

Swedish Forest Industries' position on the new EU Forest Strategy

Summary

Forest-based products and sustainable forest management play important roles in reaching the objectives of the European Green Deal including climate neutrality by 2050. The new EU Forest Strategy should be a policy coherence enabler, create synergies and apply a holistic perspective on the benefits provided by forests, active forestry, and the circular bioeconomy.

In that vein, we would like to point out the following in relation to the strategy:

1. We agree that sustainable long-lived wood-based materials and products are key in the EU's green transition, but we would like to reinforce that **all sustainable wood-based materials and products play an important role, independently of their lifespans.**
2. We support the suggestion to work out **definitions for primary and old-growth forests**, in close cooperation between the Commission and Member States and considering the diversity of European forests.
3. We welcome the emphasis on **further restoration and nature conservation management**, provided the work is undertaken with Member State lead enabling adjustments for local and regional variations and a fair burden sharing between Member States.
4. We support **continued R&I in the forest-based sector** but would suggest a stronger focus on new forest-based products, innovations, and sustainable forest management.

We would also like to propose a number of additions, which are important for the Swedish Forest Industries' ability to support the strategy:

1. The strategy should **focus on the formulation of the key overriding objectives at the EU level, while the day-to-day forest management practices should be decided at national level.** The strategy should not determine what is "good" and "bad" forest practices as this varies significantly

Assure full contribution of the forest-based sector to the EU Green Deal

between Member States and forests depending on the type of forests, the climate zone, history of diseases, risk of forest fires, etc.

2. The strategy should **fully support the existing Forest Europe framework on indicators and criteria for sustainable forest management (SFM)**, to which the EU and 46 European countries are signatories. It includes agreed guidelines, 45 indicators and criteria, continuously developed and adapted by academics, NGO's, and Member State experts.
3. The strategy should, in full respect of the subsidiarity principle and Member States competence as regards forestry, **support Forest Europe's framework for data collection, instead of developing parallel legislation** on EU Forest Observation, Reporting and Data Collection. The strategy should furthermore **decline from defining coordination of Strategic Plans for Forests at EU level.**

Background

The new EU forest strategy for 2030 is a very important document. Although non-binding it sets the trajectory for how the EU approaches forestry for years to come. That is why it needs to apply a holistic perspective on the benefits provided by active forestry and the circular bioeconomy. Forest-based products need to be recognized as essential for reaching the objectives of the European Green Deal. The strategy should focus on the key overriding objectives at the EU level, while the day-to-day forest management practices should be decided at national level.

Detailed comments on separate sections of the new EU Forest Strategy

SECTION 2:

Supporting the socio-economic functions of forests for thriving rural areas and boosting forest-based bioeconomy within sustainability boundaries

The strategy states that “Sustainably-produced and long-lived wood-based products can help to achieve climate neutrality by storing carbon and substituting fossil-based materials, in particular through their embodied carbon add to carbon removal that otherwise takes place through biological processes”. The Swedish Forest Industries fully agree with this statement, but would like to expand it, since **all sustainable wood-based materials and products play an important role in the green transition, independently of their lifespans.**

All different wood-based products are important in climate change mitigation, providing carbon storage and/or substitution, displacing fossil resources. Products of a shorter lifetime also contribute towards a more low-carbon and circular economy and are important products for our welfare and health demonstrated by products such as packaging material, toilet paper, diapers, sanitary pads and tampons.

When practicing SFM, **the whole tree is used in a resource efficient way in integrated value-chains**, resulting in both long- and short-lived products being produced simultaneously. To produce high-quality wood suitable for construction, the forest must be thinned. The small-diameter wood from these thinnings, as well as the side-streams from production of long-lived products, are used to produce pulp, paper, board, and energy. **Different products should therefore not be put against each other**, as they are complementary.

As for the principle of cascading, it is a sound and essential principle for the forest-based sector and already a market-based reality. Cascading use should not be regulated at the EU level, as forest-based value chains differ between and within the Member States, they vary and develop in content and efficiency over time. The “correct use” of raw material is therefore difficult to define in a way that suits all forests and all Member States and would risk hamper innovation and investments in the bioeconomy.

