

BACKGROUND

The hidden climate damage behind ‘sustainable’ biomass. Police investigate energy giant RWE

Biomass Energy producer RWE burns wood in Dutch power plants sourced from logging operations that damage Malaysian forests. The regulator itself established this fact but nonetheless certified the wood as ‘sustainable’. The police and the Food and Consumer Product Safety Authority are investigating.

Karlijn Kuijpers Bas Haan, 10 September 2026

<https://www.nrc.nl/nieuws/2026/09/10/de-verborgen-klimaatschade-achter-duurzame-biomassa-politie-doet-onderzoek-naar-energiegigant-rwe-a4935129>



ILLUSTRATIE LYNNE BROUWER, BEELD GETTY IMAGES, ANP

In the tropical forests of Malaysia—one of the most biodiverse regions in the world—a chainsaw fells a tree that is decades old. This is a daily occurrence. Over the past twenty years, a third of

Malaysia's original forest has been cut down. Oversight is nearly non-existent.

Malaysian wood is being consumed on a large scale in Dutch power plants. It is dried and compressed into "wood pellets" within the country itself. These pellets, which resemble chicken feed, are burned as biomass to generate "sustainable" energy. More than 40 percent of all biomass burned in the Netherlands in this way originates in Asia, with a significant portion coming from Malaysia.

The government has allocated billions in subsidies for this purpose. Energy giant RWE alone has received annually an estimated tens to hundreds of millions of euros over the past eight years for burning "sustainable" biomass at the Amer and Eems power plants. The ministry's subsidy office does not provide exact figures, citing "commercially sensitive information."

[Research](#) by the Dutch Emissions Authority (NEa) and [internal documents](#) from the regulator reveal that, with the help of this subsidy, RWE is contributing to the degradation of Malaysian forests. These documents were released under the Open Government Act (Woo) at the request of the Clean Air Committee (Comité Schone Lucht), a foundation that has been campaigning against biomass burning for years through research and activism.

Yet, earlier this year, the Minister of Climate and Green Growth, Sophie Hermans (VVD), informed Parliament that "the wood pellets supplied to RWE from Malaysia meet Dutch sustainability requirements."

How is that possible?

Nature conservation in last place

Deforestation in the Malaysian regions of Pahang and Kelantan—where RWE sources wood chips—has proceeded so rapidly in recent years that the area, spanning over fifty thousand square kilometers, now frequently suffers from floods

and landslides. Villagers are increasingly harassed and sometimes even killed by elephants, tigers, and venomous snakes that wander into the villages because their habitats have been clear-cut.

"The situation is deeply concerning," forest ecologist Badrul Azhar of Universiti Putra Malaysia told to [NRC](#). About [a third](#) of all tropical forest in the region has disappeared over the past twenty years. Local authorities are responsible for curbing illegal deforestation, but "they prioritize the economy over conservation," says Azhar. "Nature conservation comes last."

The energy company is not required to investigate whether RWE's wood pellets contribute to this deforestation. An administrative loophole allows it to bypass sustainability regulations. Normally, proving that biomass is "sustainable" is a complex process: it requires [demonstrating](#) that no clear-cutting has occurred and that endangered plant and animal species are protected. However, these requirements do not apply to RWE's biomass. The purchased wood is classified as waste, and waste wood is subject to hardly any sustainability standards. This type of wood—"Category 5"—is automatically deemed "sustainable," even if it originates from deforested areas.

In the late 1990s, when biomass gained popularity as a quick fix for reducing CO₂ emissions, the logic was simple: if power plants could burn green waste—such as pruning waste or sewage sludge—instead of coal, it would be better for the climate. Moreover, this allowed aging coal-fired power plants to remain in operation.

In the three decades that followed, the use of waste-derived biomass surged. Over the past three years, [nearly all biomass](#) used in Dutch power plants has come from waste generated by the wood-processing industry.

Wood classified as ‘Category 5’ is invariably deemed ‘sustainable,’ even if it originates from deforested areas

Burning residual waste from sawmills—largely from outside Europe—became a business model driven by billions in subsidies. A sum of €2.4 billion was initially earmarked for the subsidies paid out to RWE. The difference between the allocated amount and the actual payout is due to an initially generous estimate and fluctuating energy prices.

