



## CEE wood industry interest groups call for climate protection, employment and value creation through sustainable forest management and use of wood

### Our positions:

- Clear commitment from the European Union and the governments of all European countries to sustainable forest management and increased use of wood
- Comprehensive impact assessment of EU policy and its interactions for forests and the value chain for forestry and timber
- Streamline the framework conditions for the sustainable forest management and the use of wood

### Introduction

The effects of the COVID pandemic and the war in Ukraine demand Realpolitik and a focus on what is feasible is more important than ever. Additionally managing the climate crisis will continue to be a huge challenge over the next few decades. It is essential to reduce dependence on fossil fuels and replace it largely with sustainable, biogenic carbon. The European Union aims to reduce net greenhouse gas emissions to zero by 2050. But without a functioning economy, the transformation of society towards more sustainability will not be financially viable and will not be supported by the population.

We are concerned that the legislative framework of the European Union will result in an untenable and unreasonable restriction on the use of the sustainable and renewable resource wood.

### Resilient economic sector

Wood from sustainable forest management is the basis for our industry. The wood-based industries employed 3.1 million people across the European Union in 2020 or 10.5 percent of the manufacturing total. In the same year the gross value added (GVA) of wood-based industries in the EU was €136 billion or 7.2 percent of the total manufacturing industry. The value chain for forestry and timber is mainly independent of third countries and resilient to crises. Considering climate change and economic uncertainties, it is more crucial than ever to practise sustainable forest management and strengthen the use of wood. The expansion of wood construction in the building sector and a broad use of the material offers alternatives to fossil raw materials as well as CO<sub>2</sub>-intensive materials and products. Moreover, every tree harvested is 100 percent utilised and processed into valuable products. Wood is reusable and, as a secondary raw material, an important building block for a sustainable and environmentally friendly circular economy. The use of wood and the resulting forest regeneration are viewed as crucial building blocks in the transformation of society toward sustainability and tackling climate change.

### Forests and climate

Europe's forests have huge renewable reserves. The forested area in Europe has increased by 14 million hectares, while wood reserves have grown by 8.3 billion cubic metres since 1990. In total, an estimated 65 percent of the net annual increment of wood in EU forests was removed by the logging industry in 2020. Most parameters relevant for biological diversity have improved in the forest. Putting extensive areas under strict legal protection and prohibiting forest use does not lead to decarbonisation. This can only be achieved through sustainable forestry aiming to keep forests vital and growing on a high level.

CO<sub>2</sub> emissions can be prevented by using the wood that grows in our forests. Forests must be systematically managed to remain „climate-fit“ with new species of trees and to combat pests. Sustainable forest management ensures that no more wood is harvested than will grow back and this creates the basis for increased wood use and growing European forests. In terms of multiple and reuse of wood with optimal added value, a contribution to energy supply from biomass while keeping

the principle of cascading use of wood and biomass can also be made in addition to material use in durable wood products. Both variants of wood use contribute to climate protection and energy sovereignty.

The continuous use of wood from forests must be secured to sustain a bioeconomy, since use of wood and active forestry are the strongest lever for counteracting climate change.

## Combining climate protection and the economy with the fitting legislative framework

European Union policy needs to reflect on the value of an independent economy and production in Europe and take responsibility for jobs. This would make the EU a role model in terms of motivating sustainability worldwide and setting standards for climate protection and efficiency. Not being allowed to use its own renewable resources is the wrong way to go in the current situation.

We demand a clear commitment from the European Union and the governments of all European countries to sustainable forest management and increased use of wood. This requires adjusting the European Green Deal to the new realities in Europe. Competing objectives can be observed in the EU's current policies, particularly those of the Commission. The Commission President supports wood construction, and there are encouraging signs regarding the use of wood. However, due to several initiatives, the forest is expected to store CO<sub>2</sub> and make it nearly impossible to harvest timber. From our perspective, the divergent objectives of the European Union are crucial and harmful to combine climate protection and the economy.

We demand a comprehensive impact assessment of EU policy and its interactions for forests and the value chain for forestry and timber. This specifically includes the:

- Regulation on Land Use, Land-Use Change and Forestry (LULUCF)
- EU forest strategy
- EU Biodiversity Strategy
- Renewable Energy Directive (RED) III
- Regulation on deforestation-free products
- Regulation on nature restoration

The combination of these projects, in our opinion, results in an untenable and unreasonable restriction on the use of the renewable and sustainable resource wood.

Finally, we demand proper forest-based industry participation in stakeholder governance and dialogue around the EU forest strategy. Our economic system's ability to grow sustainably can benefit enormously from the experience and knowledge of the forest-based industry. Additionally, to help where it makes sense in the development of climate resilient forests and the use of wood for energy-efficient buildings and products that raise the possibility of CO<sub>2</sub> avoidance, this knowledge is required to dispel incomplete perspectives and inadequate representations.

## Conclusion

„Climate-fit“ forests whose wood growth is used are ideal for climate protection, employment and value creation. Increased use of wood from Europe's sustainably managed forests boosts Europe's contribution to tackling climate change and secures the independent value chain of the timber industry in Europe. The associations of the timber industries in Austria, Croatia, Czech Republic, Hungary, Poland, Slovakia and Slovenia appeal to the institutions of the European Union and the member states to streamline the framework conditions for the sustainable forest management and the use of wood.

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