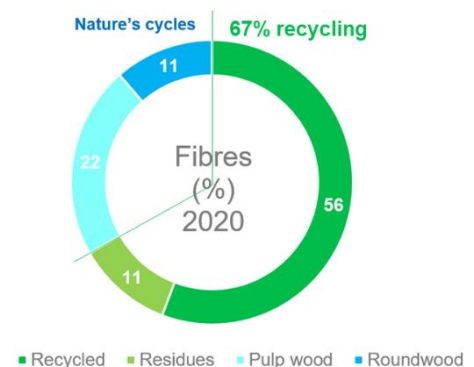


Cepi views on the new EU Forest Strategy for 2030

The Confederation of European Paper Industries wishes to comment on the New EU Forest Strategy for 2030, raise some questions and propose actions on the way forward.

Keeping healthy and growing forests and making the most efficient use of forest resources are key objectives of the European pulp and paper industry, who sources 90% of the wood it uses in the EU. Sustainable forest management enhances the multiple environmental, social and economic functions of forests, including the supply of high-quality fresh fibre for the industry. The industry is also a frontrunner in driving the transition towards a circular bioeconomy: 67% of the fibres used in pulp and paper manufacturing come from recycling and industrial residues, while wood from silvicultural measures and final felling account for respectively 11% and 22% of the sourcing of fibres. Fibre-based products provide a wide variety of solutions for diverse societal needs, from hygiene products to packaging and textiles, while replacing fossil-based and more CO₂-intensive materials.



As the new Forest Strategy aims to unlock the potential of forests under the European Green Deal, it is essential that its implementation does not undermine the contribution of forests and the forest-based value chains as a whole and that it makes full use of the long-standing knowledge and expertise of EU Member States on sustainable forest management. To this aim we wish to put forward the following remarks:

1) There is a need to better understand and reward the full climate benefit of forests and forest-based products

The Strategy rightly recognises the central role of European forests in achieving the EU climate objectives but focuses almost exclusively on the climate benefits of forest sinks, as opposed to the synergy of the carbon sequestration, storage and substitution effects. Although sinks play a crucial role in mitigating climate change by removing the equivalent of around 10% of EU GHG emissions, the substitution factor is as relevant, as it allows to reduce emissions by another 10%, or 410 Mt CO₂ equivalent per year¹.

Moreover, it should be noted that the substitution benefit is not only associated to the so-called long-lived wood products. For instance, evidence shows that fibre-based products may display a substitution factor ranging from 1-1.5 kg C/kg C (packaging and chemicals) to 2.8 kg C/kg C (wood-based textiles)².

The over-emphasis on sinks is reflected, inter alia, in the encouragement for Member States to develop ecosystem payments for forest owners and managers and in the presentation of carbon farming as an alternative business model for forest owners, while no specific actions are envisaged to enhance the substitution of fossil-based materials.

¹ FutureVistas AB (2020), Climate effects of the forest-based sector in the European Union.

² EFI (2018), Substitution effects of wood-based products in climate change mitigation.

This narrow approach should be redressed. Sustainable active forest management enhances the forest sector contribution to climate change mitigation targets while also managing the vulnerabilities linked to droughts, fires, insect outbreaks, diseases, erosion, and other disturbances, as recognised also by the IPCC³.

Such holistic perspective should also be endorsed in the design of possible carbon farming schemes, which should incentivise forest growth through active and sustainable forest management, as well as the prolongation of the carbon storage in forest-based products and the substitution of carbon intensive materials and products.

2) The role and success of forest-based value chains should be seen as strategic to achieve the objectives of the Green Deal

The EU Forest Strategy lacks a balanced approach to sustainable forest management and underplays the economic and social role of forests in comparison to environmental functions. More specifically, it overlooks the role of the forest-based industrial value chains in achieving the Green Deal goals, including providing jobs in future-oriented bioeconomy sectors.

Despite the good recognition of the role of some forest products in climate change mitigation (notably long-lived harvested wood products), the Strategy lacks understanding of the interlinkages of different forest-based value-chains with the forest and among themselves.

The forest-based circular bioeconomy offers a unique example of an integrated industrial ecosystem where materials, by-products and residues are supplied across the various parts of the value chain, to make the most efficient use of resources, including through recycling. Silvicultural measures needed to produce large-diameter trees suitable for e.g. construction products entail the periodical harvesting of small-diameter trees used for e.g. pulp and paper production. Residues from primary wood processing are also turned into paper and board.

This means that the important principle of cascading use of wood is already a market-based reality in the forest sector, as long as subsidies are not distorting it. Following the cascade principle, the design of support schemes for bioenergy should prevent market distortions. How to apply the principle must be decided by Member States, taking into account regional specificities. The aim of EU policies should be to increase woody biomass availability for all purposes and allow the continuation of efficient resource allocation, in line with the European Commission Guidance published in 2018⁴.

Sustainable mobilisation and efficient use of resources are the preconditions for the further development of the forest-based circular bioeconomy. The implementation of the Strategy should encourage, support, and incentivize rather than hinder such development.

