

<p>Draft name Regulation of the Minister for Climate and the Environment on the specific quality characteristics and dimensions of energy wood</p> <p>Lead ministry and cooperating ministries Ministry of Climate and the Environment – Lead Ministry Ministry of Development and Technology – Cooperating Ministry</p> <p>Person responsible for the draft: Minister, Secretary of State or Under Secretary of State Mikołaj Dorożala – Under Secretary of State at the Ministry of Climate and the Environment, Chief Nature Conservator</p> <p>Contact details for the draft supervisor Magdalena Bukowska – Director of the Department of Forestry and Hunting Dr Przemysław Iżycki – Head of the Legal and Legislative Service and Administrative Proceedings Unit at the Department of Forestry and Hunting (phone 22 36 92 550)</p>	<p>Drafted on 07 February 2025</p> <p>Source: Article 119a of the Renewable Energy Sources Act of 20 February 2015 (Journal of Laws of 2024, item 1361, as amended) ‘Coalition 15 October’ agreement – programme arrangements, indication of a ban on burning wood in the commercial energy sector.</p> <p>Number in the list of legislative work items of the Minister for Climate and the Environment: 1183</p>
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REGULATORY IMPACT ASSESSMENT

1. What issue is being addressed?

In connection with the amendment of the Renewable Energy Sources Act of 20 February 2015 (Journal of Laws of 2024, item 1361, as amended), the concept of full-value wood ceased to apply, while the concept of energy wood was introduced. Article 2(7a) of the Act defines that concept as wood raw material which, due to its qualitative and dimensional characteristics, has a reduced technical and utility value preventing its industrial use, as well as wood raw material constituting biomass of agricultural origin. The Act did not specify the characteristics in detail and, instead, it obliged the minister responsible for the environment to provide the specifics in consultation with the minister responsible for energy and the minister responsible for the economy. This proposed regulation fulfils this obligation.

The obligation to issue a regulation defining the quality and dimensional characteristics of energy wood was to be fulfilled by 30 November 2016, but to date this regulation has not been issued. Only in the episodic provision (Article 184f of the Renewable Energy Sources Act of 20 February 2015) covering the period from 1 October 2020 to 31 December 2021 was it temporarily specified which wood raw material was considered to be energy wood. Under that provision, the following were regarded as energy wood:

- 1) wood raw materials that are not sawn or veneer wood, in the form of long logs, saw logs or veneer logs, nor is it produced in a process of deliberate shredding of these wood raw materials;
- 2) by-products from the processing of wood raw materials, uncontaminated with substances that do not naturally occur in wood;
- 3) waste from processing wood raw materials, uncontaminated with substances that do not naturally occur in wood, managed in accordance with the hierarchy of waste management methods.

As of 1 January 2022, there is again no indication as to which wood raw material can be classified as energy wood.

The function of the draft regulation is to eliminate, in accordance with the above-mentioned provision of the Renewable Energy Sources Act of 20 February 2015 defining energy wood, the phenomenon of burning wood in the commercial energy sector, which can be used industrially in a different, more economically beneficial way. The proposed regulation aims to rationalise and optimise wood management, as well as respond to the social expectation that wood which can be used in a more economically beneficial way will not be burned in the commercial energy sector. The adopted measure is also beneficial from the perspective of environmental protection by reducing the pressure on logging of forests from the commercial energy sector. It signals that the decarbonisation of district heating and power industry cannot rely on biomass as the main direction of transition of these sectors. Poland does not have sufficient sustainable wood biomass potential to implement the energy transition in this way.

The tables below present the consumption in 2021 and 2022 of wood-based biomass in the commercial energy sector and in the commercial and industrial energy sector combined, broken down by individual assortments of this raw material.

