

## **FINAL MINUTES**

### **Meeting of the Civil Dialogue Group “Forestry & Cork”**

Tuesday 24 November 2020 (Videoconference)

Chair: Mr António Paula Soares, Confederation of European Forest Owners (CEPF)

Organisations present: All Organisations were present, except EFFAT, IFOAM, Birdlife Europe and WWF EPO.

#### **1. Approval of the agenda and minutes of the previous meeting**

The Chair welcomed the members and asked them to approve the minutes of the previous meeting and the agenda. The minutes were approved. The agenda was approved.

#### **2. Nature of the meeting**

The meeting was non-public.

#### **3. Election of chairmanship**

Election took place remotely the EC explained the procedure and reminded the procedure as set out in the background documents.

The four candidates presented themselves: Mr António Paula Soares, for the position of chair; and Mr Luis Costa Leal (Cepi), Ms Kelsey Perlman (EEB) and Ms Anastasia Pantera (EURAF) for the positions of vice-chairs.

Mr António Paula Soares (CEPF) was elected as chair of the CDG Forestry & Cork, Mr Luis Costa Leal (Cepi) and Ms Kelsey Perlman (EEB) were elected as vice-chairs of the CDG Forestry & Cork.

#### **4. List of points discussed**

#### **Renewable Energy Directive II – Guidance on sustainable criteria for bio-energy – Update – DG ENER**

##### **EC presentation**

ENER presented the state of play of the work on the implementation of bioenergy sustainability criteria. The work on the guidance started a year ago through a project which organised a number of consultations of stakeholders. The Commission is now working on finalisation of implementing act that will set the guidance to implement the sustainability criteria set in the Directive. A public consultation on RED II was recently launched. This is addressing the possible revision of the level of ambition of the Directive (in order to comply with the EU 55% GHG emissions reduction commitment)

as well as a possible second look at bioenergy sustainability criteria in order to evaluate if these are fit for purpose. The EC invited the participants to express their views via this questionnaire.

## Questions

**CEPF** asked the Commission about the state of play of the JRC ongoing work on the evaluation of biomass potential. It also asked why the Commission was considering reopening the sustainability criteria defined under RED II whereas these will only start being implemented next summer. How is possible to evaluate if rules are fit for purposes if such rules have not yet been implemented?

**EC** replied that the JRC final study is expected in early 2021. This will be one of the elements considered when addressing the question of a possible review of bioenergy sustainability criteria, which will take place only if needed. There is need to revise the RES target due to higher GHG emission reduction commitment. EC modelling work show that there is a need to increase the consumption of bioenergy towards 2050 in particular to decarbonise high emissions sector and provide stability to the electricity grid. In the ongoing public consultation, there are questions on the land criteria, on energy efficiency threshold for bioelectricity plant and on GHG emission reduction to bioenergy plants that apply to new installations only. The consultation is also looking at the question on whether there is a need for full harmonisation of sustainability criteria.

**COPA** asked about the justification to possibly minimise the use of whole tree, as indicated in the EU Biodiversity Strategy for 2030 and expressed concerns that this would be a real problem since there is a need to adapt forest management to climate change, including through increasing thinning. In some cases, the only possible use for these trees is bioenergy. Minimising the use of these trees would mean less adaptation to climate change and worsening the economic situation of forests.

**EEB** said that billions of forest biomass spent for bioheat and biopower whereas the role of bioenergy is limited in climate change mitigation. It also asked for clarification about an increase of bioenergy towards 2050 in order to reduce negative GHG emissions and expressed strong concerns about bioenergy carbon neutrality.

**Cepi** stressed the importance of keeping RED II approach on sustainability when reviewing RED II and supported a non-end-use specific criterion, which is the only way to encourage the industry to keep innovating and proposing new ways to decrease emissions.

