

**EPF feedback on the Draft Implementing Regulation amending
Implementing Regulation (EU) 2018/2066 as regards updating the
monitoring and reporting of greenhouse gas emissions pursuant to
Directive 2003/87/EC of the European Parliament and of the Council**

The European Panel Federation (EPF) welcomes the opportunity to provide feedback on the Draft Implementing Regulation amending Implementing Regulation (EU) 2018/2066 as regards updating the monitoring and reporting of greenhouse gas emissions. EPF considers that the rules for the monitoring and reporting of emissions pursuant to the revision of the EU Emissions Trading System (EU ETS) should be more carefully designed, in particular regarding the alignment with the provisions of Directive on the promotion of the use of energy from renewable sources (EU) 2018/2001 (RED II) with respect to the sustainability criteria for biomass.

Under the amendment proposed for Article 39 and 48, operators will be required to implement new reporting for bio-based CO₂ balance including input and output material, to be complexly interlaced with already existing CO₂ balance from biomass combustion.

In the current situation, the latter is already very difficult to measure. It is hard to imagine how to determine a full CO₂ input/output balance for a whole wood-based panel production plant which uses far more wood-based material for its production cycle compared to the one used as fuel, together with an extreme variability in its product specification. Furthermore, it is difficult to understand how could CO₂ deriving from combustion boilers be transferred to wood-based panels production. Finally, if the implementing regulation is to be applied as soon as from 01/01/2024 would likely lead to unwanted approximations and huge costs given the large amount of sources of raw materials and outputs in the production of wood-based panels.

In this respect, EPF believes that the update of the rules for monitoring and reporting emissions should take into account the specificities of the wood-based panels industry and provide feasible and well-functioning system for monitoring and reporting bio-CO₂ emissions under the revised EU ETS, eventually allowing the same provision from current Article 39 paragraph 2, with alternative estimation methods to determine the biomass fraction to the competent authority for approval if technically unfeasibility or unreasonable costly, taking into consideration the exclusion of the wood-based production industries.

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 2022 was an estimated 59.8 million m³. www.europanel.org

Ref: 2023- 034