Initiatives on promoting non-wood forest-based bioeconomy through different collaboration and cooperation programs are positive and can be of importance in rural areas and for the local economy, especially regarding nature tourism. It is important to always involve the forest owners in any such actions or initiatives. The same goes for initiatives to develop skills.

SECTION 3:

Protecting, restoring and enlarging EU’s forests to combat climate change, reverse biodiversity loss and ensure resilient and multifunctional forest ecosystems

The Swedish Forest Industries agree with the objective set in the introduction of this section, namely that **the forests need to be resilient and adaptable to continue to deliver ecosystem services and socio-economic and environmental functions.**

Given the great variety of forest types, owners, management traditions and nature types in Europe, **each country and its forest owners are best suited to choose and adapt specific management measures**, while respecting overall forest and environmental objectives.

Against this background we have the following comments/suggestions:

Primary and old growth forest

The protection of forests is an important and integrated part of forest and environmental policy in most Member States. In Sweden, the area of voluntary forest set asides, made by forest owners without any payment from the state, is even bigger than the total area of formally protected productive forest land. The proposal to put all primary and old growth forests under strict legal protection requires relevant, accepted, and reasonable definitions of the two concepts. This is, however, not the situation today. **We therefore support the suggestion in the strategy to work out definitions for primary and old-growth forests in close cooperation with Member States taking into consideration the diversity of European forests.**

It is important to remember that the protection of old forests is an action for biodiversity purposes, but not for climate change mitigation. Old forests act of course as a carbon stock, but not as a carbon sink, as with the ageing of trees and the closing of forest canopies, forests’ growth and capacity to remove carbon declines¹. Instead, **the most effective way to mitigate climate change is to increase forest growth and to use the biomass to produce wood-based products which can substitute fossil-based materials and energy.** Using old forests as a carbon stock also includes a risk as the stored carbon will be emitted if the forest is affected by a fire, a storm felling or other disasters.

¹e.g., Pugh et al. 2020: Role of forest regrowth in global carbon sink dynamics, (PNAS), Gundersen et al. 2021: Old-growth forest carbon sinks overestimated, (Nature).

Forest restoration

Sustainable forest management practices that preserve and restore biodiversity, promote the growth of vital and resilient forests, and develop recreational and social values are cornerstones of Swedish forest policy. **We therefore welcome the emphasis in the strategy on the need for further restoration and nature conservation management, mainly in set aside areas.** In this context, we want to highlight that any EU restoration policy development must be based on the recognition that we have a great variety of forests in Europe. A one-size-fits-all solution does not exist; instead, adjustments for local and regional variations are a must. Member State lead on work related to restoration and forest management practices must be acknowledged.

Forest management practices

The strategy points out “good” and “bad” forest practices respectively, where continuous-cover forestry is an example of good practice, and clear-cutting is an example of bad practice. Forest experts, however, agree that **it is not possible, to define such “good” and “bad” practices without taking into account the context, e.g. the type of forest, the climate zone, history of natural diseases, risk of forest fires, etc.** The Swedish Forest Industries are therefore convinced that an EU forest strategy, in full respect of the subsidiarity principle and Member States competence as regards forestry, cannot determine these practices and should instead focus on the overall objectives. The day-to-day forest management practices should be left to the national level in line with the EU Treaties.

In the early 1990s, production and environmental objectives were given equal weight in the Swedish forest legislation and clear-cutting has been aligned with high environmental standards for promoting biodiversity. Nordic forests are today managed with the highest environmental concerns and nature-based methods, resulting in a positive development for biodiversity. The Swedish Forest Act requires for example that deadwood is preserved and created to promote wood-living insects. The **positive impacts of the clear-cutting practice on biodiversity** include increased amounts of deadwood, increased share of deciduous trees, and promoting flora and fauna that prefer open, sun-exposed habitats. These impacts are apparent in national statistics and scientific reports.