## Answers from the European Commission

In answer to the questions and comments, **the EC** indicated that the Renewable Energy Directive includes new risk-based sustainability criteria for forest biomass and promotes

the shift to advanced biofuels based on residues and waste. This approach should continue for all forms of bioenergy. The use of whole trees (such as high-quality round wood), as well as food and feed crops for energy production – whether produced in the EU or imported – should be minimised. Regarding the modelling exercise, the EC explained that this shows that renewables are necessary to achieve the 2050 carbon neutrality target including a necessary increase of bioenergy consumption, in particular in power production to stabilise the grid. Combination with CCS would allow to achieve negative emissions in order to balance emissions of other sectors such as agriculture.

EC confirmed that bioenergy will be part of bioeconomy and that there will be an increasing need of integrated processes. It reiterated its invitation to participants to submit their views under the ongoing public consultation.

### **Implementation of the EU Biodiversity Strategy for 2030: Working Group “Forests and Nature” – State of play – DG ENV**

#### **EC presentation**

ENV presented the work of the WG Forests and Nature. It explained that the WG started its work, based on a mandate on the delivery of EU Biodiversity Strategy for 2030, for more than one year. Specifically topics discussed are the developments of guidelines for (1) biodiversity friendly afforestation (work led by ES and PT), (2) identification and mapping of old-growth forests (work led by BE, IT, PL, ES), and (3) closer-to-nature forestry practices (work led by DK, FI, PL, SI, EEA). To achieve these goals detailed questionnaires were circulated during summer 2020 to all members of the WG Forest and nature, they focused on a stock-taking exercise. Replies received were substantial and a first assessment was presented during the 3<sup>rd</sup> meeting of the group. The second phase of the work, identification of common elements, discrepancies and gaps, is currently on-going. The third phase will build on this phase two, to produce the guidelines. With regards to the future EU Forest Strategy, the EC stressed that although these guidelines are not formerly part of it, they will be considered as part of a broader “package” in relation to forests.

#### **Questions**

**Cepi** noted that guidelines would be at the edge of the competence of member state and thus recommend a careful approach in this matter. Cepi stated that these guidelines should be seen in the broader perspective, under the sustainable forest management and legal framework and enhance the holistic approach of forest management. In addition, Cepi stressed that with on-going changing climatic conditions, leaving nature aside can have harmful consequence. Moreover, Cepi stated that it must be kept in mind that private forest owners need to earn an income and that production and conservation objectives can go hand in hand and that stable and healthy forests are needed. Lastly, Cepi pointed out to a recently published working paper by the Thünen Institute on assessment of possible leakage effects of EU Biodiversity Strategy for 2030’s targets on

forestry and forest in non-EU countries. Cepi stressed that there is a need for a risk-based approach that reflect on the EU impact on third countries

**CEPF** stated that as this working group aims at working in symbiose with the EU Forest Strategy, it would be important for coherence of the work that the calendar of EU policy would be well aligned and coherent. CEPF reminded that it is also important to bear in mind the provision of EU-sourced raw materials and thus support comments made by Cepi. According to the published roadmap, the future EU Forest Strategy will have a strong economic dimension, CEPF asked how the EU Biodiversity Strategy for 2030 and the work of the Working Group Forests & Nature related work would be aligned with this dimension.

### **Answers from the European Commission**

With the question on competence, **the EC** said that about forests, the EU has shared competence with the member States. The EC stress that the WG Forests and nature included members from both environment and agriculture ministries from the Member States and is the only EU group so inclusive. In order to assure that the outcomes are developed in close connection with the Member States, the work on the guidelines is led by Member States. The EC assured that it works to ensure the best coherence between the EU Forest Strategy, the EU Biodiversity Strategy and the WG Forests & Nature, and that this consistency is further ensured by the EU Green Deal. The strong economic dimension of the EU Green Deal and its new growth model are a guarantee that the EU Biodiversity Strategy is not neglecting the economic aspect said the EC. Moreover, the WG is composed of representative from both nature and forestry administrations in order to ensure balance. The underlying principle of the WG Forests and Nature is to take into account equally bioeconomy, biodiversity and climate aspects,

### **The new EU Forest Strategy – DG AGRI**

#### **EC presentation**

AGRI made a presentation that is available on CIRCABC.

