



## Using sustainably-sourced renewable materials to reach the EU Green Deal ambitions: How can we get it right?



Tuesday 16 November 2021, 10:00 – 11:30 CET  
Online Event

### Hosted by MEP Miapetra Kumpula-Natri

Co-Chair of the European Parliament Intergroup on 'Climate Change,  
Biodiversity & Sustainable Development'

#### Speakers:

- **MEP Miapetra Kumpula-Natri**
- **Patrick Child**, Deputy Director General, DG ENV, European Commission
- **Ewald Rametsteiner**, Deputy Director, Forestry Division, Food and Agriculture Organization of the United Nations (FAO)
- **Alberto Arroyo Schnell**, Head of Policy & Programme, IUCN European Regional Office
- **Eija Hietavuo**, Vice President Public Affairs, Tetra Pak
- **MEP Elsi Katainen**
- **MEP Petri Sarvamaa**

#### Moderator:

- **Lars Lindblad**, Partner at Kekst CNC, Energy and Forestry Specialist

## Welcome Remarks

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### *MEP Miapetra Kumpula-Natri*

*“As a renewable, recyclable and biodegradable material, wood can offer a solution to global environmental problems, such as to reduce single-use plastics”.*

**MEP Ms. Miapetra Kumpula-Natri** began her speech by referring to COP26, stating that she would have preferred a more ambitious text. However, MEP Kumpula-Natri acknowledged that it shows progress to reduce coal and that many other positive steps were taken. Energy policy, she said, is the most important to tackle climate change, therefore the EU must lead the example. Regarding the **packaging sector**, she acknowledged the **problem of plastic waste and pollution**. The EU has acted on this, with the **Single Use Plastic Directive**. Products once made from single use plastic must now be made from different materials. **Forest-based materials, for example, will substitute fossil-based materials** (e.g., in buildings). For the whole process to be truly sustainable, the key is responsible use. **Being renewable, biodegradable and recyclable, wood offers a solution for global problems**, such as replacing plastic. In addition, **innovative wood processes mean growth for the wood market**. However, MEP Ms. Kumpula-Natri warned, the increased use of wood needs to be balanced and carried out with care. In particular, the impact on forests and climate needs to be looked at.

## Panel Discussion

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### Speakers that took part in the panel discussion:

- **Patrick Child**, Deputy Director General, DG ENV, European Commission
- **Ewald Rametsteiner**, Deputy Director, Forestry Division, Food and Agriculture Organization of the United Nations (FAO)
- **Alberto Arroyo Schnell**, Head of Policy & Programme, IUCN European Regional Office
- **Eija Hietavuo**, Vice President Public Affairs, Tetra Pak

**Moderator Mr. Lars Lindblad** started the panel discussion by asking all panelists what, in their view, is **the biggest benefit and the biggest challenge for a full deployment of the circular bioeconomy**. **Mr. Patrick Child** stated that the main benefit of the circular bioeconomy is **the**

**opportunity it offers for companies in the EU**, who have a leading market position in developing innovative solutions to support the bioeconomy. The biggest challenge, he continued, is **finding the right balance between the demands we put on our agriculture, forests and land usage**. The balance is needed to ensure healthy ecosystems that can function as carbon sinks and simultaneously provide raw materials.

**Mr. Ewald Rametsteiner** reiterated the importance of this discussion and the value of the circular economy to minimize environmental loss while maximizing the added value from resources. Mr. Rametsteiner agreed with Mr. Child that **finding the right balance is indeed the main challenge**. Especially, he continued, since neither our societal systems nor the economic systems seem willing to make a systemic shift towards a sustainable bioeconomy. **Societal consumption patterns need to be discussed**. For forests, consumption is mainly linked to food production, which can result in deforestation. Forest can be part of the solution, Mr. Rametsteiner stressed. Lastly, he reassured the panelists that positive signals from policymakers and the finance community are being received, and this provides hope that change can be made.