All the biomass RWE burns is classified as ‘waste,’ or ‘Category 5.’ This is “a very attractive category for a pellet manufacturer to use,” an employee of the regulator NEa wrote in an internal email. “After all, you don’t have to deal with all those sustainable forest management requirements.”

This raises the question: are the hundreds of thousands of tons of wood pellets RWE buys from Malaysia each year truly waste?

The Clean Air Committee (Comité Schone Lucht) concluded they were not and approached NEa. The regulator subsequently launched a formal investigation into whether RWE’s biomass from Malaysia had been correctly classified as ‘sustainable.’

NEa notes a strong temptation to label non-sustainable wood as waste. In an internal email, Director Mark Bressers highlights the “major risk” that “this creates a perverse incentive to deliberately produce non-sustainable raw materials.”

To prevent this, RWE relies on ‘self-declarations,’ in which suppliers promise that the wood provided is waste wood. The

NEa investigation revealed that no further verification takes place.

Rainbow Pellet, RWE's primary supplier of Malaysian wood pellets, holds 97 such 'self-declarations' from its suppliers. The documents are virtually identical, featuring the exact same wording, quantities, and timeframes. The suppliers declare in advance that the wood they intend to supply over the coming year consists "100 percent of green waste and waste/recycled material." Moreover, forty of these "copy-paste" declarations were signed on the same date: January 1, 2023.

These sheets of paper are worth millions, as RWE uses these Raw Material Statements to secure its subsidies. However, the regulator, NEa, has serious doubts about the reliability of these documents. According to the regulator, they offer "little substance." Is ordinary wood being rebranded as "waste" simply to circumvent sustainability requirements? That is something RWE does not verify.

NEa, however, did check, and discovered that wood had been wrongly classified as waste. Various suppliers sold stumps and split logs sourced directly from the forest. Such wood cannot be counted as waste, as it is vital for forest conservation. Yet, this wood was still labeled "sustainable."

According to the NEa, an on-site investigation had "little to no added value."

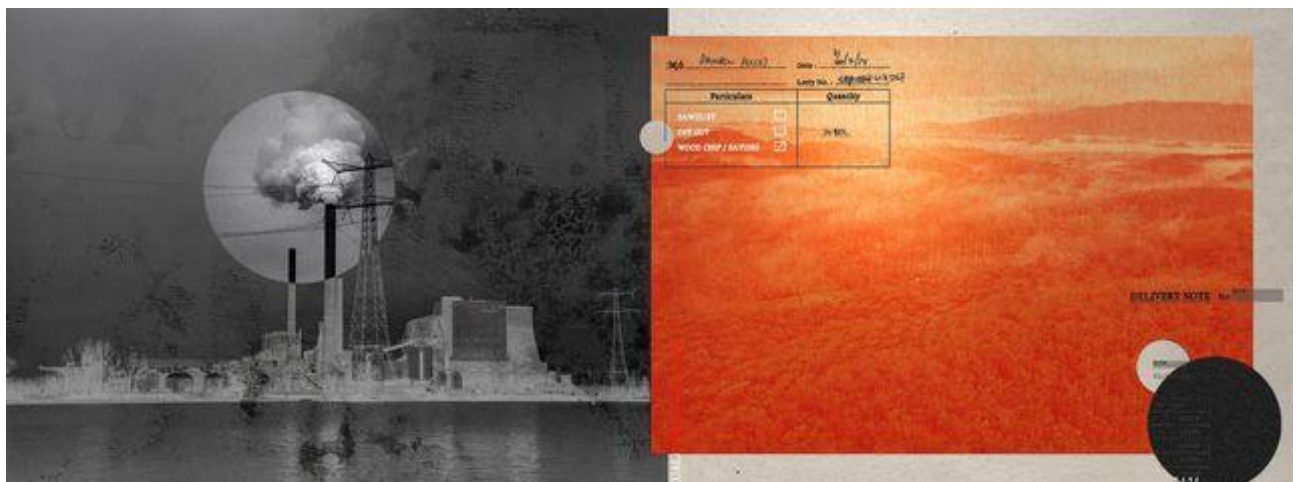
Whole tree trunks

What quantity of 'incorrect' wood is involved? The NEa examined receipts from four suppliers to pellet producer

Rainbow Pellet. Based on the invoices from these four, it could be demonstrated that 3.5 percent of the supplied wood had been wrongly classified as ‘sustainable’. The NEa did not investigate whether similar errors occurred with the other 93 suppliers, or how frequently. Nor did the NEa conduct on-site inspections to verify whether the receipts matched the wood actually delivered. According to the regulator, this would have had “little to no added value.”