Table 1. Consumption of solid biofuels as conversion input and own consumption of the energy sector

Specification	2021	2022
	TJ	
Conversion input consumption	75,105.59	69,551.78
commercial power plants/CHP plants	55,430.18	50,238.52
commercial heating plants	6,832.82	6,561.34
industrial power plants/CHP plants	12,334.16	12,255.48
industrial heating plants	508.43	496.45
mixing plants for petroleum products	0.00	0.00
Own consumption of the energy sector	18.86	22.46
power plants, CHP plants and heating plants	0.12	0.01
coal and lignite mines	18.75	22.45
oil and gas extraction	0.00	0.00

Source: Statistical survey 1.44.01 Fuel and energy balances;

Statistics Poland and Ministry of Climate and the Environment

Renewable Energy/Renewable Energy Balance by Carrier/Solid Biofuels

<https://stat.gov.pl/obszary-tematyczne/srodowisko-energia/energia/energia-ze-zrodel-odnawialnych-w-2022-roku,3,17.html>

Table 2. Conversion input consumption (commercial + industrial energy)

Specification	Unit of measurement (UoM)	2021		2022	
		UoM	TJ	UoM	TJ
firewood	thousand m ³	2,071.27	19,677.02	1,583.73	15,045.45
tree branches and tops	thousand m ³	276.40	2,625.84	323.92	3,077.25
stumps	thousand m ³	0.00	0.00	0.00	0.00
industrial roundwood	thousand m ³	28.24	268.30	14.52	137.97
bark	thousand m ³	166.01	1,577.11	154.09	1,463.87
chips, sawdust, shavings	thousand m ³	2,040.37	19,383.55	2,395.83	22,760.42
post-consumer wood used directly for energy production	thousand m ³	3.29	31.26	3.55	33.69
charcoal	thousand m ³	0.00	0.00	0.00	0.00
wood pellets and briquettes	thousand m ³	138.99	1,320.44	137.22	1,303.60
energy crops excluding food and feed raw materials	thousand tonnes	71.34	633.62	92.65	769.47
waste biomass from industry	thousand tonnes	640.94	8,325.54	478.00	6,199.66

Source: Statistical survey 1.44.02 Electricity and heat;

Ministry of Climate and the Environment and Energy Regulatory Office

Table 3. Conversion input consumption (commercial energy sector)

Specification	Unit of measurement (UoM)	2021		2022	
		UoM	TJ	UoM	TJ
firewood	thousand m ³	2,048.12	19,457.14	1,580.72	15,016.82
tree branches and tops	thousand m ³	272.64	2,590.08	321.82	3,057.32
stumps	thousand m ³	0.00	0.00	0.00	0.00
industrial roundwood	thousand m ³	0.00	0.00	0.00	0.00
bark	thousand m ³	27.09	257.34	18.63	177.03
chips, sawdust, shavings	thousand m ³	1,633.24	15,515.74	1,961.66	18,635.77
post-consumer wood used directly for energy production	thousand m ³	0.00	0.00	0.00	0.00
charcoal	thousand m ³	0.00	0.00	0.00	0.00
wood pellets and briquettes	thousand m ³	138.99	1,320.44	137.22	1,303.60
energy crops excluding food and feed raw materials	thousand tonnes	55.31	515.49	69.99	586.46
waste biomass from industry	thousand tonnes	635.81	8,256.31	446.75	5,820.35

Source: Statistical survey 1.44.02 Electricity and heat; Ministry of Climate and the Environment and Energy Regulatory Office

The summaries presented above show that the use of firewood and by-products in the form of shavings, sawdust, and wood chips is the largest in the commercial energy sector. However, in accordance with the classification adopted for the surveys, firewood shall be understood as roundwood without bark, which is obtained for use as fuel for purposes such as cooking, heating, or energy production. It includes roundwood from main trunks and wood that will be used as raw material for the production of charcoal (e.g. in kilns and portable kilns) and other agglomerates for energy use. It also includes wood chips for use as fuel, which are produced directly (i.e. in the forest) from roundwood. It does not include charcoal, granules and other agglomerates. In turn, wood that has been shredded into small pieces and is suitable for pulping, for the production of chipboard and/or fibreboard, or for other purposes, and is ultimately used as fuel, is classified as chips, shavings, or sawdust. Firewood also includes chips produced directly from roundwood in wood chippers. It excludes wood chips produced in a continuous industrial process (e.g. wood chips produced from roundwood or wood residues in the production of pulp, particle board, and fibreboard) and wood chips produced directly in the forest from roundwood (i.e. already counted as pulpwood or wood fuel).

2. Recommended solution, including planned intervention measures and expected impact

The draft Regulation sets out the detailed qualitative and dimensional characteristics of energy wood as defined in Article 2(7a) of the Renewable Energy Sources Act of 20 February 2015.

