

MINUTES
CIVIL DIALOGUE GROUP ON FORESTRY AND CORK
9th of December 2016

1. Adoption of the minutes of the last meeting of June 9th and of the agenda

The Chair asked the members to approve both the minutes of the previous meeting and the agenda. The minutes were approved with amendment from EURAF. The agenda was approved with the addition of point 5 and 9 right after.

2. Election of the Chair and the Vice-Chairs

The Chair thanked the participants for the excellent cooperation over the past year and announced that elections for the next mandate for Chair and Vice-Chairs will take place.

The Commission explained the procedure and introduced the candidates who sent their candidacies for election. For the post of Chair, Mr Bernhard Budil from CEPF was nominated to continue for the second mandate. Mr Pedro Albizu from CEPI was nominated to continue for the second mandate as Vice-Chair. Ms Anke Schulmeister from WWF was nominated for a first mandate as Vice-Chair.

After a short speech by the nominees, the election was conducted and all three nominees were unanimously elected for the one-year mandate. All nominees accepted their mandates.

Points for discussion

3. Exchange of views on the LULUCF proposal

The European Commission, DG CLIMA, gave a presentation on the Commission's proposal for a Regulation on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry into the 2030 climate and energy framework COM(2016) 479 final (LULUCF). The presentation is available on CIRCABC.

The Chair underlined the importance of climate change mitigation and noted that the LULUCF proposal is a very complex dossier that has a high relevance for the forestry sector. The Chair emphasised the importance of coordination with other policies to ensure economic, social and environmental coherence. Moreover, he raised concern that the climate policy should not put biomass at a disadvantage compared to fossil-based raw materials.

Questions and comments

EURAF said that they would have favoured the second option, as outlined in the Commission Impact Assessment, creating a new pillar for the whole land use sector. In addition, it was reminded that e.g. IPCC recommended AFOLU (Agriculture Forestry and Other Land Use) to replace LULUCF in the GPG 2006. Therefore, the Commission had proposed a solution different to IPCC, as LULUCF is treated as a separate pillar in the EU 2030 Climate and Energy Framework. On another note, EURAF asked the Commission about the procedure of establishing the Forest Reference Levels and whether it was likely that they would be ready by 2020. Furthermore, EURAF asked if there will be a guidance for the Member States of how to account the cropland and grassland category. In addition, EURAF asked the Commission's views on how the current LULUCF accounting will improve after 2020 when it is a part of the EU rules.

Birdlife thanked the Commission for the presentation and asked for a clarification on few issues related to afforestation and accounting of biomass. First, Birdlife pointed out that afforestation is an already existing climate change mitigation action used by the Member States. Therefore, it was asked why the LULUCF regulation would allow credits from trees that were planted 20 or 30 year ago. Furthermore, it was asked what requirements Member States have to meet to use 30 years instead of 20 years for accounting afforestation. Birdlife gave its support for accounting the bioenergy emissions in the LULUCF sector, but was more hesitant if the proposal incentivise the use of sustainable biomass. It was pointed out that guidance is needed as REDII cannot ensure the sustainability. To conclude, the LULUCF bookkeeping is fine but the policy is not enough incentivising sustainable biomass.

ECVC/Via Campesina agreed with Birdlife and raised concerns on land competition and how small-scale farmers are affected by the latest global policy developments. ECVC encouraged to look at the FAO guidelines on Responsible Governance of Tenure at <http://www.fao.org/docrep/016/i2801e/i2801e.pdf>.

CEPI welcomed the inclusion of LULUCF into the EU 2030 Climate and Energy Framework. It was emphasised that a solid framework is needed and contribution to the development of the bioeconomy should be better reflected. It was noted that the emissions and removals should be accounted in the LULUCF sector. CEPI considered the proposal as a positive step and welcomed the recognition of Harvested Wood Products. Furthermore, CEPI was concerned about increased flexibilities and impacts for active forest management. In addition, CEPI asked about Forest Reference Levels and whether there are any alternatives to the delegated act based on the current accounting system. In addition, it was stated that the LULUCF accounting in the EU should not put EU in unfair competition in trade.