Based on this very small sample, the NEa concludes that “no more than 3.5 percent” was wrongly classified as sustainable. It adds: “The impact of this vulnerability [is] limited for the time being.” Instead of viewing the identified errors as a potential tip of the iceberg, the NEa assumes that the rest is above board.

The regulator describes the small sample as a “sound basis” for substantiating that the problem is limited. The four suppliers were selected because they posed a higher risk of supplying non-sustainable wood; the sample was therefore ‘risk-based’.



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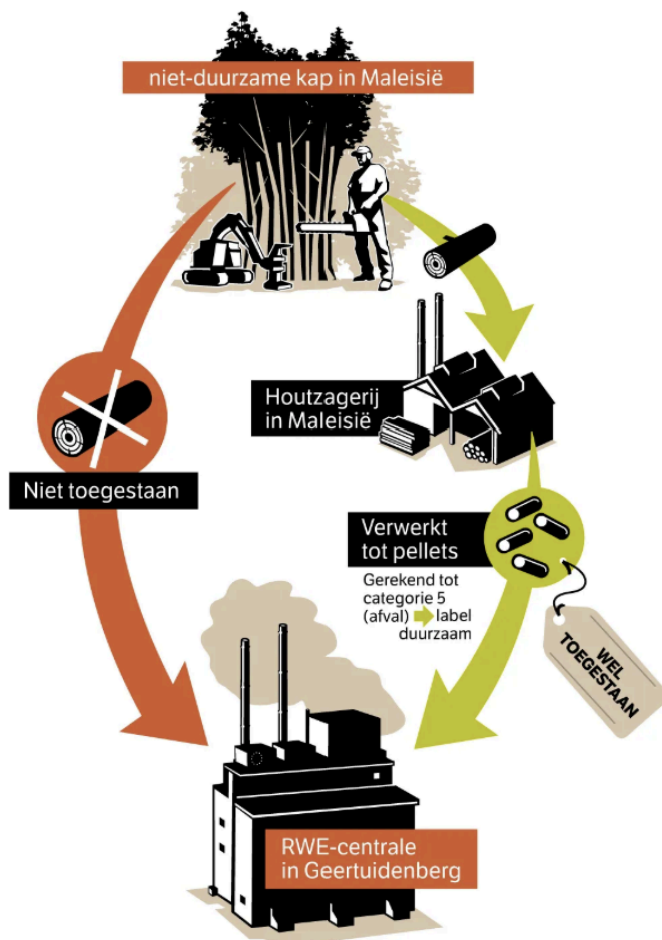
But is the vulnerability truly "limited," as the NEa claims? The investigative program [Zembla](#) went to Malaysia to investigate. Rainbow Pellet kept its doors closed, but a supplier—among others—did speak openly to the TV program. This supplier has

been clear-cutting forests for five years and also supplies whole trees to the company that manufactures pellets for RWE. Rainbow Pellet later confirmed to *Zembla* in writing that it does indeed process whole tree trunks into biomass for the Netherlands.

The *Zembla* broadcast demonstrates on-site that self-declarations cannot guarantee the sustainability of the Malaysian wood pellets.

In response to questions, RWE states that it complies with laws and protocols. Regarding the tree stumps processed into biomass, the energy company says it takes the finding "seriously" and is "in discussions with the supply chain and the NEa" to ensure that "from now on, things are done correctly."

*Niet-duurzaam gekapt hout kan via zagerij
toch als 'duurzaam' tellen*



NRC 100926 / Pepijn Barnard

‘Independent’ since 2002

The European Commission had previously recognized that relying entirely on self-declarations is a vulnerable method. Consequently, it introduced additional requirements in 2018. Nevertheless, the Netherlands allowed companies to operate using only self-declarations until early 2026. The Green Gold Label (GGL)—the certification system used by RWE—has been approved by the Dutch government.

Since 2022, stricter rules have been in place in the Netherlands to verify whether whole tree stumps are being supplied as waste via sawmills. However, the NEa notes that RWE’s certifier did not apply these stricter rules.

GGL acknowledges that self-declarations offer "insufficient assurance," but points out that the government approved the GGL scheme and that the certifier received "no comments or objections" regarding this from any of the ministries or the subsidy provider, RVO.