The proposed regulation assumes that round wood with certain dimensions will be considered as energy wood, which at the same time will have at least one of the quality characteristics with specified parameters, resulting in a reduction in technical and utility value to an extent that makes industrial use economically unreasonable: one-sided curvature or multilateral curvature, soft rot or charring.

Energy wood will also include wood raw material that is not roundwood, occurring as: wood residues, which, for qualitative reasons, cannot be assigned to other wood grades remaining on the surface of the cuts, associated with the process of felling trees or shrubs and the handling of wood raw material, wood waste or residues from agricultural production, by-products resulting from the processing of wood, arising in wood processing plants, the by-product being understood in the manner adopted in Article 10 of the Waste Act of 14 December 2012 (Journal of Laws of 2023, item 1587, as amended), and wood raw material obtained from energy crops, including short rotation coppice within the meaning of Article 2(33) of the Act on the Strategic Plan for the Common Agricultural Policy for the years 2023-2027 of 8 February 2023 (Journal of Laws of 2024, item 1741), as well as wood raw material obtained as a result of remedial actions against an invasive alien species carried out in accordance with the Alien Species Act of 11 August 2021 (Journal of Laws of 2023, item 1589). The Regulation therefore does not allow full-value wood to be processed, in particular by grinding, chipping or undergoing another mechanical or chemical process, in order to be burned as energy wood. Products resulting from the processing of by-products, such as pellets and briquettes, provided that they are entirely made from by-products, are also included in this group of wood raw materials. This eliminates the risk of assigning energy wood status to pellets or briquettes resulting from the mixing of energy and non-energy wood. Waste resulting from the processing of wood or derived from wood will also be considered as energy wood in this list. Thus, the provisions of the Waste Act of 14 December 2012, as a law defining the rights and obligations in the field of waste management, will also apply to these forms of energy wood.

Determining the parameters of energy wood in the regulation will emphasise the priority of using wood primarily for industrial purposes, ensuring that only wood with reduced technical and utility value, which precludes its industrial use, is classified as energy wood.

Determining the qualitative and dimensional characteristics of energy wood will positively impact the elimination of the phenomenon of burning higher-quality wood in the commercial energy sector.

The adoption of the proposed regulation will have the effect of determining the qualitative and dimensional characteristics of energy wood, a raw material covered by mechanisms supporting the production of electricity from renewable energy sources. It should be clarified that the regulation will not prohibit the use of raw materials other than energy wood in the commercial energy sector. The delegation to issue the regulation contained in Article 119a of the Renewable Energy Sources Act of 20 February 2015, as well as the material scope indicated in Article 1 of that Act, do not regulate the legal issue of admissibility of burning wood with specific quantitative and dimensional characteristics. Instead, they affect financial mechanisms and instruments, leading to support for entities generating electricity from renewable energy sources.

3. How has this problem been solved in other countries, in particular OECD/EU Member States?

The use of wood as an energy source varies among EU Member States. The main factor is the varying abundance of wood raw materials and availability, as well as the strategies for meeting the targets set out in the Kyoto Protocol with respect to the percentage of energy generated from renewable sources.

For example, in Germany, the basic legal act under which energy is produced from biomass is the Regulation of 21 June 2001 on the production of electricity from biomass (Verordnung über die Erzeugung von Strom aus Biomasse (Biomasseverordnung – BiomasseV)). It does not lay down specific characteristics for energy wood, but introduces a general definition of biomass, according to which biomass is, inter alia, energy sources of plant or animal origin, including some by-products, residues and waste, including from forestry. The Regulation sets out acceptable methods for the production of electricity from biomass and the environmental requirements that must be met for the production of electricity from biomass. However, certain requirements are laid down for waste wood used for energy purposes in the Regulation of 15 August 2022 on the requirements for the recovery and disposal of waste wood (Verordnung über Anforderungen an die Verwertung und Beseitigung von Altholz (Altholzverordnung - AltholzV)). The provisions of this Regulation are addressed to undertakings in the recycling and disposal of waste wood sector, as well as to larger combustion plants. It introduces definitions of, among others, wood industrial residues, old wood, PCB waste wood (including insulation and soundproofing boards that have been treated with agents containing polychlorinated biphenyls). According to the aforementioned Regulation, the primary method of utilising waste wood is recycling and reusing the raw material, for example, for the production of wood-based materials, provided that the standards for the content of individual substances in the processed raw material (e.g., lead, cadmium, arsenic) specified in the aforementioned Regulation are met. The energy use of waste wood is only possible if wood with a higher quality category does not exceed 2 % of the total waste wood used.