Eustafor stressed the same question as CEPI and underlined that recognition of Harvested Wood Products is a positive aspect in the proposal. Eustafor's concern was that the proposal puts emphasis on afforestation whereas forest management is not incentivised sufficiently.

EEB/FERN continued to stress issues raised by Birdlife and generally welcomed the proposal of keeping LULUCF as a separate pillar. In addition, limited flexibility from LULUCF to ESR was supported as well as recognition that forests play a role in mitigating climate change. Regarding emissions from bioenergy, FERN was not convinced that the proposal will reduce those emissions. It was stressed that LULUCF rules should also reflect what can be used for energy and that it should be ensured that bioenergy use would not lead to increased emissions.

CEPF also welcomed the inclusion of LULUCF as a separate pillar. In addition, CEPF embraced the importance of no double accounting for bioenergy. It was noted that the climate policy should support the development of the bioeconomy and sustainable forest management and increased use of wood. CEPF also asked about the delegated act and how to ensure bottom-up approach when implementing the regulation. It was also reminded that bioenergy is only a rather small part of the wood use and it does not drive harvesting in the EU.

Copa reiterated that the EU 2030 Climate and Energy Framework consist of three pillars, namely, ETS, ESR and LULUCF. It was noted that LULUCF is a part of non-ETS sector. Copa-Cogeca discussed that even though we are looking at emissions and removals from the land use sectors, the main real problem lies in fossil carbon emissions. It should be noted that bioenergy is a climate friendly solution. Rules of setting up Forest Reference Levels indirectly regulate harvesting levels and Copa-Cogeca asked the Commission what would happen if the no debit rule would not be met.

ELO talked about countries in which forest cover and forestry have increased in the past five years. ELO stated that countries that have already taken these kinds of actions to tackle climate change should not be punished.

EOS asked if it would be possible to add wood products to the flexibility mechanism.

Copa asked why the Commission has not used the most recent data in calculating the Forest Reference Levels.

Answers from the Commission

Regarding the timeline of the process, the Commission informed the participants that LULUCF was being discussed in the Council and in the Parliament. The first public hearing in the Parliament would be held by the end of January and the report would be voted in June. The Council working parties will be discussing the dossier in parallel.

The Commission noted that any new ideas on the proposal should be directed to the Council or Parliament.

Regarding the questions on historical data and the Forest Reference Level, the Commission clarified that climate policy should reflect in which direction we are going in the future. The year 2005 is an important reference year for climate policy and the period 1990-2009 is compatible and comparable with other sectors in climate policy. The Commission explained that the period 1990-2009 should be used to understand forest structure and project the future, while reflecting the time before e.g. the impact of renewable energy policies on markets. The Commission objected to the introduction of future policies and plans in the FRL as this may lead to undue credits that could have been a result of speculations. The Commission explained that the age class structure of the forest is taken into account in the FRL as the Commission propose a base period (1990-2009) instead of one year. This allows to better understand forests and take appropriate actions.

The Commission mentioned that flexibilities were introduced to reflect the more limited potential of the agricultural and transport sector to meet the targets set in ESR. The Commission proposed a flexibility of 280 MT CO₂ for the EU and an option that Managed Forest Land could be included in the flexibility mechanism later if the Member States calculations of Forest Reference Levels are robust enough. It was also noted that impacts on biodiversity must not be overlooked and sectors that are heavily subsidised should not cause unwanted results. In addition, the Commission spoke about the competition of biomass, where a strong push for bioenergy exist.

Regarding the procedure for establishing the Forest Reference Levels, the Commission referred to Recital 10 and Article 8.5 and 8.6 of the proposal. The Commission explained that it may be assisted by an expert review team in reviewing the FRLs, but from a legal point of view, as advised by the Commission legal service, a delegated act is needed to update the FRLs. The Commission discussed that there is a strong call for transparency and therefore the EU experts should be involved in the review.