According to its own website, the Green Gold Label has been "[independent since 2002](#)." Yet GGL is not quite that

independent: the energy company Essent established the foundation in the early 2000s. Until recently, RWE—which acquired Essent’s power plants in 2009—maintained close ties with GGL. RWE’s "sustainability controller"—the very person responsible for demonstrating the sustainability of the biomass—served as a [board member](#) at GGL until the end of 2025. Additionally, RWE’s head of sustainability acted as a "[strategic advisor](#)" to the Green Gold Label until 2024. GGL denies any conflict of interest.

RWE emphasizes that, following its establishment by Essent, GGL became an "independent" foundation. According to the RWE spokesperson, the two RWE employees were involved with GGL "in a personal capacity."

If [...] sawdust from non-sustainable wood is subsidized simply by being taken to a sawmill, then that rightly deserves strong criticism.

Jolande Sap, NEa board member

Less formalistic

The Nea notes that RWE’s biomass operations are falling short in

several respects. Released emails reveal a heated debate on the matter within the authority. NEa board member Jolande Sap, who reviewed the draft report beforehand, believes her organization needs to be "much more critical" and less "formalistic," as she wrote in an internal email. "If this scheme facilitates the subsidizing of sawdust from non-sustainable wood simply by transporting it to a sawmill, then that rightly deserves strong criticism."

NEa director Bressers disagrees, despite the errors and shortcomings identified by his own organization. "In many sustainability schemes, it is currently the case that a waste product is classified as sustainable, even if the source is not. I think we cannot be too outspoken about this."

Bressers' caution prevails. Although the NEa concludes after an investigation that RWE is burning biomass that contributes to the destruction of Malaysian forests, the same regulator concludes that the company meets all requirements.

Remarkably, RWE is allowed to have a say in the process. The regulator consults with the company regarding how the findings will be presented to 'Comité Schone Lucht' (Clean Air Committee), the party that filed the enforcement request. To this end, the NEa sends the company the full "talking points." RWE responds with a detailed substantive reply explaining why, in its view, the biomass was correctly classified as "sustainable." "Could you please include this in the discussion?" the RWE employee emails. They also add: "ensure the conversation is not recorded" and that "no one is to be quoted." "Good luck."

The regulator agrees to this. "We will take the following into account," they reply by return email. "I am adjusting the talking points."

In response to questions, the NEa now states that it consulted with RWE beforehand because information from the supervisory investigation is largely confidential. It cannot simply be made public. A few weeks later, Minister of Climate and Green Growth Sophie Hermans [informs](#) Parliament that RWE's wood pellets from Malaysia meet sustainability requirements.

Other enforcement agencies harbor serious doubts about this. Documents released by the Dutch Emissions Authority (NEa) reveal that the Dutch Food and Consumer Product Safety Authority (NVWA) requested information from the NEa regarding RWE's wood trade. The NVWA confirms that, this summer, it issued a notice of intent to impose an order subject to a penalty payment against "a major Dutch energy company" due to suspected violations of anti-deforestation laws. With such a "notice of intent," the regulator announces its plan to impose a sanction. The deadline for the energy company to respond is still pending. When asked if RWE is aware of an NVWA investigation, the energy company states it is "not aware" of any "public proceeding" regarding the matter.

Earlier this year, the Clean Air Committee (Comité Schone Lucht) filed a formal complaint against RWE and GGL for violating European sustainability rules and committing subsidy fraud. "The problem isn't just the 'improper wood,' but primarily the system in which the concept of 'waste' is being misused," says Fenna Swart of the foundation. "That is why we have called for prosecution."

The police are taking the complaint seriously and have been conducting a preliminary investigation into the case for over six months. The Public Prosecution Service's specialist division for economic and environmental crime ('Functioneel Parket') has yet to decide on whether to proceed with prosecution.

Speaking on the program *Zembla*, an officer involved in the police investigation states there are "strong indications" that RWE's record-keeping is "not in order." RWE says it has "received no information to date" regarding the police investigation. The subsidy

for 'sustainable' biomass awarded to RWE expires at the end of this year; RWE states that it currently complies with the applicable regulations.

For the Clean Air Committee (Comité Schone Lucht), however, the matter is not yet closed. It has asked the subsidy provider, RVO, to reclaim the subsidy. That request was [rejected](#). The nature organization has lodged an appeal.

