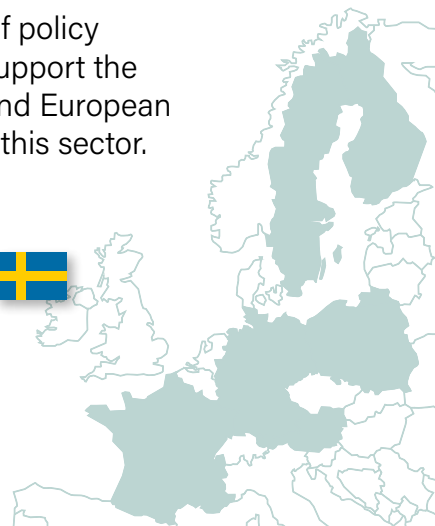
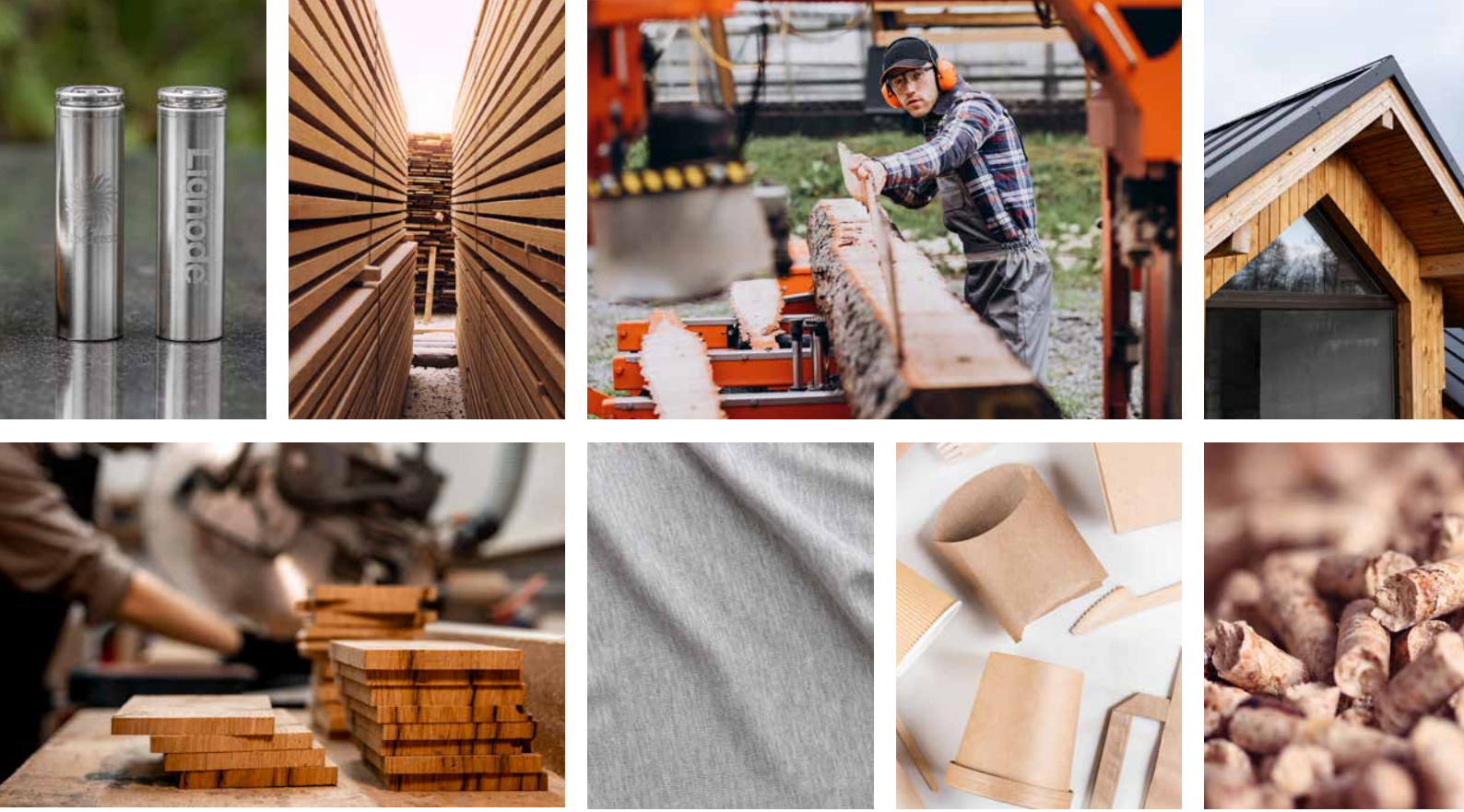


