



Recommendations of the European forest-based sector on the proposal for a regulation on deforestation and forest degradation

Brussels, 12 September 2022

The European forest-based sector would like to share some voting recommendations on the proposal for a regulation on deforestation-free value chains ahead of the Plenary vote of 13 September 2022, to ensure that it remains effective and implementable.

The forest-based sector, which included the woodworking industries, the industries manufacturing pulp, paper and paper products, the furniture industry and the printing industry are supplied essentially from European forests¹, which are managed sustainably for multiple purposes, while also making efficient use of secondary sources such as residues and waste materials. Our recommendations:

- 1) The key priority is to have a definition of **forest degradation** that is as clear and operational as possible. This is necessary to avoid that operators who source wood from sustainably managed forests are put in a situation of legal uncertainty. The proposed definition is too open to interpretation and may even hinder sustainable management practices and/or forest restoration activities, as those often require to bring changes in species composition to adapt forests to changing climate.

We therefore suggest to support AM 249 by ECR.

- 2) The term '**forest conversion**' in the context of this proposal is not justified and should be removed. Namely, conversion of forests to other land-uses is covered by the definition of deforestation, and therefore there is no need for duplication. More alarming, introducing this new term of 'forest conversion' in sense of changes in composition, structure, and function of forest ecosystem will hinder necessary forest management practices, including those for climate adaptation. Therefore, the regulation will become also a tool to regulate and limit forest

¹ Over 56% of wood supply to the EU comes from domestic removals, around 19% from wood by-products of the wood industries, and 4% from post-consumer wood. Source: European Commission, EIP on Raw materials, Raw Materials Scoreboard 2021.

management, undermining Member States' legal provisions and going against the principles of subsidiarity and proportionality.

We suggest to support ECR split vote on AMs 1-4, 8, 11-14, 17, 18, 21, 29, 32, 38, 39, 41, 44-46, 63, 73, 79, 81, 133, 204-208, 213, 228

- 3) The requirement to provide **geolocation coordinates** presents a challenge to the forest-based sector for technical reasons. Delineation of plots of land by polygons is not common practice among forest owners. Moreover, for certain products it is not possible to always pin down the specific location of origin, but operators would be able to give information about the potential areas of origin. In such scenarios, the information requirements should permit operators the flexibility to list potential sources of origin, provided each of those locations can be proven to be 'deforestation-free'. The obligation for operators to provide plot-level/production area level geo-localisation data should also not apply for commodities that are sourced from countries classified as low-risk.

We suggest to support AM 252 and 255 by ECR.

- 4) We ask to recognize the value of high-standard, international voluntary certifications. **Third-party certification** provides an added credible source of due diligence and verification which can supplement the operator's own efforts without reducing liability.

We suggest to support AM 244 by EPP and AM 261 by INTA.

- 5) We welcome the inclusion of **printed products and wood charcoal** in the scope of the Regulation. This allows to create an even playing field for manufacturing industries located within or outside the EU and avoids the risk of circumvention.

We suggest to support AM 237 cp 3 by Committee.

- 6) Several articles empower the Commission to adopt **Delegated Acts** to change crucial parts of the regulation, such as the scope of the regulation or the due diligence requirements which operators would have to fulfil. The impact that these changes could have is too high, to simply be extended by a Delegated Act. Therefore, new requirements for operators should only to be decided in co-legislation, i.e. together with the European Parliament and Council.

We suggest to support ECR separate votes on AMs 123, 129, 186, 123D=253D, 254D, 258D, 259D, 248D

Finally, we would like to point out that the newly introduced obligation to make available to the competent authorities a due diligence statement via the information system

referred to in Article 31 entails an additional administrative burden and may force operators and large traders to disclose confidential information along the value chain.

The undersigned organisations remain available to provide more detailed explanations:

CEI-Bois – The European Confederation of Woodworking Industries

CEPI – Confederation of European Paper Industries

CEPF – The Confederation of European Forest Owners

CITPA – The International Confederation of Paper and Board Converters in Europe

EFIC – European Furniture Industries Confederation

EOS – European Organisation of the Sawmill Industry

EUSTAFOR – The European State Forest Association

FEFCO – The European Federation of Corrugated Board Manufacturers

FEP – The European Federation of the Parquet Industry

IKEA of Sweden AB

INTERGRAF – European Federation for Print and Digital Communication