In Spain, on the other hand, there are no regulations laying down specific requirements for energy wood. The country has an excess of dead wood, which, due to its unsuitability for other sectors, is allocated for energy purposes, without compromising the conservation status of habitats and the resilience of forests. The price of high-quality wood in Spain is too high for energy production to be cost-effective, so no specific requirements have been set for forest-based biomass.

Also in Sweden, there are no regulations restricting the use of high-quality wood in the energy sector. As in Spain, due to market mechanisms, high-quality wood is too expensive to be used for energy purposes. They are used first by sawmills, then by pulp mills, and finally by heating and CHP plants. For this reason, the need to specify requirements for energy wood has not been identified. In the 1980s, there was a Wood Fibre Act that prevented power plants from using industrial by-products, such as sawdust and chips, that could be of interest to the domestic cardboard industry. However, the law was deemed ineffective and was repealed after several years of being in force.

4. Entities affected by the draft

Group	Size	Data source	Impact
State Forests National Forest Holding	1		Modification of the customer base for wood raw materials and broader opportunities to sell wood of reduced technical and utility value for the industry
National parks	23		Modification of the customer base for wood raw materials and broader opportunities to sell wood of reduced technical and utility value for the industry
Forest owners Forest and woodland managers, Owners and managers of agricultural crops	no data (it can be estimated that this number is in the range of 950,000 to 1,500,000 entities)	The estimates are based on the 2020 agricultural census.	Modification of the opportunities to sell wood of reduced technical and utility value for the industry
Biomass-based renewable energy and heat producers (both commercial and industrial)	no data		Determination of the biomass base related to wood raw material for energy purposes
Wood industry	2.2 % GDP		Increasing the availability of full-value wood

5. Information on the scope, duration, and summary of consultation results

1. The draft Regulation has not been the subject of pre-consultations.
2. In accordance with Article 5 of the Act on Lobbying Activities in the Process of Law-Making of 7 July 2005 and § 52(1) of Resolution No. 190 of the Council of Ministers of 29 October 2013 — the Rules of Procedure of the Council of Ministers, the draft was made available in the Public Information Bulletin, on the Government Legislation Centre website under the Government Legislation Process tab.

other units (separately)	0	0	0	0	0	0	0	0	0	0	0	0
Total expenditure	0	0	0	0	0	0	0	0	0	0	0	0
state budget	0	0	0	0	0	0	0	0	0	0	0	0
local government units	0	0	0	0	0	0	0	0	0	0	0	0
other units (separately)	0	0	0	0	0	0	0	0	0	0	0	0
Total balance	0	0	0	0	0	0	0	0	0	0	0	0
state budget	0	0	0	0	0	0	0	0	0	0	0	0
local government units	0	0	0	0	0	0	0	0	0	0	0	0
other units (separately)	0	0	0	0	0	0	0	0	0	0	0	0

Sources of financing	Not applicable
Additional information, including the identification of data sources and assumptions made in the calculation	The draft Regulation does not have financial consequences for public finance sector units, including the state budget and the budgets of local government units, consisting of increasing their expenditures or reducing their revenues compared to the amounts resulting from the applicable regulations.

7. Impact on the competitiveness of the economy and entrepreneurship, including the functioning of enterprises, and impact on families, citizens and households

		Effects						
Time in years since entry into force of the amendments		0	1	2	3	5	10	Total (0–10)
In monetary terms (PLN million, fixed prices for ... [year])	large enterprises							
	micro-, small- and medium-sized enterprises	0	0	0	0	0	0	0
	families, citizens and households	0	0	0	0	0	0	0
	(add/remove)	0	0	0	0	0	0	0
In non-monetary terms	large enterprises	The regulation will improve the situation of large woodworking enterprises using wood previously utilised in the commercial energy sector, as it will increase the supply of this wood for them and reduce competition for it from the commercial energy sector.						
	micro-, small- and medium-sized enterprises	The regulation will improve the situation of micro, small and medium woodworking enterprises using wood previously utilised in the commercial energy sector, as it will increase the supply of this wood for them and reduce competition for it from the commercial energy sector.						
	families, citizens and households	Increasing the supply of full-value wood to the wood industry, which has hitherto been used in the commercial energy sector, will reduce price pressure on the products of this industry, and thus on citizens' expenses. It will also facilitate the purchase of wood previously used in this energy sector.						
	(add/remove)							
Immeasurable	(add/remove)							
	(add/remove)							

