

6th meeting of the GBEP Working Group on Capacity Building for Sustainable Bioenergy (WGCB)

FAO Headquarters, Ethiopia Room

Rome, 12-13 November 2014

Co-Chair Conclusions

The GBEP Working Group on Capacity Building for Sustainable Bioenergy (WGCB) held its 6th meeting on 12-13 November 2014 at FAO Headquarters in Rome.

Argentina, Brazil, Cambodia, Egypt, Ethiopia, France, Germany, Indonesia, Italy, Jamaica, Japan, Paraguay, Sudan, Sweden, Switzerland, United States of America, Vietnam, ECOWAS, European Commission, FAO, ICRAF, IEA, IRENA, OAS, UNEP and UN SE4All participated in the meeting as Partners and Observers.

Workshop “Introduction to AGLINK-COSIMO model for the measurement of Indicator 10”

The meeting of the 6th Working Group on Capacity Building for Sustainable Bioenergy (WGCB) was preceded by the workshop “Introduction to AGLINK-COSIMO model for the measurement of Indicator 10”, held on 10-11 December 2014.

During this workshop, the Trade and Markets Division of FAO (Economic and Social Development Department) presented the Agricultural Outlook and the Partial Equilibrium model used for the preparation of the AGLINK-COSIMO model. FAO uses the AGLINK-COSIMO model to produce the scenarios presented in the annual Agricultural Outlook, published in collaboration with OECD. In the Outlook, agricultural markets expectations for the future (*forecasts*) based on clearly defined assumptions (*baseline*) are presented. The forecasts are made over a ten-year projection of global supply, demand and trade accompanied by the assessment of driving factors in commodity markets. The Agricultural Outlook contains all major agricultural commodities, including biofuels, and is continuously growing its scope including fish, cotton, land, fertilizers in its latest iteration. The participants were exposed to the history and development of the AGLINK-COSIMO model and its product, its structure and the countries that are included and modelled individually or treated in regions or sub regions. Lastly, the limitations and uncertainties of the presented model were discussed with the participants. In order to give a glimpse of the kind of forecasts produced through the AGLINK-COSIMO model, the FAO/EST team presented some highlights of the newly released 2014 – 2023 Agricultural Outlook.

In addition to the theoretical explanations of the model, its role and its capabilities, a demonstration of the procedure to measure the Tier III component of Indicator 10 was given. This demonstration was based on the outcomes of the project “Pilot Testing the GBEP Sustainability Indicators in Indonesia” led by FAO. The participants were presented with a demonstration of two possible scenarios of different bioenergy production and use levels: 1) an ex-post assessment of the actual impact that biodiesel production has had in Indonesia from 2007 to 2012; and 2) an ex-ante projection of the likely impact that the newly proposed National Bioenergy Policy will have in Indonesia by 2023, according to which biodiesel production would increase 5 fold. The demonstration was very well received and it stimulated several questions and discussions from the participants to the presenters. Last but not least, the participants were asked to respond to a questionnaire prepared by the organizers to share inputs and opinions on the workshop and its possible improvement. The totality of the

respondents indicated the usefulness of the workshop and the large potential for the sustainable development of their country and/or the work of their institution. Several participants reported their interest for future collaboration with the AGLINK-COSIMO team, including a structured series of trainings.

Conclusions and next steps agreed during the workshop:

- The scope of the AGLINK-COSIMO model is to analyze *global* trends on a *global* scale. Country level information provided by key partners can play an important role in refining the model and ensuring a more accurate regional and country level analysis. However, it was recognized that, in order to tailor the model to country conditions, a dedicated refining activity or project should be discussed between the interested parties. ECOWAS and other African GBEP members strongly welcomed such opportunity;
- The Aglink-Cosimo model structures for ethanol and biodiesel presented are standard and several GBEP members encouraged the use of country specific model structures that take into account the country context – one example, in the case of Jamaica, is the importance of by-products, which are crucial and not marginal as illustrated in the existing general model structure;
- Although the participants present were not directly involved in the development of baselines and medium term projections in their home institutions and countries, it was agreed that they would initiate a process leading to identifying the relevant actors at the country level. In this regards, the GBEP Workshop represents a valuable platform, which can help initiate direct connections with country offices, and therefore benefit the future development of the AGLINK-COSIMO model;
- In order to ensure greater receptiveness on the part of countries, it was communicated that the COSIMO team in FAO develops short Country Profiles to be presented and discussed with FAO country offices and relevant Ministries in the recipient countries with a view to facilitate information sharing, and have a more direct appeal on the offices/institutions involved in developing projections;
- Lastly, several participants expressed their interest for having the integration of specific modules into AGLINK-COSIMO which could exploit the capabilities of the model and include components of the agricultural and bioenergy sectors that are strictly correlated and that to date are still not fully implemented in the model; views were exchanged regarding the possible integration into AGLINK-COSIMO of a module on Land Use Change related consequences of market adjustments (including indirect effects).