Additionally, **there is a biological basis for the clear-cutting practice related to the ecological structure and function of boreal forest ecosystems**, being characterised by slow growth, i.e., low productivity, and nitrogen deficiency. To promote forest growth, nitrogen needs to be mobilised, which happens via disturbance to the soil and the ecosystem. Clear-cutting is one such way of disturbing the ecosystem and thus, a way to promote tree growth in boreal forests.

Sustainable Forest Management

The strategy suggests that the Commission together with Member States should identify additional indicators as well as thresholds or ranges for sustainable forest management concerning forest ecosystem conditions, such as health, biodiversity and climate objectives. We believe that **starting a parallel process to Forest Europe on SFM would be counter-productive.**

Within Forest Europe, to which EU and 46 European countries are signatories, comprehensive indicators and criteria for SFM already exist and are continuously developed. Its agreed guidelines and 45 criteria and indicators have been developed together with academics, non-governmental organizations, and Member State experts. The indicators allow for regional and local interpretations and adaptations and are both quantitative and qualitative. This ensures that target-setting for SFM can be evaluated – but the criteria are also general enough to ensure wide applicability.

The most important aspect of SFM is that it is adaptable and continuously developed. This is acknowledged in Forest Europe’s first indicator for SFM: an active national forest programme (NFP) or equivalent. At the same time, Forest Europe is in itself an arena for developing SFM between its signatory countries and the EU. **By-passing Forest Europe with, for example, EU legislation in the development of SFM risks reducing national confidence in common policy development in Europe.** Developing new criteria, indicators and quantified thresholds for sustainable forest management is the responsibility of Member States. The Commission is very welcome to support and contribute to that work, instead of developing a separate process.

SECTION 4: Strategic forest monitoring, reporting and data collection

The Strategy identifies a potential for improvement around monitoring and data collection. We fully support the view that better data and information enables better decision making. However, **the proposal to develop legislation on EU Forest Observation, Reporting and Data Collection, including a Strategic plan for forests, risks leading to detailed regulation at the wrong level.**

Furthermore, much of the data asked for is already today collected within the framework of Forest Europe. Instead of developing a parallel system, it would be more efficient to further develop and improve this system.

SECTION 5: Research and innovation

There is always a need for resources on research and innovation. We believe, however, that the Strategy should have had **a stronger focus on new wood-based products and innovations as well as further development of SFM for increased growth and efficient nature conservation methods.**

To secure global competitiveness, continuous improvement and innovation along the whole forest-based value chains are vital. By improving resource efficiency along the value chains and by developing new or enhanced smart products and solutions, the value-adding can be further enhanced.

The suggested establishment of a research and innovation partnership on forestry might be a way forward, but this partnership must build on the already existing EU R&I cooperation's, such as the European Forest-based Sector Technology Platform (FTP) and the European Forest Institute (EFI). Under the umbrella of FTP, foresters and forest owners, together with other stakeholders and researchers of the European forest-based value chain in 25 countries, have agreed on a European Strategic Research & Innovation Agenda². This agenda covers all aspects of R&D&I on forests, forestry and forest-based sector. Any new research and innovation agenda must build on and be harmonized with this key document and the Partnership should recognize the existing role of the European forest-based sector.

²STRATEGIC RESEARCH AND INNOVATION AGENDA 2030 OF THE EUROPEAN FOREST-BASED SECTOR https://www.forestplatform.org/wp-content/uploads/2020/05/SIRA_2030.pdf

THE SWEDISH FOREST INDUSTRY is an essential contributor in the green transition to a more circular and biobased economy. The industry refines wood resources to bio-based products, such as pulp, paper, board, packaging material, sawn timber, refined wood products, biobased electricity and heat and advanced biofuels. The core business is industrial activities based on wood sourced from sustainably managed forests, but among the industry are also some of the largest private forest holdings in Europe. Any forest, climate, environmental, energy and product related European Union policy is of high importance.

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