

Towards a new EU Forest Strategy: position of the European Woodworking Industry

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CEI-Bois, the European Confederation of the Woodworking Industries, and EOS, the European Organisation of the Sawmill Industry, encourage the EU Commission to prepare the new Forest Strategy having an holistic and coherent view of the different EU policies that already cover forestry aspects. In particular, CEI-Bois and EOS call for a **coherent framework** for all the initiatives planned under the European Green Deal that bear an impact on European forests, ranging from climate and environmental policy to agricultural development and circular bioeconomy.

In line with the European Parliament resolution of 8 October 2020 on the European Forest Strategy - The Way Forward, EOS and CEI-Bois call for an ambitious, independent and self-standing EU Forest Strategy for the post-2020 period in parallel with other relevant sectoral strategies.

The 2013 Forest Strategy was built on 8 different priority areas that addressed all three pillars of sustainability (environmental, economic and social) in a balanced way; this approach should be maintained also in the new Strategy. The new EU forests strategy should support Members States in maintaining healthy forests and, at the same time, boost the competitiveness of forest-based industries. Research programs dedicated to the forestry sector should be also a key component of the new Strategy; in particular understanding and quantify the forest vulnerability to forest disturbances is a crucial factor to first develop adaptation strategy and secondly to support the forest based industries to continue to operate.

Threats and challenges for EU forests

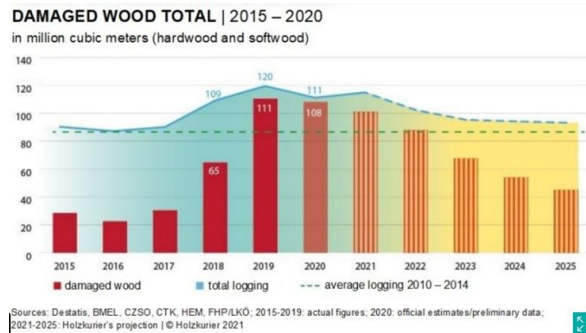
European forests play a key role in Europe's transition to a modern, climate-neutral, resource-efficient and competitive economy. As shown in the State of European Forests 2020 report, **Sustainable Forest Management (SFM)** in Europe provides adequate instruments to ensure that forests fulfil environmental, social and economic functions: the **area of forests** in Europe has **increased by 9%** over the last 30 years; the **volume of wood and the weight of carbon stored** in the biomass of European forests have **grown by 50%** over the last 30 years as forest area expanded and only a part of the net annual increment (around 75%) is being harvested. The **volume of wood supply has grown**, reaching **550 million m³**, which is 40% more than in 1990¹. This implies the possibility to both develop the forest-based industries and at the same time maintain or increase our European forests resources, provided that adequate climate change adaptation policies are in place.

Simultaneously, concerns are legitimately raised over the deterioration of the condition of EU forests, shown for example by the increase of mean foliage loss of trees. The European assessment of forest ecosystems shows that both in the short term and in the long term, the largest number of indicators suggesting degradation falls within the category of climate change indicators (e.g., area burnt by forest fires, effective annual rainfall, mean annual temperature, extreme drought events)². Pest attack also

¹ FOREST EUROPE, 2020: State of Europe's Forests 2020

² JRC Report "Mapping and Assessment of Ecosystems and their Services: An EU ecosystem assessment", 2020

increased in the recent years; the figure below shows the exceptional magnitude of the damage provoked by the bark beetle outbreak in Europe:



This trend is expected to worsen with climate change. According to a recent study³ 33.4 billion tonnes of forest biomass could be seriously affected by disturbances, with higher relative losses when exposed to windthrows (40%) and fires (34%) compared to insect outbreaks (26%).

- ➔ It is therefore urgent to increase the support to sustainable forest management to increase the resilience and long-term stability of European forests and related ecosystem services. This should be the overarching objective of the new Forest Strategy.
- ➔ The spread of the beetle in spruce-dominated forests is a great challenge for Europe. An EU forest resource monitoring system aiming at providing real-time information on the European forest resources, materials flows, stocks and capable to make forecast should be created. The wood processing Industry needs information about the wood resource with a time horizon long enough to forecast possible changes in technology investment and products design. This tool should purely address the wood resource and flow and should not serve at regulating timber markets in Member States.

The role of the wood industry in SFM and climate change mitigation

While one might not connect healthy forests with the commercial use of wood, they are actually connected. Income from wood is essential for forest owners to invest in sustainable forest management and enhance their resilience. In turn, ensuring a sustainable wood supply enables the **transition to a circular bioeconomy**. Wood is renewable, recyclable, has a low carbon footprint over its life-cycle, and is an ally against climate change.

The total positive climate effect of the forest-based sector is estimated at **-806 million tons of carbon dioxide** equivalents annually (EU27+UK, Switzerland and Norway)⁴. This corresponds to around 20% of all fossil emissions in the European Union. This is calculated as a sum of:

- **net sink** (increased carbon storage) in forests and **storage** in forest products;
- fossil emissions caused in the forest sector value chain;
- **prevented fossil emissions** by substituting fossil-based materials and fossil energy, which appears to be as relevant as the forest sink.