Opening of the WGCB

The Working Group on Capacity Building received the welcome of the co-chairs, Mr. Bah Saho from ECREEE/ECOWAS and Mr. Miguel Almada, representing Argentina, who was connected via video conference from Buenos Aires with the meeting in Rome.

Discussions on Activity Groups

During the 6th meeting of the GBEP Working Group on Capacity Building, discussions on the Activity Group 2, 3, 4 and 5 were held. In addition, a new Activity Group on “Bioenergy and Water” was proposed by the International Energy Agency through IEA Bioenergy.

Activity Group 2 - “Raising awareness, and sharing of data and experience on the implementation of the GBEP indicators”

Germany and Indonesia, co-leaders of Activity Group 2, moderated a session that gave the opportunity to share very interesting experiences and lessons learned from the implementation of the GBEP indicators in Argentina, Egypt, Jamaica, Brazil, Colombia and Indonesia.

After the presentations and specific Q&A from each presenter, the Co-chairs of the AG2 summarized the main conclusions of the various studies and identified areas for further work. Specifically, the Co-chairs listed common conclusions and lessons learnt from the implementation of the GBEP Indicators in the different contexts and completion statuses.

Among the common conclusions - also reflected in the discussions of the AG2 held in Bonn (July 2014) and in the table summarizing the various lessons learned - it was recognized the usefulness of the GBEP indicators as an aid for providing informed support to the planning of bioenergy related policies and developments. However, a multidisciplinary team of experts with an in-depth knowledge of the national context and bioenergy sector is needed for such an operation. To this end, on particularly complex issues such as GHG, land use change, biodiversity, land tenure, food security and others, the support of the international community of practice, existing within GBEP, to local experts has proven beneficial.

Data availability and accessibility were reported to be a challenge, particularly in the developing countries and it was reported that multistakeholder engagement is a key factor for mitigating this problem. In fact, some experiences with the implementation of the GBEP Indicators presented during the meeting highlighted the importance of engaging all relevant stakeholders from government agencies, private sector organizations and civil society organizations in order to get access to the necessary data and information, receive inputs and feedback, discuss and interpret the results, and inform policy discussions and decisions.

GBEP partners who have completed the measurement of the GBEP Indicators, moreover, reported to the Co-chairs of AG2 about the need for further guidance on the methodological approach to the assessment of the Indicators. In addition, it was expressed the need for further guidance on how to deal with highly cross-cutting issues such as the attribution to bioenergy and its disaggregation from other sectors (e.g. agriculture, industry, etc). To this end, it was proposed to produce an implementation guide to the use of the GBEP Indicators in order to provide countries with guidance on methodological and practical issues related to the implementation of certain indicator methodologies. Lastly, in order to significantly reduce the time, skills and budgetary requirements for the assessment of the GBEP indicators, the creation of an Excel- and/or web-based application was proposed. This would allow users to collect data more easily, enter information required for the assessment of the 24 indicators into one single data entry sheet and get a set of results for each indicator based on the related methodologies, easily save and share the results and re-run the tool over time with up-to-date information. Furthermore, where possible, it was also proposed to collect the excel sheets with results of current piloting of the GBEP indicators, as a useful collection for Partners and Observers.

On the way forward, after deliberations, it was agreed that the AG2 co-Leaders would draft a proposal of the *scope of work* for the production of an Implementation Guide on the use of the GBEP Sustainability Indicators for Bioenergy, and submit it to the AG2 members in order to seek a preliminary agreement by February/March 2015. In order to allow the Steering Committee to discuss the scope of work for the production of the Implementation Guide and the possible establishment of the Task Force on Sustainability by mid 2015, an extraordinary session of the Steering Committee will be organized (potentially back to back to the Bioenergy Week 2015) or, in case it will not have the chance to meet in person by mid 2015, the decision can take place electronically (via email) to expedite the process. The Working

Group highly appreciated the very interesting exchange of experiences and lessons learned, and invited the Activity Group 2 to continue its work.