#### **Questions**

**CEPF** asked about the link between the EU Biodiversity Strategy for 2030 and future EU Forest Strategy. As an example, in case the EU would like to establish a traffic strategy, if it would start with a truck strategy and would afterwards request that cars, airplanes and cycling strategies would build on the trucks strategy, a normal citizen would find it strange and would probably call for consistency. In this context, it asked to explain why and how “the EU Forest Strategy will build on the EU Biodiversity Strategy”

**ELO** welcomed this presentation which has been long waited. It regretted that the roadmap does not see forestry through its holistic approach, is too much focused on biodiversity and does not mention bioeconomy and compensation mechanisms, which are important for forest owners. It called to develop the new EU Forest Strategy as a comprehensive tool.

**CEPF** called the new EUFS to show the way the EU will see how our forests contribute to achieve the EU goals. It indicated that if the emphasis is on protection, restoration and afforestation, it will not be possible to achieve our many goals in the future.

**COPA** expressed concerns that more protection means using less wood products. It reminded that over the last years, many efforts were made to mobilise wood and increase wood products and that this was a success. It called for the EUFS to send clear signals, actions and measures towards reinforcing bioeconomy.

**CEI-Bois** called for the new EUFS to be balanced and based on correct assessment of the state of EU forests considering climate change. It also asked for forest-based bioeconomy to be at the core of the new EUFS as this is the case for several national strategies. In this context, space should be given to encourage sustainable mobilisation of raw material and developments of the industry, including encouraging the use of secondary raw material. This would allow to implement the circular economy action plan and pave the way towards the renovation wave.

**EUSTAFOR** raised the inconsistencies between messages provided by different commission services which shows a need to ensure coordination among all forest related policies. It also asked how the Commission will ensure that what is developed under the different working group dealing with forest related questions, such as the WG on forests and nature or NADEG, will be coherent and prepared in synergy with other developments.

**Cepi** welcomed the Council conclusions and European Parliament resolution which both acknowledge the need for coherence and comprehensiveness. It regretted the fact that the roadmap is quite limited in terms of objectives and was interested to hear the EC to mention that the economic dimension was not forgotten. It also regretted the lack of emphasis on the entire forest-based value chain. It also asked about the timeframe for the new EUFS.

**CEPF** reminded that the daily work in EU forests is longer than political mandates and raised concerns on how the different EU policy initiatives dealing with forests work together without having one aspect dominating the other. It also asked about the legal basis of EU actions on forest-related matters which are mentioned in the roadmap.

**UNAC** supported EU Green deal objectives and reminded that European Society must be aware that to achieve these goals, we should not shy away from economic dimension of forests which are managed sustainably and deserve our respect.

**EURAF** regretted that the word “agro-forestry” is missing in the roadmap and offered to give a presentation on this sector during a future CDG meeting.

**COPA-COGECA** expressed concerns on the mention to “unsustainable practices” in the roadmap, which seems to oppose protection and management whereas management includes protection. This needs to be explained. In the context of economic crisis, it is essential to maintain the wood production function of forests which allows to guarantee jobs in rural areas. **COPA-COGECA** also reminded that the forest sector provides jobs that are useful to the society and needs to attract skills to support the functions of production, protection and social cohesion of forests. It also called to pay attention to public perception which can differ from the real situation on the ground.

### **Answers from the European Commission**

In answer to the comments, **EC** said that the new EUFS is not subordinated to the EU Biodiversity Strategy and that “building on” means that the EUFS should be coherent with the EU Biodiversity strategy as well as with other strategies. Regarding the emphasis on biodiversity, the EC reminded that the problem definition in the roadmap also mentions the strong economic dimension as well as innovation and promotion of new products. It also reminded that the roadmap is only a first step to collect comments with regard to the Commission’s intentions and that there will be soon a public consultation via an online questionnaire.

The **EC** also confirmed that multi-functionality will be an important element of the future EUFS which will be based on the 3 sustainability pillars: economic, ecologic and social. It acknowledged that the legal basis is an important question but that there is certainly a place for an EU dimension as there are many EU policies which have an impact on forests. It also informed that agroforestry will be mentioned in the future online public consultation questionnaire. Regarding the question on ensuring all the functions of forests, it reminded that all relevant EC DGs will have to agree on the new EUFS.

