

# Private forest owners call for an ambitious update of the EU Bioeconomy Strategy

On 16 November 2017, the European Commission published a review of the 2012 EU Bioeconomy Strategy. The review underlines some crucial bioeconomy developments in several Member States, such as the development of national and regional bioeconomy strategies. Furthermore, an increase in research funding related to bioeconomy topics has paved the way to a more bio-based economy in the EU. However, the review not only stresses the lack of coherence between objectives in the strategy and actions in the Action Plan but also calls for more coherent policies overall and a more favourable business environment to attract more investments to the EU. Thus, the Confederation of European Forest Owners call for an ambitious and inclusive update of the strategy and its Action Plan in 2018 by outlining three key asks for policy makers.

1

**Further mobilization of EU-grown biomass – a starting point for a flourishing bioeconomy**

2

**A stable and coherent policy framework is needed to mainstream the bioeconomy**

3

**Promote the use of wood-based products, bioenergy and development of sustainable rural and urban areas**

The Sustainable Development Goals of the United Nations and the Paris Agreement reveal the need to align the new EU Bioeconomy Strategy and Action Plan to better reflect EU's sustainability challenges. In this context, sustainable and multifunctional forestry and the forest-based sector play a key role in delivering solutions to reaching most, if not all, of the Sustainable Development Goals (SDGs) and the climate change mitigation and adaptation goals of the Paris Agreement.

More than 40% of EU's land area is covered with forests; a sustainable source of timber, pulp, paper and energy, providing the largest non-food renewable resource for a sustainable bioeconomy, growth in rural areas and around 4 million jobs in forestry and related industries. At the same time, Europe's forests sequester carbon from the atmosphere as they grow and deliver multiple goods and ecosystem services such as biodiversity, drinking water, non-wood forest products and recreational spaces. Consequently, forestry and the forest-based sector have a crucial role not only tackling challenges related to climate and environment but also challenges related to social and economic sustainability.





Sustainable, multifunctional forest management and the forest-based sector play a key role in achieving Sustainable Development Goals, for example by providing climate action, sustaining life on land, delivering work and economic growth, enhancing responsible production and consumption, boosting industry innovation and infrastructure, creating sustainable cities and communities, enhancing good health and well-being and providing clean energy. The bioeconomy is a key concept to boost the potential of the forest sector to deliver solutions to these multiple challenges.

The competitiveness and economic prosperity of the forest sector is a prerequisite for a sustainable development of the environmental and social functions and services provided by forests. Hence, the bioeconomy can serve as a key concept to tap into and boost the potential of the forest sector to deliver solutions to these multiple challenges. The new initiative on the 2012 EU Bioeconomy Strategy and Action Plan should therefore better support forest sector growth, employment and competitiveness as well as the mobilisation and use of wood in order to ensure the contribution to SDGs and the Paris Agreement.

In order to fully reflect all possibilities the forest sector can provide to the future bioeconomy, three key elements should be addressed in the update of the EU Bioeconomy Strategy and Action Plan: 1) further mobilising EU-grown biomass, 2) providing a stable and coherent policy framework and, 3) promote the use of wood-based products, bioenergy and development of sustainable rural and urban areas.

1

## Further mobilization of EU-grown biomass – a starting point for a flourishing bioeconomy

EU-grown sustainable biomass is the first enabler of an EU bioeconomy and further boosts the vitality of the entire value-chain. Promoting and supporting sustainable biomass production and mobilisation in the EU is key to further developing the bioeconomy, and consistent with worldwide sustainable development based upon renewable resources. This should be better addressed through the revision of the EU Bioeconomy Strategy and Action Plan. Involvement of forest owners in the bioeconomy decision making processes is of utmost importance to strengthen partnerships between different actors of society.

The sustainable production of biomass strikes a balance between the economic, social and environmental aspects of sustainability, which are interdependent and mutually strengthen one another. Taking full account of the untapped potential of the EU's own sustainably produced renewable resources and

multipurpose sustainable forest management would reduce the dependency of raw material imports from outside the EU. Moreover, the EU should also put a clearer emphasis on renewable resources over fossil raw materials. This could be done by ending consumer and producer subsidies supporting the use of fossil fuels. The substitution of fossil-based materials and the increase of biomass mobilisation and better use of co- and by- products are crucial. In this context, measures to develop and strengthen biomass production and forestry value chains are needed. This could be achieved with changes in taxation and regulations, but also by creating market-based tools and incentives to support the change. Furthermore, a future Common Agricultural Policy and Rural Development Policy that fully recognises the importance of forestry and supports this via forestry measures and adequate funding is crucial.