**Mr. Alberto Arroyo Schnell** introduced **biodiversity as an opportunity**. **The bioeconomy needs to regard biodiversity as a core pillar**. A non-linear economy, with biodiversity objectives at its core, will allow us to move away from our current consumption patterns, he stressed. Mr. Arroyo Schnell then informed the panelists that together with the Ellen MacArthur Foundation, the French Institute for Circular Economy and SITRA (Finnish Innovation Fund), **IUCN has been working on reports on how to better integrate biodiversity with the principles of the circular economy**. However, plant-based materials, livestock feed and biodiesels are hard to be considered sustainable if the competition for resources and especially the need to protect biodiversity are insufficiently being taken into account. Therefore, Mr. Schnell argued, **deforestation, labor and land rights, human rights, ecosystem conversion and sustainable agricultural practices need to be addressed** in the transition towards a circular bioeconomy.

**Ms. Eija Hietavuo** reiterated the one element that the previous speakers already mentioned, **the need for a holistic approach**. From the business perspective, Ms. Hietavuo declared that

there are **numerous opportunities that circular bioeconomy could bring**, especially concerning innovation and technology. Concerning social benefits, there are new opportunities for livelihoods, for big and small companies. The main challenges to be tackled are **finding the right balance between bioeconomy and biodiversity, and system change**. Lastly, she concluded that there are more opportunities than challenges, and working together is key to tackle the latter.

When **Mr. Child** was asked **how the Commission will ensure that regulating biomass will not hinder innovation** since plant-based products are needed the most to fight climate change, he stated that **the Commission addresses both circularity and sustainability in its proposals**. The framework that are being developed, Mr. Child continued, facilitates the **striking of a right balance between circularity and sustainability**. For both, innovation is required. The EU needs to recognise that biomass is an essential part of the Renewable Energy Strategy, since 60% of the EU renewable energy consumption today is coming from biomass. **Biomass is needed in the energy mix**, but it must be consumed in the right quantity and quality, he argued. Concerning quality, **the definitions of sustainable energy and how to measure sustainability need to be tightened**. For quantity, **other renewable sources need to be boosted**. Through innovation programmes such as Horizon Europe, it is possible to work together towards a circular biobased economy. Concludingly, he underlined that **there is no contradiction between the legal framework of biomass and the support for innovation**. Mr. Child gave the example of the new Forest Strategy as how the **Commission is positively aiming at the balance of circularity and sustainability**. The Commission welcomes and supports the contribution of a dynamic forest sector in the EU for achieving both the objectives circular and sustainable wood products and the objectives concerning renewables energy.

**Mr. Rametsteiner** answered a question regarding **how a growing world population**, with an increased need for raw materials, **can be reconciled with the growing demand for forests, for both ecosystem services and renewable materials**. Mr. Rametsteiner explained that he sees three pathways. Firstly, by **protecting protect and conserve forests**. Halting deforestation is a cost-effective measure to mitigate climate change, Mr. Rametsteiner stressed. Additionally, combined with the biodiversity dimension, forests contribute greatly to the circular bioeconomy, while creating sustainable local jobs and incomes. Secondly, by **restoring and**

**improving proactive landscapes.** Restoring deforested and degraded land absorbs gigatons of greenhouse gasses and improves biodiversity and agricultural productivity. Thirdly, by **enhancing the sustainable production use of renewable resources for raw materials and energy.** This is vital in our transition away from fossil products, Mr. Rametsteiner underlined. The combined potential of interrelating these pathways is enormous. However, Mr. Rametsteiner added that it is important to, firstly, **consider and integrate the environmental and the social dimension simultaneously,** and secondly, **address the production and consumption aspects** of these pathways. Concerning production, Mr. Rametsteiner highlighted that it is key to **upscale land use and improve material efficiency.** The EU, for example, need to move away from food loss and waste and wood loss and waste. Regarding consumption, **the EU needs to rethink how it is dealing with consuming services and consuming goods.** Moreover, Mr. Rametsteiner underlined the importance that this transition is done while keeping an eye on inclusivity. Policies should support an inclusive transition of consumption behavior by taking large and small-scale companies into account. Concludingly, Mr. Rametsteiner added that he hopes that the FAO can remain part of this conversation and discussion. **Ambitious commitments are needed, which should be adequately implemented.** This need to be done with the people and driven by innovation, he stressed.

