

### *CSO comments on the project given as intervention during the 18<sup>th</sup> GCF Board Meeting, October 2017*

- We don't think the GCF should be funding biomass projects for several reasons:
  - Not carbon neutral – the zero-carbon heating claim does not count emissions from burning wood. Also, by increasing demand for wood, there is the potential risk of expanding forestry to previously untouched areas.
  - Fuel switching concerns – at the start, biogas, biomass and solar are all listed in the document, but later on, all the references are only to biomass, especially pellets.
  - Sustainability of wood pellets – the proposal mentions 'local' pellets, but what sustainability measures are in place to make sure the wood is coming from where we think it should? Are there replanting plans? Are native forests, which have a higher carbon carrying capacity than managed forests, being cut down?
  - Assumed improved air quality – biomass can actually be worse than coal for air quality.
  - Not innovative – simply put, burning wood is not the transformation we all hoped the GCF would be pushing.
- We do support the energy efficiency retrofits in this project. However, it is disappointing to see the aim is to meet only the minimum efficiency standards. Under the EU's Energy Performance of Buildings Directive, Member States have to pass their own minimum efficiency standards. The proposal does not elaborate on Bosnia and Herzegovina's minimum standard, and we are concerned that it may be far too weak for a GCF project.