energy Value Chains in Development Cooperation

March 1st–March 2nd in Frankfurt am Main

was organized by GIZ and KfW

Context

Wood is THE most important renewable energy source worldwide. 2.8 billion people depend on it for cooking and heating[1]. While industrialized countries celebrate the renaissance of wood energy as the most important renewable energy source to produce heat and electricity, most governments in the developing countries perceive woodfuels negatively as an outdated traditional and dirty form of energy that has to be overcome. The difference between the two perceptions is the mainly unsustainable production and inefficient use of wood energy in the developing world. This makes wood energy responsible for about 50% of forest degradation in Africa and causes massive deforestation around major consumption centers like Kinshasa, Maputo or Dar es Salaam.[2] And although wood energy is an important contributor to rural income in developing countries accounting for 35% of the total forest based income[3] it does - due to the informality and illegality of the sector - not contribute to investments in the forestry sector.[4]

A growing population and urbanization will further increase the demand for fuelwood and charcoal. [5]Projections of the International Energy Agency show that even under the most ambitious plans for alternatives wood energy for cooking and heating will remain an important pillar of the energy mix in developing countries for many decades to come. For instance solid biomass still accounts for half of total final consumption in sub-Saharan Africa in 2040.[6] IRENA expects that 60% of growth in total renewable energy use will come from biomass globally. Additionally power generation from woody biomass offers decentralized and local power supply solutions. This will contribute to achieve sustainable and affordable energy access by 2030 which is defined as Sustainable Development Goal number 7 (SDG 7). Combined with the increasing demand from the industrialized countries to reach renewable energy targets, the need for the provision of sustainable wood energy is growing.

The **New York Declaration on Forests** together with the Bonn Challenge aims at **restoring 350 Mio ha of degraded lands by 2030**. Through restoration pledges many developing countries have shown their political commitment to start restoration processes in their countries. These commitments offer potential for the sustainable production of wood energy be it through planted forests, agroforestry, through individual reforestation or the sustainable management of natural forests.

Projects in Madagascar, Cameroon, Tanzania or Senegal have shown that the modernization of the wood energy sector contributes to poverty reduction, energy security, forest landscape restoration, rural economic development, climate change mitigation and adaptation and biodiversity protection. It makes sustainable wood fuel production - amongst others and under the right conditions - an

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[1] Bailis et al. (2015): The carbon footprint of traditional woodfuels. In: Nature Climate Change

[2] Hosonuma et al. (2012): An assessment of deforestation and forest degradation drivers in developing countries. Environmental Research Letters. doi: 10.1088/1748-9326/7/4/044009 and Bailis, Robert; Drigo, Rudi; Ghilardi, Adrian; Masera, Omar (2015): The carbon footprint of traditional woodfuels. In: Nature Climate change. DOI: 10.1038/nclimate2491

[3] Angelsen, A., Jagger P., Babigumira, R. Belcher, B, Hogarth, NJ, Bauch, S, Börner, J, Smith-Hall, C, Wunder, S. 2014 Environmental Income and Rural Livelihoods: A Global-Comparative Analysis, World Development, Volume 64, Supplement 1, doi.org/10.1016/j.worlddev.2014.03.006. Available at http://www.sciencedirect.com/science/article/pii/S0305750X14000722

[4] Mundenk et al., Governance in the Wood Energy Sector, BMZ/GIZ, 2015

[5] Hosier et al. (1993): Future energy development in Tanzania: The energy costs of urbanization. In: Energy Policy 21/5; p. 524-542

[6] International Energy Agency (IEA). World Energy Outlook, Paris 2014.

ecologically, socially and economically **viable option for investing in sustainable (forest) landscapes**. Biomass sector planning and reforms needs to accompany these investments. Activities must also include improving the efficiency of transformation into charcoal and other energy products as well as improving the efficiency of the wood energy use and thereby addressing current health hazards related to the inefficient combustion.[7] Examples from countries like Ghana and Namibia show that wood energy for electricity production is a viable option to address energy access and security.

The international community, e.g. through the Global Bioenergy Partnership (GBEP) with its activity group on wood energy and regional organizations such as ECOWAS are starting to realize opportunities in the sector. This can be seen in the **World Forestry Congress** outcome which highlighted in a special event the necessity to modernize the sector (see WFC declaration and action points) and in the first African renewable energy conference - the **SAIREC Declaration**, which urges for an additional effort to promote sustainable cooking including new efficient technologies for charcoal production, programs for reforestation and sustainable forest management.

Policy advisors and development practitioners will increasingly need to be able to offer solutions and experiences to modernize the wood energy sector which they are invited to share during the following meeting.

The Meeting:

The meeting aims at giving experts and advisors working in the international development context and coming from the renewable energy, forestry and agricultural sector a forum to exchange latest technical, political and financial solutions and experiences in modernizing the wood energy value chain in developing countries. Presentations from different organizations will highlight successes and challenges in this cross sectorial topic and provide opportunities for informal networking. The meeting will conclude with discussions around possibilities for supporting modernized wood energy value chains and address lobbying for political action and private investments / private sector engagement.

[7] Lim et al. (2012): A comparative risk assessment of burden of disease and injury attributable to 67 risk factors and risk factor clusters in 21 regions, 1990–2010: a systematic analysis for the Global Burden of Disease Study 2010. In: The Lancet 9859; p. 2224-2260.