EUROPEAN PANEL FEDERATION
WOOD-BASED PANELS

European Commission
DG CLIMA.C3

Brussels, 8 November 2021

EPF feedback on the land use, land use change & forestry – review of EU rules

The European Panel Federation (EPF) warmly welcomes the possibility to provide feedback on the review of the Land use, land use change & forestry rules as part of the 'Fit for 55' package. Reaching net-zero greenhouse gases emissions by 2050 and negative emissions thereafter requires both important carbon emissions reductions and carbon removals from the atmosphere. The new 2030 EU target of net greenhouse gas removals as proposed in the revision of LULUCF is therefore of the utmost importance if we are to meet the objectives of climate neutrality.

It is indeed essential to establish incentives to enhance carbon stocks and **increase removals in sustainably sourced and climate positive harvested wood products** especially for construction, renovation for energy efficiency and furniture allowing for the substitution of other carbon intensive materials. Developing sustainable streams of carbon from biomass is clearly the way forward. Therefore, EPF welcomes the more explicit pathway proposed in the revision of the LULUCF rules towards new products specifically with the focus on harvested wood products in Article 9. Resource efficient and sustainable circular bioeconomy has indeed a major role to play in carbon removals by reducing waste, keeping materials in use for as long as possible and always retaining the highest value of materials and products in line with cascading principle and the waste hierachy.

In this respect, EPF asks the Commission to consider the following when negotiating with the co-legislators:

- Foster recycling to maintain sustainable carbon cycles by establishing well-functioning markets for wooden secondary raw materials before eventual end of life energy recovery to avoid further pressure on natural resources and distortive effects on markets for by-products, wastes or residues.
- Maximise resource availability by introducing targets for the exclusion of bio-based materials from entering landfill.
- Guarantee that carbon credits reward carbon storage in forest biomass only when the timber enters the market to help unlock the full potential and climate benefits of a sustainable and circular EU forest-based bioeconomy.
- Develop a comprehensive, verifiable and science-based carbon removals certification system ensuring the authenticity of removals and rewarding carbon storage and substitution of other carbon intensive materials by climate friendly nature-based materials such as wood throughout their whole life cycle.
- Ensure that all forest biomass used for bioenergy with carbon capture and storage is sourced in full compliance with the sustainability criteria and in line with the cascading principle and the waste hierarchy to ensure the long-life cycle carbon storage and that the recycling of waste is always the priority option.

European Panel Federation
Rue Montoyer 24, 1000 Brussels, Belgium
Tel +32 2 556 25 89 - info@europanels.org - www.europanels.org
EU Transparency Register: 572064811767-22 – IBAN: BE33 4268 1660 1346 – VAT: BE 0464.722.149

EUROPEAN PANEL FEDERATION
WOOD-BASED PANELS

- Make sure that the remuneration scheme for carbon removal/farming certification that will be proposed to encourage the usage of wood construction products targets all manufacturers including panels to reward and foster circularity and resource efficiency while guaranteeing a level-playing field.
- Ensure consistency with other EU climate policies to create a competitive industrial market for recycling and long-lasting storing carbon.

To conclude, **EPF believes that incentivising the carbon storage in harvested wood products to promote a sustainable forest bioeconomy while increasing carbon removals is an important step forward for achieving climate neutrality**. European woodworking industries are pioneers of circularity and carbon neutrality. In this respect, circular bioeconomy holds a huge potential especially in the framework of the implementation of the 'Fit for 55' package, the deployment of the Bioeconomy Strategy, the Renovation Wave Strategy and the New European Bauhaus initiative to help turn the built environment from a source of GhG emissions into a carbon sink, as specifically called for by EC President von der Leyen.

EPF represents the manufacturers of wood-based panels being particleboard, dry process fibreboard (MDF), oriented strand board (OSB), hardboard, softboard and plywood. EPF has members in 32 European countries. The EU wood panel industry has a turnover of about 22 billion euro every year, creates over 100,000 jobs directly and counts more than 5,000 enterprises in Europe. The production of wood-based panels in the EU-27 (+EFTA) in 2020 was an estimated 58 million m³. *www.europanels.org*

Ref: 2021- 035

European Panel Federation
Rue Montoyer 24, 1000 Brussels, Belgium
Tel +32 2 556 25 89 - info@europanels.org - www.europanels.org
EU Transparency Register: 572064811767-22 – IBAN: BE33 4268 1660 1346 – VAT: BE 0464.722.149