Concerning support for mitigation action in LULUCF, the Commission discussed that pillar two of the CAP reflects how support can be provided and the LULUCF proposal does not provide answer to that point.

Regarding the question on afforestation, the Commission answered that trees that were planted 20 or 30 year ago fits with the actions made in 2005. The idea is that action that was done after 2005 should be recognised in order to encourage the Member States to do actions already now. Furthermore, the Commission noted that in the impact assessment the main justification is that accounting of afforestation during the Kyoto Protocol rules is from 1990, making it 30 years by 2020. Therefore, for consistency reasons, Member States can choose to use 30 years.

On the concerns over increased bioenergy demand, the Commission noted that it is up to the Member State to ensure that the bioenergy does not increase harvesting. It was noted that LULUCF is accounting and does not prescribe how the Member States should plan the climate actions in different sectors.

Regarding the first statements on EU 2030 Climate and Energy Framework and its pillars, the Commission reminded that e.g. the Council Conclusions two years ago considered all different options.

Regarding the harvested wood products, the Commission answered that the category has flexibility in LULUCF as it has had during the second period Kyoto rules.

4. Exchange of views on the Bioenergy Sustainability Policy

The European Commission, DG ENER, gave a presentation on the Commission's Proposal for a Directive on the promotion of the use of energy from renewable sources (recast) COM(2016) 767 final. The presentation is available at CIRCABC.

Questions and comments

CEPI welcomed the sustainability framework developed by the Commission. CEPI discussed the challenges caused by bioenergy for promotion of bio-based products and said that balance is needed and important principles, such as carbon neutrality, must be maintained. CEPI asked the Commission about the 20 MW threshold and what the impact will be if there is a large number of small installations.

EOS asked about impacts for sawmill production and what kind of proof should be provided for residues from the sawmilling industry.

EEB/FERN noted that the proposal appears worrying regarding the bioenergy use and scale of imports. FERN reminded the participants and the Commission that the increasing use of bioenergy may lead to negative impacts on both climate and biodiversity. FERN raised concern over the target for heating and cooling and the blending mandate of biofuels and whether this contributes to the climate targets. FERN also asked why the Commission did not extend the phase out of first generation biofuels to biogas and land-based crops in general. It was also mentioned that a review in 2023 is needed as concerns were raised about the effectiveness of the proposal.

CEPF questioned the need for sustainability criteria for forest biomass and raised concern that the proposal moves away from the holistic approach of sustainable forest management as forests are not managed for only one purpose. CEPF stressed that the proposal goes too far from the subsidiarity principle and the fact that forestry is a national competence. CEPF also asked how the criteria will be implemented in practice and noted that the proposed Article 26 and 27 causes challenges. It was further asked what the role of voluntary-based certification systems will be.

Eustafor was supportive for the baseline approach and now with the new criteria concerns arose regarding increased burden for forest owners and managers. Eustafor asked how the Commission can minimise administrative burden. In line with CEPF, Eustafor asked about the role of voluntary certification schemes.

Copa highlighted some aspects of Article 26 and asked about the definition of high conservation value mentioned in Article 26. Furthermore, Copa-Cogeca spoke about experiences from the EU Timber Regulation. Copa-Cogeca also asked which criteria should be fulfilled if the country of origin has higher sustainability requirements for forest biomass than in this directive. Copa also discussed GHG savings and the risk of exporting EU emissions to developing countries. Copa highlighted that the Commission is having a differentiated treatment between fossil based and biobased raw materials.

Answers from the Commission

The Commission noted that the inclusion of sustainability criteria for forest biomass was proposed under the RED recast as the Commission takes a precautionary approach.

The Commission explained that the proposal was based on subsidiarity and includes a lot of flexibility. The purpose of the forest biomass criteria is to manage risks related to the use of biomass and the criteria builds on existing tools and systems to verify sustainability. The criteria are aimed at large-scale energy installations where the risks occur, whereas small-scale installations source biomass more locally and sustainability is covered by national systems.

The Commission explained that the operator has to show compliance for the forest biomass criteria and as a first step it should be done by looking at national legislations and existing systems.