### **Mapping and Assessment of Ecosystems and their Services report (MAES) – Presentation of forest-related outcome – JRC**

#### **EC presentation**

JRC made a presentation that is available on CIRCABC.

#### **Questions**

**CEPF** asked about insights on the future of current forest business model. CEPF noted that today only 20% of ecosystem services provided by forest is valued, it is the production of timber. The remaining 80% are provided free to the public at the sole cost of the owners. CEPF asked how these 80% could be financed. CEPF also noted that the positive trends can be linked to forest management, to the contrary of the negative trends which are mostly linked to climate change.

**EURAF** noted that agroforestry is a good option to tackle forest fires not just in the Mediterranean and [shared a research paper on the topic](#). Euraf called for agroforestry to be more mentioned in the future.

**Cepi** thanked for making clear the big picture and stressed that to overcome, whenever possible, some of the challenges, both local knowledge and action as well as science based SFM practices and initiatives are needed. Cepi said research and action programmes should have and provide 'room' for partnerships with local schools and institutes with local actors, promote effective exchange of views and of experiences, as quite often only large research programs are 'sexy' enough to receive attention and funding at global level. Separate lines for support should be encouraged to help finding local solutions to global problems said Cepi.

**UNAC** supported Cepi statement.

### **Answers from the European Commission**

The **EC** answered that regarding to political aspects, they will be addressed in the new CAP and forthcoming EU Forest Strategy. MAES provided a technical report addressing the condition of EU ecosystems supporting 1) an evaluation of the 2020 biodiversity and ecosystems targets, and 2) a baseline for the 2030 biodiversity policy and EU nature restoration plan (as indicated in the presentation).

Concerning agroforestry, the EC noted that the report is not prescribe in this stand, it assesses the condition of ecosystems and provide options for policy. Note that agroforestry is included in the Agroecosystems chapter of the MAES report.

In addition, regarding the reporting from Member States under the Birds and the Habitats directives, the EC referred to newly published [State of Nature in the EU 2020](#).

### **EU 2030 climate target plan: Role of forests – DG CLIMA**

#### **EC presentation**

CLIMA made a presentation that is available on CIRCABC.

#### **Questions**

**CEPF** raised the importance of keeping the forest sector separated from others as this sector is not a problem but a solution and called for an evaluation of the real impacts of EU policies on forestry activities. It also asked to consider oversea departments when defining EU policies.

**EUSTAFOR** asked for more information about removals calculations and if the substitution effect of using wood was accounted in these calculations. It also asked further elements about the plan to increase forest sink to 300 million tons via the plantation of 3 billion trees and wondered if such plan is realistic given that no information about its implementation was made available yet. Finally, it asked what “*carbon markets for forest owners and managers*” means exactly.

**COPA-COGECA** raised the importance of the role of forests in fossil fuel emissions reduction and expressed concerns about the approach presented by the EC which is focused on forest sink. It reminded that in the middle and long term, such approach is not the solution as forests will become sources of emissions. It called to valorise the substitution effect of using wood and wood via a reward per ton of CO<sub>2</sub> saved. Finally, it supported measures to increase of absorption capacity of forests via sustainable and active forest management that allows an increase of productivity. COPA-COGECA also raised the fact that substitution effect is missing in national climate and energy action plans and asked if the inclusion of this effect should be mandatory. It also expressed concerns on carbon credits in forests to possibly reduce the use of wood and thus the potential to reduce emissions in other sectors via the substitution effect. Finally, it asked for more information about the way to calculate the forest reference levels (FRL) and if changes will be introduced.

**Cepi** supported COPA-COGECA remarks and questions on missing substitution effect in national climate and energy actions plans. Cepi stated that increased targets on sinks can send signals to other sectors that reduces the pressure to tackle their emissions, since removals in forests can compensate these emissions.