In response to the question on how to secure biodiversity while ensuring that biomass remains a key renewable input for sustainable production in the EU, **Mr. Schnell** argued that several points need to be implemented before biomass can be considered truly sustainable. Firstly, **the EU needs to make sure forests are adequately protected from all drivers of biodiversity loss.** Secondly, **sustainable forest management should be considered as the bare minimum in the EU,** whilst keeping regional differences into account. Thirdly, **old-growth forests need to be protected.** Fourthly, **high biodiversity areas must be principally excluded from biomass energy production.** Lastly, **ecosystems need to be restored.** For implementing these points, the IUCN Protected Area Management Categories can be useful, Mr. Schnell argued. Moreover, to ensure that biomass is truly sustainable, the land area available for energy crop cultivation should depend on the land reserved for nature protection and total land needed for food production. Energy crop cultivation should also not be expanded to other ecosystems. **A robust standards system with a good level of quality control is needed.** Continuingly, Mr. Schnell argued for further alignment between the EU Forest strategy, the EU biodiversity

strategy, and laws on deforestation. **Mr. Schnell** then commented **on the importance of phasing out fossil fuels and consider biodiversity concerns**. He stressed that the answers will include **nature-based solutions**. The IUCN published a report on the Nature-based Solution Standards. This concept is gaining political momentum and it joins biodiversity loss and climate change together, Mr. Schnell explained.

When **Ms. Hietavuo** was asked **how the packaging industry can reduce its emissions**, and what solutions sustainably sourced materials offer in that respect, she highlighted that the **industries face a big transition**. Tetra Pak put forward a White Paper on the way forward towards sustainable food systems, of which sustainable packaging is one key part, Ms. Hietavuo explained. It is important to question **what responsible packaging entails**. **Lifecycle thinking, resource optimization and end-of-life considerations are vital** according to Ms. Hietavuo. She then highlighted the key ingredients to drive system change in the packaging industry. These are **packaging design**, the **use of renewable materials** (responsibly sourced), the **transition towards renewable energy** and the **recovering and recycling of materials** with the best available technologies. She then concluded that in packaging, renewable materials have a great opportunity to contribute to the transition towards a circular bioeconomy. Consequently, Ms. Hietavuo commented on her **expectations about finding a balance concerning renewable materials globally**. She stressed that **the cascading use of biomass** is critical. It is important that **the financial and economic models enable the transition to secure the sustainable use of biomass**. In the packaging industry, a balance needs to be found between single-use and reusable packaging.

To conclude the panel discussion, all panelists were asked what their **key takeaways are for using sustainably sourced materials to reach the EU Green Deal ambitions**. **Mr. Child** pleaded for the **swift and comprehensible adoption of the proposals of the EU Green Deal** to kickstart the sustainable and circular bioeconomy. **Mr. Rametsteiner** mentioned that the **FAO wants to continue the strategic dialogue with the EU**. Together, a lot can be achieved, he stressed. **Mr. Schnell** emphasized that a successful transition to a circular economy model does not add further stress to the natural environment concerning the planetary boundaries. **Nature needs to be put at the heart of all our efforts and it relies on strong science-based regulation**. To achieve this, we need to continue the dialogue with all relevant stakeholders, Mr. Schnell

argued. Lastly, **Ms. Hietavuo** echoed that **multistakeholder dialogue and collaboration is key**.

## Reactions from MEP

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### *MEP Elsi Katainen*

***“The forest sector should be at the heart of the transition to plant-based materials and nature-based solutions.”***

To begin her speech, MEP Ms. Elsi Katainen welcomed the harmonization of the global rules on ETS and carbon certification. However, many issues are to be considered. She informed that the Commission will soon publish a Communication on carbon farming and one on carbon removal certification. These are both **good opportunities to bring new income models and increase the attractiveness of the forest sector**. The new system of carbon markets needs to encourage sustainable forest management. MEP Ms. Katainen brought the example and the numbers of Finnish forestry to show the national importance of the sector. She emphasized that the **forest sector should be at the heart of the green transition, to reduce carbon print but also to enhance resilience towards the impacts of climate change**. Rather than creating no-go areas, forestry should be promoted according to the values of the EU Bioeconomy Strategy and sustainable use of wood encouraged. In the new LULUCF Regulation, she proposed to **endorse multiple uses of wood** and called for **caution in increasing carbon sink targets**. She also mentioned that the TRAN Committee made sure to include innovative raw materials such as wood in the Batteries Regulation. In the Textile policy, the focus should be put to increase renewable materials in clothing and targets of recycled material. MEP Ms. Katainen also flagged loopholes in the new EU Forest Strategy, such as the **low recognition of the potential of short-term wood products** that can reduce fossil fuel consumption. Finally, she concluded by stressing **that forests ultimately belong to the national competence**.