Furthermore, the Commission noted that it has recognised 15 schemes for biofuels and additional evidence would be asked in case there would be no national framework. It was noted that the Commission aims at promoting innovative biofuels and investments.

Regarding the LULUCF requirements, accounting is conducted at governmental level and verification is done by the operator. One of the ideas behind the criteria was to create a level playing field for the market operators. Additional guidelines would be developed and it should be noted that the proposal does not create new legislations, so the administrative burden is rather low. The Commission stressed that the proposal only requires additional assurance of national legislation.

Concerning the definitions of criteria, the Commissioner answered that this will be discussed in the co-legislative process and may be further defined in implementing acts.

Internal discussion as DG ENER had to leave

CEPF reminded the participants of the meeting that forest owners do not grow biomass for energy purposes and investments into forestry is always made for future generations. Furthermore, it was noted that the proposed criteria are very specific and the implementation of the criteria regarding peatlands and wetlands should be carefully considered. In Latvia peatlands cover 23% of the land area and wetlands 20%.

Copa- noted that it asked many questions and got no answers from the Commission.

Cogeca also emphasised the importance of national level assessment and acknowledgement of sustainable forest management. In addition, it was mentioned that verification at the forest holding level would increase the burden for forest owners.

Points for information

5. The Fitness Check of the Birds and Habitats Directives

The European Commission, DG ENV, gave a short update on the agenda point.

The Commission informed the participants of the meeting that based on the findings of the Fitness Check of the EU Nature Directives, the Commission deems the Directives fit for purpose and has decided to develop an Action Plan to improve the implementation of the Directives and to address the identified shortcomings. The Commission noted that the stakeholders will be invited to the process of developing the Action Plan. Commissioners Katainen, Timmermans and Vella will form a high-level group to monitor the process.

The EEB expressed its support to the Commission decision to further improve the implementation and looked forward to continue the work.

6. State of Play of FOREST EUROPE

USSE gave a presentation that is available at CIRCABC.

Questions and Comments

EURAF had a question regarding the outcome of ministerial meeting in Madrid and the origin of non-wood products.

Eustafor said that the state forests closely follow the developments of FOREST EUROPE and outlined the importance of a Legally Binding Agreement on forests in Europe that should not be lost in the context of EU forest-related policies.

Answers from USSE

USSE replied that the Liaison Unit of Bratislava can answer the question.

7. Follow-up of the EU Forest Strategy MAP

The European Commission, DG AGRI, gave a presentation that is available at CIRCABC.

Questions and comments

EURAF pointed out the target to have 100% of forests certified as sustainable. EURAF asked the Commission about the process to track and monitor the development.

Cogeca discussed that one of the focus areas in Rural Development is forest management. It was also mentioned that a public consultation on the CAP post-2020 will take place in early 2017 and forestry measures should be supported.

CEPF gave its support to the idea that the Standing Forestry Committee and CDG on Forestry and Cork should have a joint meeting in 2017 on the review of the EUFS.

CEPF raised also concerns on the impact of international trade policy developments and Brexit to the CAP post-2020 budget.

Copa suggested that an internet-based evaluation of the EU Forest Strategy could be one way forward. It was also suggested that when the external evaluation would be completed, the stakeholders should be given an opportunity to have a dialogue with the Commission prior to publishing a staff working document. It was requested that the Commission would keep the group updated regarding the process.

ELO asked whether the costs and benefits analysis of the action points in the strategy has been already conducted.

Cogeca also asked about the list of actions in the MAP and asked if an updated list is available.

Answers from the Commission

The Commission stressed that sustainable forest management is a way forward and forest certification is one of the tools to proof sustainability, but it does not mean that forests that are not certified are not sustainable.

The Commission welcomed all ideas regarding evaluation of the strategy and stressed the importance of coherent policies.

Regarding the costs and benefits of the actions in the strategy, the Commission noted that the evaluation is the tool which would look into this issue. In general, it would be a part of the review. The Commission stressed that the strategy and actions are not only the responsibility of the Commission but also stakeholders.