Activity Group 3 - “Study Tour for capacity building and training”

Activities in the AG3 (led by Brazil) were presented by Ms Roberta Lima – Permanent Representation of Brazil to FAO. Ms Lima presented a report on the 2nd Bioenergy Week which took place in Maputo, Mozambique, 5-9 May 2014. It was hosted by the Government of Mozambique and organized by the GBEP Secretariat with the support of the Governments of Brazil and Italy. Maputo’s Bioenergy Week edition gathered around 120 participants from Africa, Europe, Southeast Asia and the Americas. Scientists, government officials and representatives of the private sector, in particular from African countries, were invited to discuss subjects of particular interest for Africa, such as regulatory and policy frameworks for bioenergy, food security, family farmers integration in the bioenergy value chain, and sustainable modern biomass energy development.

The numerous participants recognized that the second Bioenergy Week represented a new opportunity to learn from positive experiences in the sustainable production and use of bioenergy. Appreciation was expressed for the continued dialogue with the African private sector and stakeholders on ways to improve mutual cooperation towards a more sustainable production and use of bioenergy.

In continuation of this AG, the 3rd Bioenergy Week is planned for 2015. After presentation of the proposal and discussions, the next venue for the Bioenergy Week 2015 has been proposed to be in Asia, as to cover, after Latin America (Brazil 2013) and Africa (Mozambique 2014), also this continent. The Government of Indonesia offered to host the 2015 Bioenergy Week.

Partners and Observers proposed various agenda items to be considered in the draft agenda of the event, such as regulatory frameworks, increased food security, bioenergy for increasing energy access, water-food-energy nexus and social inclusion, aviation biofuels, biogas, cooking solutions, and smallholder involvement, as these themes are particularly relevant in the region. It was also raised the relevance to organize a field visit during the event.

The discussion on AG3 was closed by a clarion call for supporting the realization of the next Bioenergy Week, and Partners were invited to begin investigating possible financial or in-kind means of support.

Activity Group 4 - “Towards sustainable modern wood energy development”

The AG4 session was opened by a presentation of the report “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 report was well received by the participants and it was considered informative and well structured. Notable issues raised during the presentation encompassed the challenge of data availability and accessibility, poor institutional settings existing particularly in developing countries, weak law enforcement capacities, low producer prices for raw materials, lack of solid land tenure regulation and often weak governance. Nonetheless, the report highlighted that there exist rationales on economics in the sense that the majority of the people in the developing countries depend on wood energy. Particularly the poorer segment of the society depends on this energy resource for their livelihood. The report highlighted the sustainability consequences of the issues mentioned above, particularly in terms of resource availability and efficiency of use of raw materials for the production of charcoal in developing countries.

The report made several recommendations particularly on the need to producing policy reforms, including devolution of responsibility to rural communities, financing through cross

taxation, better forest management and the introduction of efficiency measures in the production and utilization of woodfuel.

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. Partners and Observers noted that this AG to date has concentrated efforts on use of wood resources at the household level only. It was proposed that the industrial dimension of wood energy use is also considered. In view of this it was proposed to organize opportunities for discussions between GBEP and active players in the sector of large scale industrial use of woody biomass for energy.

Activity Group 5 - “The Global Renewable Energy Atlas – Bioenergy Component”

Partners and Observers were briefed about the status of this Activity Group by Nicolas Fichaux (IRENA, leader of AG5) on the progress made since the last AG5 meeting in Bonn in July 2014. The presenter gave an overview of the activities developed by the group and in particular on the work done to assess the limitations of mapping sustainability parameters of bioenergy production through the use of the GBEP Indicators.

The Working Group acknowledged the work made by the Activity Group 5 and thanked IRENA for its leadership. It was agreed that no additional work on mapping related matters is foreseen and therefore that this Activity Group 5 is closed. IRENA kindly agreed to develop a Report summarizing the work done by the AG5.

