

CEPF response to the EC call for feedback on the new EU Bioeconomy Strategy

The Confederation of European Forest Owners welcomes the planned arrival of a new EU Bioeconomy Strategy. It is a unique opportunity in the first half of the new EU political cycle to set Europe's strategic policy directions around the circular, renewable- and forest-based bioeconomy at the heart of the EU policy landscape on competitiveness, strategic autonomy, and climate change mitigation. It is of paramount importance, that the forest-based value chain can contribute to its full potential for Europe's growth and security, as well as climate change mitigation through all three pillars of sustainability.

Europe needs a strong, vibrant and decentralised and circular forest-based bioeconomy with rural areas at heart. The urgent need to shift away from fossil resources, as well as the new geopolitical reality of Europe calls for solutions which ensures the supply of locally sourced, sustainable and renewable materials for a wide range of economical use. As Europe's global partners are increasing efforts in bioeconomy development, the EU cannot afford to stay behind but should lead at the forefront of a sustainable economic transition. To secure new investments for the EU bioeconomy, a long-term vision and political commitment to develop are much needed.

Following up on the Conclusions of the Council of the EU¹²³⁴, European forest owners call for a coherent and simplified EU bioeconomy framework which is built on a harmonised and clear definition of the bioeconomy, incorporating the circular economy approach. As the definition for bioeconomy is wide and varies between policymakers, CEPF underlines that forest-based bioeconomy consists of the whole value chain starting from forest owners and continuing through various forest-based industries, covering all forest-based products. The already existing and highly developed bioeconomy processes around Europe should be well-acknowledged in the EU's future bioeconomy policies.

Current forest-based innovations enable the production of a range of wood-based materials – from construction materials, textile fibers and renewable wood-based fuels, to innovative applications as bio-chemicals – that all play a key role in substituting fossil fuels and fossil fuel-

¹ April 2023 <https://www.consilium.europa.eu/en/meetings/agrifish/2023/04/25/>

² April 2024 <https://www.consilium.europa.eu/en/meetings/agrifish/2024/04/29/>

³ November 2024 https://finlandabroad.fi/web/eu/policy-papers/-/asset_publisher/KDx1Wy2HoxB2/content/bioeconomy-next-steps-in-the-eu-joined-by-estonia-finland-latvia-lithuania-portugal-and-sweden-on-11-november-2024-2-1/384951

⁴ December 2024 <https://www.consilium.europa.eu/en/meetings/agrifish/2024/12/09-10/>

based materials. Bioeconomy policies should not only cover biotechnology but encompass the whole value chain where the forest-based bioeconomy – and forest owners plays a central role.

Enhancing the market access for products derived from the EU bioeconomy is a prerequisite for a thriving forest-based value chain. To boost markets for bioeconomy, forest owners oppose any legislation on cascading principle for biomass, as the markets are already allocating forest biomass to most value-added products, taking into account local constraints.

Regarding the biomass availability, as a cornerstone for future bioeconomy, forest owners can contribute to producing sustainable materials while keeping the forests healthy and resilient by enhancing forests long-term growth with active and committed sustainable management practices. A focus on forest carbon sinks at the expense of other functions is not a preferred policy option. Balance should be ensured between sink, storage and substitution functions.

The new strategy is an opportunity to maintain and enhance forest owners' motivation to manage their forests actively and sustainably. Forest owners understand that the long-term provision of biomass relies on healthy, resilient forest ecosystems, which is why biodiversity is a core element of active sustainable forest management.

The EU Bioeconomy Strategy must ensure that biodiversity targets are addressed through locally adapted and economically viable practices, which could potentially be rewarded under voluntary, market-based frameworks. Considerations related to biomass sustainability should build on existing framework (Forest Europe), rules set in national and regional legislations, and certification schemes.

Utilizing the benefits of the forest-based bioeconomy to its full extent would also mean acknowledging and taking into account the substitution effects not only for long-lived products but for the full range of products from sustainably managed multifunctional forests.

Considering the substitution effect of forest-based products, bioeconomy and climate change mitigation policy instruments should be closely interlinked in the design of new EU climate legislation and the evaluation of existing ones in the new EU political cycle.

The next EU Multiannual Financial Framework (MFF) must reflect the need for robust research and innovation funding, with clearly defined and fit-for-purpose project calls for the forest-based bioeconomy under the EU Horizon Programme.

To put evidence-based policies into meaningful practices, European forest owners call for a non-excessive, simple and predictable regulatory environment, embracing market-based approaches. Thus, a strong position of forest owners in the forest-based value chain is essential for a well-functioning circular forest-based bioeconomy.



Confederation of European Forest Owners