**CEPF** noted that the presentation from EC shows that managed forests will be better for climate than unmanaged forests and wondered how more incentives could be brought to forest owners.

### **Answers from the European Commission**

On the substitution effect, the EC confirmed that this is included via the 0 rating of biomaterial and bioenergy use and said that article 9 of the LULUCF regulation shows that wood products are favoured. It acknowledged that the use of wood in buildings is not rewarded directly and there is more work needed on carbon credit markets. Regarding the reduction 300 million tons of CO<sub>2</sub>, it clarified that this would not be achieved via forests alone nor afforestation alone. On the question on carbon markets, the EC indicated that there is a need to create a level playing field between carbon dioxide in wood and soil, which requires further work. Finally, on the need to increase forest productivity, it noted that EU Forest Strategy and the CAP should promote measures to increase such productivity and that there is still a need to learn what kind of measures would be good to increase biomass availability while at the same time preserving biodiversity.

In answer to the questions, the **EC** indicated that there is a separate reporting today for forests and confirmed that overseas are included and are mostly stable from climate perspective. On the one-sided approach, the EC does not want to over-rely on sink and supports the use of use via options that increase biomass availability without putting more pressure on existing forests (eg: agroforestry). It also noted that forests are not always sinks and it is not aware that EU forests may emerge as emissions. Regarding the balance of agricultural activities, the AFOLU framing that the EC will examine is based upon the standard reported data, with the full inclusion of the LULUCF sector in the EU level target (chapter 4 under the UNFCCC reporting exercise). Nevertheless, the EC will also look at reasons for and against, and ways to establish targets at Member State level in the impact analysis.

**EC** indicated that it is looking at different possibilities to assess the LULUCF target and that changes in the FRL approach are under discussion. It noted that managed forests could be better managed and that unmanaged forests (eg: old growth forests) are high carbon stock and therefore very good for climate. The business models that will be proposed to possibly revise the LULUCF regulation should be aligned with other policy constraints. These later will be considered in the legislative proposal preparation process.

### **Climate change adaptation strategy: State of play – DG CLIMA**

#### **EC presentation**

CLIMA made a presentation that is available on CIRCABC.

#### **Questions**

**EEB** asked if the adaptation strategy also consider the adaptation of the forest industry.

#### **Answers from the European Commission**

The **EC** answered that the coming adaptation strategy will also address market aspects, including value chain.

#### **AOB**

The Chair thanked Dan BURGAR KUŽELIČKI for his work and wished him the best in his new position.

## **5. Next steps**

The points for discussion that were on the agenda will continue to be debated in the next meetings.

## **6. Next meeting**

The next meeting of the CDG Forestry and Cork will take place on 8 June 2021.

## **7. List of participants – Annex**

### Disclaimer

*"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."*

List of registered participants– Minutes

**Civil Dialogue Group « Forestry & Cork » - Tuesday 24 November 2020**

MEMBER ORGANISATION	NUMBER OF DELEGATES
Confédération Européenne des Entrepreneurs de Travaux Techniques Agricoles, Ruraux et Forestiers/ European Organisation of Agricultural, Rural and Forestry Contractors (CEETTAR)	1
Confédération Européenne des Propriétaires Forestiers (CEPF)	8 (including Chair)
Confederation of European Paper Industries (Cepi)	2
European Agri-Cooperatives (COGECA)	5
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT)	-
European Agroforestry Federation (EURAF)	1
European Confederation of Woodworking Industries (CEI-Bois)	1
European Coordination Via Campesina (ECVC)	2
European Council of Young farmers (CEJA)	2
European Environmental Bureau (EEB)	3
European farmers (COPA)	6
European Landowners' Organization asbl (ELO asbl)	5
European State Forest Association (EUSTAFOR)	2
Fédération Européenne des Communes Forestières (FECOF)	1
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	-
Stichting BirdLife Europe (BirdLife Europe)	-
Union de selvicultores del sur de Europa, AEIE (USSE)	2
Union of European Foresters (UEF)	1
WWF European Policy Programme (WWF EPO)	-
<b>TOTAL:</b>	<b>42</b>