Additional information, including the identification of data sources and assumptions made in the calculation	<p>The proposed regulation will have a positive impact on the competitiveness of the economy and entrepreneurship, including the functioning of entrepreneurs from the micro, small and medium-sized enterprises sector as well as on families, citizens, households, the elderly, and people with disabilities.</p> <p>The proposed regulation will not have a negative impact on the energy sector. This sector does not use full-value wood for combustion, i.e. wood that will not be classified as energy wood. The energy sector primarily uses wood chips as a wood raw material, which in the light of the proposed regulation will be classified as a by-product constituting energy wood. Notwithstanding the above, the proposed regulation does not prohibit the use of raw materials other than energy wood in the commercial energy sector, specifying only the wood assortments subject to financial support mechanisms for the sector.</p> <p>Currently, the classification of wood in the State Forests National Forest Holding, which is the</p>
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	<p>largest supplier of wood raw material, is made on the basis of Ordinance No. 51 of the Director-General of State Forests of 30 September 2019 on the <i>introduction of technical conditions used in the trade of wood raw material in the State Forests Holding</i>. The above-mentioned order does not explicitly specify the assortments that could be clearly attributed to the qualitative characteristics set out in the proposed regulation. An assortment that can be clearly assigned to the characteristics specified in the Regulation is the one marked as M2E, i.e., wood residues. Between 2022 and 2023, the following quantities of wood residues were sold:</p> <ul style="list-style-type: none"> - 2022 – 825,743 m³, - 2023 - 760,854 m³.
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8. Amendment to regulatory burden (including disclosure obligations) resulting from the draft

<input checked="" type="checkbox"/> not applicable	
Burdens are placed outside those strictly required by the EU (see reverse side of the compatibility table for details).	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable
<input type="checkbox"/> Reduction in the number of documents <input type="checkbox"/> Reduction in the number of procedures <input type="checkbox"/> Shortening of the time to settle the matter <input type="checkbox"/> Other:	<input type="checkbox"/> Increase in the number of documents <input type="checkbox"/> Increase in the number of procedures <input type="checkbox"/> Extension of the time to settle the matter <input type="checkbox"/> Other:
The introduced burdens are suitable for digitisation.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable

Comment:

9. Impact on the labour market

The proposed regulation will have a positive impact on the labour market, as it will increase the availability of raw material previously used in the commercial energy sector for the wood industry, which will facilitate its development and, consequently, increase the demand for labour in this sector.

10. Impact on other aspects

<input checked="" type="checkbox"/> natural environment <input type="checkbox"/> regional situation and development <input type="checkbox"/> ordinary, administrative or military courts	<input type="checkbox"/> demographics <input type="checkbox"/> state property <input type="checkbox"/> other:	<input type="checkbox"/> computerisation <input type="checkbox"/> health
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Discussion of the impact	<p>Detailed specification of qualitative and dimensional characteristics will contribute to the optimisation and rationalisation of the use of wood raw material. The pressure from the commercial energy sector on the logging of forests (actual deprivation of the area of existing trees) will be reduced, so it will have a positive impact on forest cover, forests as ecosystems and, consequently, on environmental protection.</p>
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11. Planned implementation of the provisions of the act

The provisions will be implemented upon the Regulation's entry into force. It is assumed that the Regulation will enter into force three months after the date of its publication.

Before its publication, the draft regulation is subject to the notification obligation in accordance with the principles set out in the Regulation of the Council of Ministers of 23 December 2002 on the functioning of the national system of notification of standards and legal acts (Journal of Laws of 2039, as amended) and Directive (EU) 2015/1535 of the European Parliament and of the Council of 9 September 2015 laying down a procedure for the provision of information in the field of technical regulations and of rules on Information Society services (OJ EU L 241, 17.9.2015, p. 1).

12. How and when shall the impact of the draft Regulation be assessed, and what measures shall be applied?

No evaluation of the draft Regulation is planned due to the lack of metrics adequate to the objectives of the draft.

13. Annexes (important source documents, research, analyses, etc.)

None