

EPF feedback on the Proposal for a Regulation establishing a Union certification framework for carbon removals COM(2022) 672

The European Panel Federation (EPF) welcomes the possibility to provide feedback on following the publication of the Proposal for a Regulation of the European Parliament and of the Council establishing a Union certification framework for carbon removals. EPF strongly believes that developing a harmonised and voluntary Union certification framework for carbon removals, with the view to incentivise the uptake of high-quality carbon removals, such as sustainably sourced harvested wood products, is essential for achieving the goals for climate neutrality by 2050. Promoting and unlocking the full potential of the circular bioeconomy, including the use of durable harvested wood products, in full respect of ecological principles fostering biodiversity, is indeed a key component to support the achievement of the Union objectives under the Paris Agreement. According to a recent study¹, EU Forest-Based Industries currently offset approximately 20% of all fossil emissions in the Union and have the ambition of to increase this climate positive effect up to 30% in 2030.

This new framework ought to support the development of genuine carbon removal activities in the Union resulting in an unequivocal net carbon removal benefit while avoiding greenwashing industry claims of such as ‘climate neutrality’ or encouraging investments in unproven ‘climate solutions’ or unsustainable trade-offs where polluters would buy cheap, reversible offsets rather than reduce their own emissions. In this respect, **EPF welcomes the introduction of the principle of additionality as a core principle of the certification framework to ensure accurate, complete, consistent and comparable calculation methodology.**

EPF also welcomes the reliance on independent and competent third-party auditing for carbon removal activities to ensure a credible and reliable certification process across the Union and the different types of removals claims. Indeed, voluntary carbon offsetting markets bear the risk of spreading unreliable claims. In this respect, incentivizing the right carbon removals solutions will be key if we are to meet EU’s climate objectives. Therefore, **acknowledging not only carbon sequestration but also the substitution of other energy intensive solutions would provide even more additionality.** The use of sustainably sourced harvested wood products to replace energy intensive materials in construction and furniture is amongst the best examples. Indeed, both upstream and downstream GhG emissions, associated with the removal and storage process, ought to be carefully estimated and included in the emission/removal balance.

In the case of carbon storage in products, such as harvested wood products, there is a need to develop a reliable methodologies and certification schemes to **properly account for carbon storage to reward industries that transform biomass into a storage product and help incentivise the market share of wood-based products especially in construction and scale up these solutions given the huge potential in reducing the whole-life environmental footprint of the built environment** inline with the

¹ [The contribution of the EU Forest-based industries to the 2050 climate neutrality objective - Forest-based Sector Technology Platform](#)

principles of the New European Bauhaus and the objectives of the revision of the Energy Performance of Buildings Directive.

Another essential aspect that should be accounted for in the elaboration of the new certification framework is the **additionality provided by sustainable dimension of carbon storage and the avoidance of early GhG emissions that provides the cascading use of woody biomass**. To maintain long lasting carbon cycles and to guarantee the most efficient use of woody biomass resources, the cascading principle allows for ensuring the maintenance of carbon storage in the wood fibers for as long as a material use can be envisaged. **However, in the EU, we are burning more than 50% of the wood that is harvested. Pressure on precious sustainably sourced woody biomass demand is expected to further increase, that is why EPF calls on the Commission to align policies, so that least 60% of Europe's wood is preferred for material applications, up from today's 45%.**

Finally, it is essential when elaborating and when revising the certification schemes for the different foreseen carbon removals solutions to **ensure proper consultation of all stakeholders so that they can embrace the use of the new voluntary framework**.

In line with the above, EPF asks the Commission to consider the following points when elaborating its EU framework for the certification of carbon removals:

- Ensure that all forest biomass used for bioenergy with carbon capture, storage and utilisation is sourced in full compliance with the sustainability criteria and in line with the circular economy approach, the cascading principle and the waste hierarchy to ensure the long-life cycle carbon storage and that the recycling of waste always remains the priority option;
- Provide a variety of baselines and additionality criteria to cater for different types of removals while ensuring sound methodologies on monitoring, reporting and verification to upscale of carbon removals and ensuring comparability of precise, accurate and timely measurement for removals;
- Develop a comprehensive, verifiable and science-based carbon removals certification system ensuring the authenticity of removals while rewarding carbon storage and substitution of other carbon intensive materials by climate friendly nature-based materials such as wood throughout their whole life cycle, thus including long-lasting products as well as by-product and residual wood utilisation as certifiable carbon removals;
- Promote plantations, reforestation, afforestation, agroforestry and active forest management while rewarding carbon storage in forest biomass when the timber enters the market to help unlock the full potential and climate benefits of a sustainable and circular EU forest-based bioeconomy;
- Avoid overemphasising forest set-aside programs for carbon removals as it likely will increase carbon leakage and cause substantial restrictions on harvestable domestic timberland and endanger the EU forest-based circular bioeconomy and the win-win opportunities that sustainable forest management and carbon storage in harvested wood products can represent to help achieving EU climate goals;
- Establish a centralised EU system that would allow private operators as well as public authorities to validate projects and certify the carbon removals achieved;
- Scale up carbon removal certificates as a business model to create sustainable jobs and maintain livelihoods in rural areas;



EUROPEAN PANEL FEDERATION
WOOD - BASED PANELS

- Consult with stakeholders to refine the EU framework on a regular basis to ensure proper functioning of the system and the rewarding of the most efficient carbon removals solutions;
- Put the emphasis on cost effective, renewable, and immediately available solutions such as carbon removals in long-lived and sustainably sourced harvested wood products to be used especially in construction and furniture to turn the built environment into a carbon sink;
- Provide transparent information for consumers with a single type of certificate to ensure equivalence of certified carbon removals and to develop competitive markets for renewable and carbon storing materials and products to foster carbon removals;
- Ensure maximum synergies and consistency with other relevant EU policies, especially the EU Emissions Trading System, to create efficient incentives for the deployment of competitive industrial carbon removal solutions and avoid trade-offs with the EU sustainability goals.

To conclude, EPF believes that an EU framework for the certification of carbon removals is a unique opportunity to unlock the full potential of EU forest-based circular bioeconomy and reward the carbon storage in harvested wood products and help extend the carbon lifecycle in wood products, thus benefitting our climate. It holds indeed a huge potential especially in the framework of the implementation of the 'Fit for 55' package, the implementation of the Bioeconomy Strategy, the Renovation Wave Strategy and the New European Bauhaus.

EPF represents the European manufacturers of wood-based panels being particleboard, dry process fibreboard (MDF), oriented strand board (OSB), hardboard, softboard and plywood. EPF has members in 30 European countries. The EU wood panel industry has a turnover of about 25 billion euro every year and creates directly over 100,000 jobs. The production of wood-based panels in the EU-27 (+EFTA) in 2021 was an estimated 63.7 million m³. www.europanel.org

Ref: 2023- 016