

Statement in response to the EU Forest Strategy

April 2019

On 7 December, the European Commission released a <u>mid-term review of the EU forest strategy</u>, stating that it was "on track" to achieve its 2020 aims. Given that this review will form the basis of the next Forest Multi-Annual Workplan for the period 2018-20, Fern wishes to communicate that they are disappointed with the review and find the overarching conclusion to be unfounded.

1. Forest biomass criteria continue to allow unsustainable forestry practices

The mid-term review states that the "new sustainability criteria on forest biomass used for bioenergy production will support sustainable forest management."

NGOs and <u>scientists</u> across the world have decried these new criteria. They have shown that the EU Renewable Energy Directive will continue to incentivise current destructive practices: increasing forest harvests, the burning of whole trees and stumps, and large-scale use of biomass in inefficient electricity installations.

While good forest management practices exist in the EU, there are also many instances of unsustainable practices, and the general picture is bleak: even in protected forests, there is not a single forest type that has favourable conservation status. In 2014, due to higher harvesting levels, EU forests were already sequestering 24 million tons of carbon dioxide less than they did in 2009, when the first EU Renewable Energy Directive came into force. Over that same period, there had been a 75 million cubic metre increase in the use of wood for energy.

For this reason, <u>environmental organisations</u> and <u>scientists</u> called for criteria that would limit the use of bioenergy to waste products and exclude whole trees and tree stumps in the 2030 Renewable Energy Directive, something which was not achieved.

2. LULUCF Regulation permits increased harvesting in forests to go unaccounted

The mid-term review states that the Land Use Land Use Change and Forestry (LULUCF) Regulation has made: "significant progress towards achieving the mitigation potential of EU forests... improving the understanding of the relation between climate and forests and fostering action in Member States' policy agendas."

This is a misunderstanding of the LULUCF regulation, which has set no explicit incentive for countries to increase the mitigation potential of forests, despite this being a key demand of NGOs, supported by the Paris Agreement and recent reports published by the International Panel on Climate Change (IPCC). On the contrary, NGOs and scientists decried the fact that the LULUCF Regulation allows countries to reduce the mitigation potential without accounting for it.

3. New initiative to "step-up" EU action against deforestation doesn't foresee any stepping up

The mid-term review states that the "Commission will put forward a new initiative to step-up EU action against deforestation."

While the Commission has announced it will produce a new Communication, NGOs are disappointed that the Roadmap on Deforestation does not consider the need for additional regulatory action to tackle deforestation, supported by nearly 200,000 citizens. Instead it relies only on existing policies and tools, which does not constitute stepping up action. We believe the EU should propose new and targeted policies to contribute to halting, preventing and reversing deforestation.

As voluntary efforts to tackle deforestation and human rights abuses are too slow, don't include all major players, and lack a system to make companies accountable, the EU must regulate EU imports of forest risk agricultural commodities (FRAC), to ensure that neither the EU financial sector, nor products placed on the EU market cause negative environmental and social

impacts like deforestation, forest degradation or human rights abuses. The Commission's feasibility study concluded that regulation would have the greatest impact.

4. Bioeconomy

The mid-term review states that the new Bioeconomy Strategy "promotes, in a forward-looking forest-based sector, the sustainable and resource-efficient mobilisation and use of forest biomass".

Whilst the Strategy includes promising statements on the need to recognise ecological limits, it also highlights as a goal the rapid expansion of the use of forest biomass for energy, and an increase in the use of finite natural resources without consideration of a need for reduced consumption; actions which are opposed by international NGOs and scientists. Due to these contradictory statements, the Bioeconomy Strategy lacks clarity and may be interpreted in harmful ways.

Contrary to the mid-term review's assertions, the Bioeconomy Strategy's approach to bioenergy is neither 'sustainable', and nor does it help to reduce emissions in the energy sector. The Strategy states that bioenergy 'is expected to remain a key component of the energy mix in 2030 and contribute to meet the EU renewable energy targets', yet scaling-up the use of bioenergy and other short-lived bio-products will have detrimental impacts on the climate, human rights, nature protection, and the transition to a low-carbon energy system.

Fern calls on the European Commission to urgently step up action

Given the <u>continued</u>, <u>dramatic loss of tropical forests</u> and the steady decline of biodiversity in EU Forests, the mid-term review lacks perspective and does not reflect the urgency required to reach <u>global commitments on forests</u>.

Given the well-documented role that EU finance, trade and consumption plays in driving deforestation and forest degradation, inside EU borders and beyond, the EU must:

- Promote an EU Action Plan to Protect Forests and Respect Rights which includes new laws to ensure that products placed on the EU market, or supported by the EU financial sector, do not cause negative environmental and social impacts like deforestation, forest degradation or human rights abuses.
- 2. Promote support for forest protection and restoration in the EU 2050 Long Term Climate Strategy, to keep the increase in global

- temperatures below 1.5°C and avoid the worst impacts of climate change.
- 3. Support effective implementation of the EU Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan, specifically Voluntary Partnership Agreements, and support increased implementation and enforcement of the EU Timber Regulation a strong tool for stopping the trade in illegal timber.
- 4. Support a sustainable bioenergy policy within EU renewable energy and climate policies. This would include ending subsidies for burning forest biomass and crop-based biofuels.
- 5. Promote policies that move away from our dietary dependence on meat and remove subsidies in the Common Agricultural Policy (CAP) for intensive animal production. Incentivise extensive animal production and long-term crop rotation with leguminous crops as a compulsory element of conditionality while prohibiting any crop production including protein crops in ecological focus areas.