Lessons learnt from the Green Deal and the way forward for the European Forest and Wood Sector

This position paper has been agreed by a forest coalition consisting of wood and forest sector representatives from Austria, Finland, France, Germany, Poland and Sweden. The coalition is a reflection of the common pan-European forest interests.

The paper includes a number of policy recommendations in order to support the next European Commission's and European Parliament's important work in this sector.





We want to be part of the solution – for the planet as well as for jobs and growth

The EU aims to be climate-neutral by 2050 – an economy with net-zero greenhouse gas emissions. This objective is at the heart of the European Green Deal and crucial in order to live up to the UN Paris Agreement. As we experience every day - through increased global warming and more extreme weather conditions around the globe - the transition to a climate-neutral society is an urgent challenge. All parts of our society must therefore play its part.

Representing forest owners, forest cooperatives as well as the forest and wood industries, we are convinced that the European forests can play a key role in this transition - provided that we succeed in managing our forests in a sustainable way. The potential of our forests is vast in so many ways;

Climate: EU forests remove CO₂-emissions in several ways: by substituting fossil-based products and providing a CO₂-neutral supply of renewable energy, as carbon storage in products and as forest carbon sinks.

Strategic resource: Our forests is a valuable strategic resource providing raw materials to a vast number of European industries – for example wooden construction, furnitures, paper, board and textile fibre manufacturing, wood-based panels, renewable energy and fuels, biochemicals as well as innovative new uses in lignin batteries, lignin-based plastics and aviation fuels. Even skis are part of the sector.

Environment: Biodiversity and healthy ecosystems are essential for our planet's survival, the safeguarding and development of habitats, plants and species.

Economy, social and regional aspects: The forest industry is one of the most important industries of the European economy. In addition, employment in the forest sector is often located in rural areas, where other employment opportunities are scarce, becoming an effectful regional policy.



What policies do we need to enable forest owners, forest cooperatives and forest industries to be part of the solution?

A

European forests are different - we need active sustainable forest management adapted to each specific type of forest - no "one-size-fits-all"-approach

All forests are different and therefore need different management practices. For example, increasing dead wood can be vital in a Swedish or Finnish forest to increase biodiversity, but extremely dangerous in an EU Southern forest, because of the risk of forest fires. We believe in over-arching European objectives, but that the detailed management rules and management are left to the countries and forest owners to shape. One size does not fit all in forestry.

At the same time, we need to act now to ensure healthy and economically viable forests. While forest area in Europe has become larger in the last decades thanks to natural processes, afforestation, sustainable management and active restoration and while this has resulted in several trends moving upwards, there are still many challenges remaining.

We need to continue improving forestry innovation, better understand biodiversity developments, develop new wood-based products replacing fossil-based products and safeguard and develop sustainable practices and management in all territories and rural areas. We also need incentives in order to avoid fragmentation of forest ownership, which leads to unmanaged and unprofitable forests in many regions.

Unmanaged forests pose many problems and risks as they absorb less carbon than healthy and growing forests and provide less raw materials to replace fossil-based materials. They also pose great risks in terms of exposure to forest fires and insect attacks. On the contrary, actively managed forests better support rural communities in terms of employment and economic growth.