Moreover, the EU Bioeconomy Strategy and Action Plan should acknowledge and further continue to support research and innovation and engage forest owners to invest in sustainable forest management with sufficient incentives and subsidies. Investments in sustainable forest management ensure a healthy and continuously growing resource that is available for a variety of different products and services, without compromising the sustainability of forests. Furthermore, ecosystem services like water management, recreation, soil protection and biodiversity should be better valued and financially supported when there are no such markets available.

## **2 A stable and coherent policy framework is needed to mainstream the bioeconomy**

A special emphasis should be put on increasing coherence of relevant EU policies and developing long-term stability and predictability of the operational environment to create new innovations, investments and ensure efficient use of public funds. Ideally, the bioeconomy should become an overarching strategy at global level.

Synergies between the EU bioeconomy and other policy fields, such as the EU's Common Agricultural Policy, the Circular Economy Package, the 2030 Climate and Energy Package, the EU Forest Strategy, the EU Biodiversity Strategy, the recast of the Renewable Energy Directive, and research and innovation policies should be addressed keeping in mind the transition towards the bioeconomy. In this context, it is important to highlight how existing legislation ensures the sustainability of biomass for all types of uses. Having many outlets for the biomass, also for low-grade assortments, is key for ensuring the economic viability of forestry and thereby enabling better management of the forest.

Coherence and connections between circular economy and bioeconomy should be promoted to create synergies for a more sustainable EU "circular bioeconomy" which would focus on decreasing dependency on fossil raw materials by promoting the use of renewables in a resource efficient way. A circular bioeconomy is the optimal way towards a carbon neutral society where social, economic and environmental sustainability is achieved.

Alongside policy coherence, also coherence between different policy levels should be ensured. Acknowledgement of regional differences at EU level is crucial and regional and national bioeconomy strategies play an important role when taking the EU Bioeconomy Strategy and Action Plan to the next level.

## 3

## Promote the use of wood-based products, bioenergy and development of sustainable rural and urban areas

When moving away from the current dependency on fossil-based materials and fuels, the promotion of wood as a renewable, domestic and climate-friendly raw material in the future EU bioeconomy initiative is essential. Alongside more traditional uses of wood, such as timber, pulp, paper and bioenergy, the forest sector has a huge potential to provide society with an increasing amount of sustainable solutions for sectors such as textiles, construction, plastics, chemicals and intelligent packaging. Furthermore, services such as tourism provide opportunities to create new businesses and prospects to rural areas.

Furthermore, barriers between fossil-based materials and bio-based materials should be eliminated. Many potentially beneficial sectors within the bio-based value chain are currently severely lacking in incentives to invest in developing new bio-based products and processes. This is largely because fossil-carbon based products are already produced at a large scale and rarely have to meet sustainability criteria or prove it. This creates a series of barriers that perpetuate the linear, extract-produce-dispose-emit fossil carbon 'business as usual' model.

Integration along the entire value chain to the bioeconomy is essential. The bioeconomy does not just deal with renewable resources, but also covers developments of both rural and urban areas and cultural changes. In contrast to the fossil economy, the resource base for the bioeconomy is local in nature and available throughout Europe, being in the hands of millions of forest owners and farmers. The future of the bioeconomy is dependent on establishing links between companies and regions, research, industry, production and energy, agriculture, forestry and consumption. Creating links between these areas helps establish a sustainable economic model that tackles common climate and environmental challenges by reconverting the economy and encouraging the economic development to provide new job opportunities in both rural and urban areas. In this context, it is crucial to ensure an inclusive development of the bioeconomy, where value is distributed along the entire value-chain and benefits are ensured also for those at the beginning of the chain.

The Confederation of European Forest Owners (CEPF) is the umbrella association of national forest owner organisations in Europe. Representing family forestry in Europe, CEPF promotes the values of sustainable forest management, private property ownership and the economic viability of the forest sector. Based in Brussels, CEPF is a non-profit organisation, representing nearly 16 million forest owners. These are private individuals, families and cooperatives, which take care of approximately 60% of the European forest area.