3) The concept of Sustainable Forest Management should remain the cornerstone of forest policy in Europe

The new EU Forest Strategy sets the objective to deliver growing, healthy, diverse and resilient EU forests. This is more important than ever, in light of the increasing threats posed by climate change to forest

³ IPCC (2021), Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

⁴ European Commission (2018), Guidance on cascading use of biomass with selected good practice example on woody biomass.

ecosystems⁵. However, to reach this common objective, the diversity of forest ecosystems as well as of sustainable management practices in Europe must be acknowledged and understood.

EU Member States as well as the EU have committed to the Pan-European Forest Europe process, which serves as a framework for implementing sustainable forest management adapted to national circumstances. This has led to important achievements: positive trends are registered for many indicators such as forest area, growing stock, wood supply, as well as deadwood volumes, tree species diversity, forest area designed for biodiversity conservation and forest bird species⁶.

In the new Strategy, the Commission proposes to develop a new set indicators, thresholds and ranges for sustainable forest management. Cepi raises the question on the need and added value of carrying out such exercise in parallel to the already existing Forest Europe process, and recommends to fully align with the Forest Europe framework and respect the Member States' competence, especially when it comes to setting thresholds and ranges. The same need for flexibility and local adaptation to Europe's different bioecological regions applies to the proposal to adopt guidelines for so called 'closer-to-nature' forestry practices and on 'biodiversity-friendly' afforestation and reforestation.

For what concerns the proposed closer-to-nature voluntary certification scheme, Cepi questions the added value of the initiative, considering the market uptake of already existing third-party verified, robust certification schemes for sustainable forest management, such as FSC and PEFC. In European pulp and papermaking, 74% of wood comes from certified forests. Certification needs to remain credible, impactful and workable for a critical mass of the forest sector.

4) Enhanced forest monitoring should build on existing knowledge sources such as National Forest inventories

Fostering the knowledge base on the availability of forest resources with socio-economic indicators and science-based data on biodiversity is an important element for developing sound and evidence-based forest-related policies. EU Member States are already collecting and making available statistical information of forests, e.g. under the Forest Europe process. In this context, it is questionable whether it is necessary to establish a new monitoring and data collection framework at EU level. The new legislative proposal aimed at establishing such framework should be thoroughly impact assessed in order to avoid duplication of work and that unnecessary administrative burdens are placed on Member States and on operators. To this aim the initiative should build as much as possible on ground data collected by national forest inventories.

5) The initiative to plant 3 billion additional trees is an important step in the right direction

The European pulp and paper industry fully supports the European Commission's initiative to plant three billion additional trees in the EU by 2030. This is the right strategy as forests need to be grown more, rather than their use limited. The industry has presented its own [contribution](#) to the initiative by harnessing its experience in ensuring regeneration of harvested areas, afforestation and reforestation, climate-smart forest integration, as well as the industry's expertise on digitalisation and information systems.

It is crucial that the support to the initiatives is maintained in the long term, to ensure that additional forests areas created, and remain actively and sustainably managed beyond 2030.

⁵ JRC (2020), Mapping and Assessment of Ecosystems and their Services: An EU ecosystem assessment.

⁶ FOREST EUROPE (2020), State of Europe's Forests 2020.

6) Actions on RD&I should address the strategic innovation challenges identified by the forest-based sector

Research and innovation are crucial to achieve sustainable growth and support the development of a sustainable, resilient, and competitive forest-based circular bioeconomy. Research is needed to enhance the effectiveness of sustainable forest management in light of climate change, as recognised by the EU Forest Strategy, but also to maximise resource efficiency and develop new fibre-based products, which are expected to add value to the economy and substitute non-renewable materials.

Significant efforts have been made by forest owners, the forest-based industries and the research community to identify and agree on the research and innovation challenges that require most attention and funding in the coming years. These are outlined in the Forest-based sector Technology Platform (FTP) in its [2040 Vision](#) and [2030 Strategic Research & Innovation Agenda](#).

The suggested establishment of a research and innovation partnership on forestry should build on the existing cooperation networks, such as the FTP and the European Forest Institute (EFI), to focus on the already agreed RD&I priorities on forests, forestry and the forest-based sector.

Finally, we call on the European Commission on the elaboration of an implementation plan and on the involvement of stakeholders to take into account these considerations when moving forward in the implementation of the EU Forest Strategy.

Cepi is the European association representing the paper industry. We offer a wide range of renewable and recyclable wood-based fibre solutions to EU citizens: from packaging to textile, hygiene and tissue products, printing and graphic papers as well as speciality papers, but also bio-chemicals for food and pharmaceuticals, bio-composites and bioenergy. We are a responsible industry: 92% of our raw materials are sourced in Europe and certified as sustainable, 91% of the water we use is returned in good condition to the environment. We are the world champion in recycling at the rate of 72%. At the forefront of the decarbonisation and industrial transformation of our economy, we embrace digitalisation and bring 20 billion value addition to the European economy and €5.5 billion investments annually. Through its 18 national associations, Cepi gathers 500 companies operating 895 mills across Europe and directly employing more than 180,000 people.