Regarding the list of actions, the Commission confirmed that the 2015-2020 fixed list of actions follows SFC annual work plan. Furthermore, the MAP underlines aspects that should be followed.

Finally, Ms Maria Gafo Gómez-Zamalloa of the Commission, DG AGRI, informed that she will move on to new endeavours in the Commission in January 2017 and thereby leave the Forestry Unit. Ms Gafo thanked the participants of the meeting for the good cooperation and especially for the work on the new EU Forest Strategy and FOREST EUROPE.

8. Cork 2.0 Declaration

The European Commission, DG AGRI, gave a presentation that is available at CIRCABC.

Questions and answers:

Cogeca asked about the action plan announced on 1st of December 2016 and what the structure of it will be and when it will be published.

The Commission answered that the action plan will be a living document. It was noted that the plan was being developed and some parts of it will be published during the Green Week in Berlin. The idea of the action plan is to get information about actions to be done not only from the Commission but also from the stakeholders.

9. Information on the EU Bioeconomy Strategy including the Bioeconomy Stakeholders Panel

The European Environmental Bureau/FERN gave a presentation as member of the European Bioeconomy Panel.

Questions and comments

Cogeca noted that the work of the Panel should have an impact on the review of the EU Bioeconomy Strategy. Furthermore, it was noted that the Commission would set up an expert group to review the strategy. Cogeca criticised that the process of setting up this expert group was not transparent and the stakeholders were not informed. On another note, Cogeca stated that the bioeconomy should be seen as an opportunity, otherwise it cannot be further developed. In addition, it said that the primary producers' role in the Strategy should be strengthened and the entire value chain should be included.

CEPF said that the bioeconomy is an important opportunity to tackle climate change. CEPF asked clarification if the Stakeholders Manifesto will be a product of the Panel or of a broader group of stakeholders.

Eustafor asked clarification on the process of developing the Manifesto and who has been involved.

Answers from the EEB/FERN

FERN informed the participants that the panel has discussed the same issues internally and the next step is that the Manifesto will be further developed by a smaller group in the panel. The process appears unclear for many stakeholders.

10. AOB

Communication between the CDG on Forestry and Cork and the Commission

The Commission thanked the participants of the meeting for the feedback to further develop the Communication between the group and the Commission. The speakers should receive invitation from the Commission well in advance in order to prepare for the meeting. The Chair announced that a letter would be sent to the Commission in order to strengthen the cooperation.

It was noted that the Chair or Vice Chairs should spread information on the meetings of the Standing Forestry Committee for all participants of the Civil Dialogue Group on Forestry and Cork.

Responding to the availability of the speakers, the Commission regretted that due to time constraints and the Standing Forestry Committee meeting at the same time, all invited speakers could not join the meeting.

It was suggested that the Chairmanship will meet with the Commission prior to the meeting in June 2017.

Availability of forest data

The Chair informed the participants of the meeting about a letter he received just prior to the meeting. The letter was written by the National Research Centres of Forestry and it called for support regarding a call for proposal of JRC on availability of forest data. The participants of the meeting noted that the request cannot be discussed without knowing more about the content. The Chair promised to circulate the letter among the group. In addition, it was noted that JRC should have a possibility to join the discussion.

EURAF commented that Europe has an open data policy and raw data should be available for researchers. It also added that the issue is very complex and EU has an open access Directive. It was suggested that the topic on open access to forestry information should be added to the agenda of upcoming meetings.

Copa underlined the complexity of the issue regarding the availability of data. It was noted that the open access to national data would not be an issue. Copa-Cogeca also suggested that the issue could be discussed at the upcoming meetings and highlighted the importance of legal expertise.

Eustafor noted that national forest inventory data is the property of the Member State. Eustafor encouraged the National Research Centres to discuss the issue with governments.

The Chair encouraged the participants to continue dialogue with National Research Centres.

Closing the meeting

The Chair thanked the participants for their active contributions and informed that the next meeting will take place on 8th of June 2017.