

EUSTAFOR's input on the European Commission Roadmap: 2030 Climate Target Plan

European State Forest Association (EUSTAFOR) welcomes the European Commission's initiative to develop a Communication for setting the climate target for 2030, within the objective of climate neutrality by 2050.

As stated in the Roadmap, the EU's land use sector (agriculture land, forests and other natural land) is presently a net sink of CO₂, meaning that it removes more CO₂ from the atmosphere than it releases GHGs. It is estimated that EU forests and the forest-based sector currently contribute to the overall climate mitigation by absorbing about 13% of the EU's total emissions¹.

EUSTAFOR notes the fact that the potential risk of carbon leakage is acknowledged by the Roadmap. Forests and forest products function as a cornerstone of Europe's bioeconomy. They have a long history of providing a sustainable alternative to fossil-based materials and fossil energy, helping decouple economic growth from resource depletion and adverse environmental impacts.

When assessing the type and pace of actions required, impacting greenhouse emissions beyond the energy system, including among others forestry, we believe that existing good practices need to be recognized. Sustainable forest management (SFM) improves the ability of forests to maintain and enhance carbon sinks and stocks, including by transferring carbon to wood products². In order to maximize the potential of forests to regulate climate, they must be actively and professionally managed to make them "climate-fit". SFM aimed at providing biomass, timber, non-wood resources and other ecosystem functions and services, can lower GHG emissions and can contribute to adaptation. Therefore, State Forest Management Organizations with their knowledge and expertise, can actively contribute to the initiative of assessing how to increase the absorptions of CO₂ emissions over time, including in its natural forest sinks and the role of biomass-based products and nature-based solutions. This should be done within the framework of the EU Forest Strategy, including by the proper involvement of experts from the Member States and stakeholders through the Standing Forestry Committee and the Civil Dialogue Group on Forestry and Cork.

EUSTAFOR supports the initiative's action to provide insights in the required updates to the overall climate and energy framework and ensure overall coherence of the specific policy updates. For example, the recently adopted LULUCF Regulation aims to ensure a balance between emissions and removals from the land use, land use change and forestry (LULUCF) sector by 2030 at

^{1,2} Nabuurs, G. J. et al. (2015). A new role for forests and the forest sector in the EU post-2020 climate targets. From Science to Policy 2. European Forest Institute.

country level. On the other hand, the Taxonomy Regulation requires the Commission to adopt Delegated Acts to establish technical screening criteria for determining under which conditions a specific economic activity is considered to contribute substantially to one or more of the EU's environmental objectives while not causing significant harm to any of the other EU's environmental objectives. The first Delegated Act setting out these economic activities and technical screening criteria, focusing on climate change mitigation and adaptation and building on the recommendations of the Technical Expert Group on Sustainable Finance (TEG). Unfortunately, the set of climate mitigation activities envisaged in the TEG report disregards the holistic concepts of sustainable forestry and multifunctional forests as well as their related carbon cycles by not specifying in the criteria that the requirements should apply at country level and fit with the long-term cycles of forests. EUSTAFOR shares a view that the best practical way to include forests and forest management into overall climate and energy framework, including the upcoming sustainable finance framework would be/was to use the risk-based approach for forest biomass as applied in the Renewable Energy Directive (recast) which properly covers sustainability concerns in forestry and which was adopted by all respective EU institutions and Member States. This would avoid confusion, legal uncertainty and subsequent restrictions to investments in the forestry sector. Unfortunately, the sustainable forest management requirements proposed by the TEG suggests another sustainability set for forestry.

The initiative aims to assess how to increase the ambition in a manner that best contributes to sustainable and inclusive growth, enhances economic competitiveness through accelerating innovation and modernising Europe's enterprises. One of the expected economic impacts of higher level of ambition by 2030 in order to reach the climate neutrality by 2050 is that some sectors are likely to grow (e.g. renewable energy, construction). Wood is the most commonly used renewable construction material. Advanced engineering is enabling architects to build better, bigger and higher with timber. New wood fiber-based materials are also being used in a range of manufacturing sectors, while renewable wood-based fuels continue to evolve³. This shows European forests, their products and services, are integral to achieving the goals set out by the Bioeconomy Strategy⁴ and the European strategic long-term vision for a prosperous, modern, competitive and climate-neutral economy by 2050⁵.

The objective of this initiative is to propose an increased climate target for 2030 to prepare the EU for the transition towards climate neutrality by 2050, including through an amendment of the recently proposed European Climate Law.

³ CEI-Bois. (2019). Wood. Building the Bio-economy.

⁴ European Commission. (2018, October). A sustainable bioeconomy for Europe: strengthening the connection between economy, society and the environment.

⁵ European Commission. (2018, November 28). A Clean Planet for all: A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy.

EUSTAFOR wishes to express its concern that the current proposal for the Climate Law is not enough focused on phasing out fossil use. It is very focused on no net emissions without exactly defining what that means. It might mean that we will still have lots of fossil energy and products in the system, expected to be compensated by the forest carbon sink. That might also lead to new demands for setting aside forest lands, which is a risky climate strategy considering storms, insects, fires. Climate change has a significant impact on forests. A case in point is the recent severe damage in 1,2 million hectares of European forests resulting from extreme weather and climate events, followed by pests and diseases, throughout Europe. Our members report that over 36 million m³ of wood have been lost and recovery will require additional workforce and funding of up to 800 million EUR, presenting both logistical and financial challenges for many state forest organizations. Well-designed EU strategies and financial instruments are needed more than ever! Only healthy and thriving forests can efficiently provide climate-related services.

We believe that the whole forest system should be better considered by the Climate law and it should strongly encourage maximizing the climate benefits through increasing the carbon flow.