

PRESS RELEASE

Why sustainable forest management is not considered as a green investment?

Brussels, 28 November 2022 - **The final recommendations for biodiversity and ecosystems of the Platform for Sustainable Finance are now published. From this contribution, the European Commission will prepare its Second Delegated Act on Taxonomy. European forest owners are disappointed with the final result and trust that the Commission would consider a more practice-oriented approach.**

Maria Pohjala, CEPF Policy Advisor and one of the members that contributed to the work of the Platform, underlined that *“CEPF could not endorse the Technical Screening Criteria on the ‘forestry and logging’ activity for biodiversity and ecosystems. This was due to remaining three unresolved issues: the arbitrarily chosen forest management categories, the unimplementable thresholds for biodiversity measures, and last but not least the incomplete scientific basis.”*

Firstly, the criteria as they stand now present forest management categories which are in contradiction with the existing forest management practices due to unimplementable concepts, definitions and criteria. In addition, there is an insufficient consideration of relevant local circumstances which could hamper the success rate for actual biodiversity and ecosystem conservation actions.

Second, the thresholds for biodiversity measures as they stand are not implementable at management level and will lead to significant and unnecessary complexity for forest owners who would like to follow the criteria. Lastly, the scientific literature used as a basis for the criteria is not comprehensive and non-consensual. A complete analysis of existing literature is missing, which has been addressed by the scientists who reviewed the criteria.

Furthermore, the criteria are setting thresholds that do not take into account provisions of national forest legislations, which will not support a successful implementation.

European private forest owners have concerns on the fact that the baseline hypothesis of the criteria assumes that sustainable, multifunctional forest management in most cases does not deliver substantial contribution to biodiversity.

“The voice European forest owners has not been well heard during the process. Although public consultation provided valuable comments about the one-sided scientific-evidence in the criteria preparation as well as the applicability of the criteria, these comments had only minor changes in the final approach.”, says Ms. Pohjala.

As a result, the great majority of European forest owners would not be able to fulfil the criteria and access a possible taxonomy compliant financing. This could hamper forest owners’ long-term engagement in managing their forests and keeping them in a good condition, while making active and substantial contributions to biodiversity conservation. Additionally, it would be in total opposition to the goal to decarbonise the European society and the needed contribution that the forest-based value chain can deliver.



As CEPF could not support the adopted criteria on forestry and logging, a more practice-oriented and implementable approach had been developed. The framing for this locally suited alternative approach for biodiversity enhancement is described in the Annex 1 of [the final recommendation](#) of the Sustainable Finance Platform. CEPF hopes that in the next steps, this contribution will be of good use to the European Commission in its preparation of the Second Delegated Act.

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