## Q&A Session with the audience

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**Mr. Child** answered the first question that inquired about what is the **approach towards the development of a sustainable bioeconomy**. He highlighted the importance of an **effective**

**monitoring system** and linked it to the work that the European Commission Joint Research Centre is doing in setting up a new knowledge Center. More generally, he underlined the **importance of exploiting the full potential of the forest sector in support of the EU Green Deal, under a comprehensive approach**. As previously mentioned, the EU Forest Strategy presented by the Commission captures the balance between competencies and the need for a joined-up coherent approach at the European level. He informed that **the Commission is engaged in the discussion with the Member States and their communities**, to give sustainable solutions. The LULUCF provides a well-structured way ahead for the forest sector and emphasizes nature-based solutions. To show the ambition, Mr. Child also mentioned the EU position on forests at COP26 and the new anti-deforestation and forest degradation proposal. Finally, he agreed that it is important to **align the ambitious proposals with nature restoration targets**, which put forests in a broader environmental context.

**Mr. Schnell** confirmed that **certified sustainable managed forests can help in mitigating climate and biodiversity risks** in the forest biomass debate. He emphasized the need for strong criteria for forests and agricultural materials. To stay within planetary boundaries, **the production should allow reaching the biodiversity and climate targets** and therefore be sustainable. **Mr. Child** also agreed on the importance of harvesting wood from certified sustainable managed forests. In addition, **old-growth forests are extremely valuable for biodiversity conservation** and thus there is work in place to sustainably manage and protect them.

Answering a question on the new EU Forest Strategy, MEP Ms. Katainen reiterated that **short-term and recyclable products should be better covered**. Short-term wood products (such as packaging) are important because they **substitute fossil-reliant alternatives**. Long and short-lived products are equally important and their production is often combined. Mr. Child agreed that the longer the life of products, the lower is the pressure on land and therefore **biobased solutions should be tailored for all sectors**. He commented that there are already positive signals from the industry towards these and this is something the **EU could capitalise internationally**.

When asked about **sustainable packaging and food safety**, Ms. Hietavuo recognized the need to consider the functionality e.g. of food packaging. When possible, **the opportunity to use**



**renewable materials should be leveraged.** She also mentioned the debate and revisitation of the end of life of products. In the context of food packaging, the food safety and hygienic standards might require more virgin materials. She welcomed the possibility of a **food contact legislation** that would enable renewable packaging to get a level playing field with other materials. Nevertheless, Ms. Hietavuo believed that the potential of sustainably sourced renewable materials in the packaging system needs to be more explored.

A question on the challenges of the relation between bioenergy and biodiversity was addressed to Mr. Child. He highlighted the importance of a **coherent strategy that addresses different dimensions of the challenges.** When producers are incentivized to produce more bioenergy they should do it sustainably, keeping in mind the environmental impact and goals. On the topic of biodiversity, he reported the **sensitive environments of forest branches and residues in the ground.** He expressed enthusiasm regarding the collaborative work that is being done and called for unity in face of these issues.

## Closing remarks

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*MEP Petri Sarvamaa*

***“Without the economic feasibility, with which come innovation and investing in research and development, you will not get the best possible results.”***

As a premise to his intervention, MEP Mr. Petri Sarvamaa acknowledged the importance of finding the right balance but also of agreeing on what is balanced. Regarding the EU Forestry Strategy, **the Parliament and the Council have similar stances which are however different from the Commission’s final position.** This shows that something is missing in the balance and, considering the key role of this Strategy for the EU Green Deal, this is problematic. He also stressed that the **economic aspect needs to be taken sufficiently into account** to get the best achievable results. The focus of the EU should not be more on restriction than on enabling. The strong emphasis on protection and preservation needs to be looked in a context where **the objective is also to have maximum available circular effects.** There should be more discussion to raise awareness on what sustainable forest management is by the Forest Europe definition, considering also the aspects brought forward by the sector. Nevertheless, MEP Mr.

Sarvamaa renewed his support for the Green Deal goals, which are being looked at through different priorities.