New proposed Activity Group 6 - “Bioenergy and Water”

Uwe R. Fritsche (IEA Bioenergy, on behalf of IEA) presented a new proposed Activity Group with the objective to identify and disseminate ways of integrating bioenergy systems into agriculture and forestry to improve sustainable management of water resources. This would be followed by sharing knowledge and experience on best management and practices. The Working Group expressed consensus on this proposal and agreed on the establishment of a new activity group (Activity Group 6) on “Bioenergy and Water”, led by IEA Bioenergy (on behalf of IEA). Partners and Observers were invited to express their interest to co-lead this new group. Partners and Observer were also invited to share contacts of experts on bioenergy and water-related issues, also beyond those already included in the core group of GBEP colleagues. On this matter, the Working Group specifically mentioned the participation of a list of identified experts to future meetings and discussions of this activity group. Further discussions on this matter will follow. The same approach on a “case-to-case” basis has been agreed by the Working Group to be applied to other Activity Groups regarding participation of external experts.

Roundtable discussion “How to develop a sustainable bioenergy sector through a collaborative approach”

The meeting of the 6th Working Group on Capacity Building for Sustainable Bioenergy (WGCB) was followed by the roundtable discussion on “How to develop a sustainable bioenergy sector through a collaborative approach” (13 November 2014, afternoon).

Gerard Ostheimer (UN SE4All Bioenergy focal point), and Olivier Dubois (FAO) were invited to give presentations on the recent developments in the programme of work of the UN “Sustainable Energy for All (SEFA)” initiative and moderate a roundtable discussion with private sector representatives, with the aim to facilitate dialogue and mutual cooperation towards the common goal of sustainable development of bioenergy.

The SE4All initiative is focusing, inter alia, on several “High impact opportunities” (HIOs), some of which are relevant for bioenergy, in particular the one on “Sustainable Bioenergy” co-chaired by FAO and IUCN. The SE4All initiative aims at bridging investors, implementers and interested countries to speed up sustainable bioenergy deployment.

Several private sector and stakeholder representatives, among which APLA, CiBiogas, Neste Oil, NextSteppe, Roundtable on Sustainable Biomaterials, Winrock International and World Business Council on Sustainable Development showcased their work and expectations on bioenergy and had the chance to begin discussions with GBEP members on best alternatives for deployment of commercial scale bioenergy projects.

The Roundtable discussion represented a very good opportunity to confirm the GBEP and HIO members’ support to the SE4All initiative, as well as to stress the importance of working together towards sustainable bioenergy playing a key role not only in bringing universal access to modern energy services, but also in transitioning countries away from the unsustainable use of traditional biomass for cooking and heating.

Conclusions and next steps

- ✓ ***Activity Group 2 to continue its work.*** In addition, by February/March 2015 the AG2 co-leaders, with the support and agreement of AG2 members, are kindly requested to prepare a preliminary scope of work for the development of an Implementation Guide to the use of the GBEP Sustainability Indicators for Bioenergy. In order to allow the Steering Committee to discuss the scope of work and the possible establishment of the Task Force on Sustainability by mid 2015, an extraordinary session of the Steering Committee will be organized.
- ✓ ***Activity Group 3 to organize the 2015 Bioenergy Week in Asia (April/May 2015). The Government of Indonesia offered to host it.*** Inputs from Partners and Observers on the agenda of the 2015 Bioenergy Week are kindly requested by 31 December 2014. Specific suggestions on themes, speakers and relevant experts to be invited, as well as private sector representatives to be involved are welcome.
- ✓ ***Activity Group 4 to organize a webinar to discuss the recommendations of the report “Towards sustainable modern wood energy development” and how to contribute to address them.*** In addition, AG4 co-leaders, with the support of the GBEP Secretariat, will get in touch with private sector representatives active in the deployment of industrial wood energy technologies in order to foresee opportunities for discussion and exchange of information on the current and future status, as well as on relevant initiatives on this matter.
- ✓ ***Activity Group 5 closure was proposed.*** A final report will be developed by IRENA, leader of the group, to facilitate knowledge sharing of the capacity building work done. It will be submitted to the next GBEP SC meeting for information.
- ✓ ***Proposed Activity Group 6 on “Bioenergy and Water”.*** It was agreed to establish an Activity Group 6 on “Bioenergy and Water” under the leadership of IEA Bioenergy (on behalf of IEA). Participation of specific external experts in the new Group was discussed and further discussions on this matter will follow. Partners and Observers were invited to propose external experts (beyond the GBEP membership) in addition to the list of external experts anticipated to the WGCB.

- ✓ ***External experts participating in Activity Groups to be discussed and agreed by the Working Group on a case-by-case basis.*** Proposals of external experts that will be submitted to the GBEP Secretariat, to participate in the various Activity Groups will be discussed within the WGCB for consideration.