B

We need policies that recognize the substitution of fossil-based products

Including the substitution potential of forest products in the 2040 climate targets would create important benefits not only from a climate perspective, but also from a strategic and self-sufficiency perspective. Using the forest and forestry products to substitute fossil-based materials and provide a CO₂-neutral supply of renewable energy needs to be one central option, when countering fossil CO₂ emissions.

We believe that a revision of the Bioeconomy Strategy under the next European Commission could address the challenges and opportunities that come with fully integrating the bioeconomy into rural areas and ensuring their fullest potential is unleashed in this regard. There is a need for strong EU-policy coordination, which should avoid contradictory legislation and allow for a more

efficient use of available biomass resources. This could step-by-step increase a higher value output from the forest industries.

This bioeconomy strategy could show the potential of forests products and services. We have to promote the products offering the most value-added, while at the same time safeguarding biodiversity and environmental values.

We believe that the bioeconomy is a great European strategic asset both for our climate and for our economy. We believe that greater use of bioeconomy solutions would support our geopolitical resilience and competitiveness as well as mitigate climate change through increased substitution of fossil-based products.

A vertical photograph of a forest with tall, thin trees and a forest floor covered in moss and fallen leaves. The image is partially obscured by a dark vertical bar on the left side of the page.

C

We need to create a wood and fibre-based European Industrial Alliance – recognizing that the forest and wood sector is a sector that must remain competitive and innovative in order to be able to provide goods and services to our society

We believe that the EU Forest policy should be anchored in the UN 17 Sustainable Development Goals, which reflect not only climate and environmental objectives, but also take into account economic, rural and social aspects. The forest sector creates welfare in local societies and generate income both in industrial centres and in rural areas. We believe it is important to respect considerations in all areas of forest and wood sector development to be truly sustainable and acceptable to the society in general.

We furthermore believe that a wood and fibre-

based Industrial Alliance should be created within the EU to enhance the sustainable use of raw materials and material efficiency of such products on an industrial scale. This would strengthen the EU's resilience, the European value chains and ensure an integrated EU single market for our industry to remain globally competitive. It would encourage and support innovative new uses of forestry products.

We also need to ensure fair competition on global markets for renewable EU products and ensure compliance with global trade rules.

D

We need a better dialogue between forest stakeholders and policy makers

We believe that forest owners, forest cooperatives, forest and wood industries and other forest stakeholders should be engaged in the whole policymaking process. In order for these persons to enhance their contribution to a more sustainable bioeconomy and to healthy and resilient ecosystems, they need to be considered equal partners rather than mere climate services and biomass suppliers.

In order to achieve such engagement, we believe that extensive impact assessments with an analysis of operational conditions must accompany each new legislative EU proposal in this area. The effects can be very different for different forests in different regions of the European Union and unforeseen consequences must be avoided.

For the same reason, Member States' role in the shaping of legislation is crucial. The Standing Forestry Committee, the Forest and Forestry Stakeholder platform and the Forest-Based industries group/forum play an important role in the decision-making process and should not be undermined. The Standing Forestry Committee should be given full opportunity to discuss all forest-related legislation.

Also other regular exchanges between the European Commission and forest stakeholders must be ensured - both from industry and from the environmental sector. This can be taken care of by creating balanced forest stakeholder platforms. These should be divided into smaller subgroups, when meeting, in order for interaction to be meaningful.

In addition, cross-border knowledge networks could be developed through the promotion of joint research opportunities funded by EU programmes such as Horizon Europe, with a focus on application on the ground.

The gap between different Member States' actions in support of forest bioeconomies could be better addressed and the countries/regions that are lagging behind should be better supported. This can be achieved through the exchange and transfer of knowledge and by joining forces in research and innovation projects closely linked to practice and when scaling them up.



FAM



Signatories

The Forest Coalition consisting of:

→ **AGDW (die Waldeigentümer)** Germany

→ **FAM**, Sweden

→ **The Finnish Forest Industries**, Finland

→ **Holzindustrie**, Austria

→ **SITLiD**, Poland

→ **UCCF - Forestry Cooperatives Organization**, France
