

European Commission

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EPF feedback on the draft implementing regulation amending Article 38 of the Monitoring and Reporting of Greenhouse Gas Emissions - Implementing Regulation (EU) 2018/2066

The European Panel Federation (EPF) warmly welcomes the publication of the draft implementing regulation amending Article 38 of the Monitoring and Reporting Implementing Regulation (EU) 2018/2066.

EPF believes that it is essential to ensure a robust, efficient and harmonised implementation of the provisions under Article 38 to guarantee fair access to the biomass raw material market for the continued development of innovative, high value-added carbon storing bio-based solutions, such as wood-based panels. In this respect, it is of the utmost importance to fully implement the principles of the circular economy, of biomass cascading use, and of the waste hierarchy to enhance carbon cycles in harvested wood products. The availability and sustainable supply of biomass to is critical to maintaining forest carbon sinks, ensuring predictability and unlocking the full potential of EU circular bioeconomy.

As Member States are encouraged to use market-based instruments such as the EU Emissions Trading System (ETS), and since zero rate will apply to all biomass under the ETS, it is important to avoid negative environmental impacts by discouraging the use of unsustainable biomass in the ETS sectors. To ensure the avoidance of biomass market distortions, EPF proposed in 2020 to establish a consultation system at national, regional or local level to verify whether applicants for biomass energy support comply with the sustainability requirements of the Renewable Energy Directive (RED). Such a process could be implemented within the operational guidance for member states and operators on how to demonstrate compliance with the new sustainability criteria for forest biomass that is expected to be soon adopted.

EPF believes that a coherent approach is necessary when reviewing the rules of RED together with the Forest Strategy, the Biodiversity Strategy, the revision of the LULUCF and the EU ETS. It is essential that future biomass availability is secured for all users on a level playing field basis, free from market distortions driven by subsidies.

In order to ensure consistency between the different European policies impacting EU forests, it is of the utmost importance to ensure that there is enough biomass for the whole European circular bioeconomy ecosystem. This is needed to turn the built environment into a carbon sink by using nature-based materials and reach climate neutrality by 2050, as called for by EC President von der Leyen. A consultation process would help to deliver this.

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.europanel.org

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