³Forzieri, G., Girardello, M., Ceccherini, G. et al. Emergent vulnerability to climate-driven disturbances in European forests. Nat Commun 12, 1081 (2021). <https://doi.org/10.1038/s41467-021-21399-7>

⁴ Climate effects of the forest-based sector in the European Union, Peter Holmgren FutureVistas AB. 2020 https://www.cepi.org/wp-content/uploads/2020/07/Cepi_study.pdf

Such development has the potential to decarbonise key sectors of the European economy. Carbon saving figures for the use of wood in construction can be substantial: for instance, in the Netherlands it was calculated that scaling up the building sector with 10.000 timber houses could alleviate 10-42% of the total CO₂ emissions produced by the building sector⁵.

- ➔ **The new Forest Strategy should recognize that the full climate mitigation potential of the forest sector is best achieved when (a) forests are growing fast through active and sustainable forest management and (b) renewable and recyclable wood-based products replace products made of fossil-based raw materials. It should enhance the three functions of forests: carbon sink carbon stock, and the substitution effect of forest products for functionally equivalent materials.**
- ➔ **In the framework of the revision of the LULUCF Regulation a mechanism should be put in place to fully recognise the carbon capture of wood products and the material substitution effect.**

Integrating timber production with biodiversity protection

The EU hosts a broad variety of forest ecosystem types; around 27% of the total forest area is protected under the Natura 2000 scheme, and forest ecosystems make up 50% of the entire Natura 2000 network. Encouraging trends are displayed in the latest Forest Europe report: European forests are predominantly semi-natural, with forests plantation representing only 3.8% of the total. The tree species diversity of forest stands has been increasing since 2005: today only one third of Europe's forests are dominated by a single species (usually conifer); half of the forest stands are composed by two to three species. Forests composed of several tree species are often richer in biodiversity and more resilient. The amount of deadwood in European forests is also growing⁶.

In the EU Biodiversity Strategy 2030 further targets are set: namely the Strict protection of 10% of EU land, including all remaining primary and old-growth forests, and protection of 30% of land; guidelines on "close-to-nature" forestry practices are expected to be developed at EU level. Preliminary assessments show that the impact of an implementation of the EU Biodiversity strategy on the roundwood supply in the EU could be as high as a 42% reduction up to 2050, driving higher imports from non-EU countries⁷.

- ➔ **Sustainable Forest Management ensures that the conservation of biodiversity is encompassed within management activities according to local conditions. The Industry calls for addressing knowledge gaps on which mixtures of trees species can provide the best resistance and stability to climate change while preserving biodiversity without negatively affecting the quality and quantity of wood production.**
- ➔ **The identification of additional protected areas should be based on participatory planning, also taking into consideration the principle of subsidiarity and the competence of Member states on forest policy and regional differences.**

Forest-based circular economy and rural development

⁵ <https://www.w-e.nl/portfolio-item/200-000-ton-minder-co2-uitstoot-meer-houten-woningen>

⁶ FOREST EUROPE, 2020: State of Europe's Forests 2020

⁷ Assessment of possible leakage effects of implementing EU COM proposals for the EU Biodiversity Strategy on forestry and forests in non-EU countries. Thünen Working Paper, No. 159. 2020

Too narrow policy would hinder the forest-based sector's possibility to contribute to the European Green Deal and to rural development. Including the furniture sector, the total production value of the woodworking industries in the EU, according to Eurostat, reached 240 billion EUR in 2018. The woodworking industries employ over 2 million people in over 300,000 companies across Europe. The forest-based sector as a whole represents around 420.000 enterprises for a total turnover of over 520 billion euros and around 3,5 million workers.

Moreover, the forest-based industries are supplied primarily from European forests, as import reliance for industrial roundwood was 5.6 % in 2015 and has been below 10% in the last 15 years⁸. From the point of view of supply security, this gives the industry a special position. In a more polarised world, the forest-based sector provides supply for production of both current and future products and materials that can replace materials with less security of supply.

The forest-based value chain already offers a positive example of circular bioeconomy in action: - European timber processing and wood products manufacturing generates low to zero waste, as resulting by-products and residues can be used as raw material for other wood-based products and renewable energy source. Timber products are not only long-lasting, but can be easily repaired, repurposed or recycled, thus prolonging the carbon storage effect.

- ➔ The industry calls for a new Strategy that recognises the role of the forest-based circular bioeconomy in the creation of additional green jobs and growth in rural and urban areas.
- ➔ Primary residues and by-products (like chips and sawdust) and post-consumer wood represent an important part of wood consumption in the EU that will grow in the future. Industries which are responsible for the first transformation of raw-materials and for the provision of vast quantities of by-products are essential suppliers of materials to develop new bio-based products. The forest-based value chain as a whole should be seen as strategic to achieve the Green Deal objectives.
- ➔ When trees are sustainably harvested, wood continues to store carbon in the thousands of products we use every day, from lumber to paper products, to wood-based panels. Measures to boost the supply of secondary raw materials should be encouraged. Where economically and logistically viable, recovered waste such as post-consumer wood should ideally re-enter the supply chain.

The [European Confederation of Woodworking Industries](#) (CEI-Bois) is an umbrella organisation of 21 European and national organisations from 15 countries backing the interests of the whole wood sector.

The [European Organisation of the Sawmill Industry](#) (EOS) represents 35,000 sawmills in 12 countries.

⁸ Source: European Commission, EIP on Raw Materials, Raw Materials Scoreboard 2018