



**2020/2006(INL)**

3.6.2020

## **OPINION**

of the Committee on Industry, Research and Energy

for the Committee on the Environment, Public Health and Food Safety

with recommendations to the Commission on an EU legal framework to halt and reverse EU-driven global deforestation  
(2020/2006(INL))

Rapporteur for opinion: Mauri Pekkarinen

(Initiative – Rule 47 of the Rules of Procedure)

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## SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible:

- to incorporate the following suggestions into its motion for a resolution:
  - A. whereas global deforestation can be tackled by recognising the value of forests, addressing the impact of our patterns of consumption, securing the economic value of forests and by securing land tenure rights; whereas, at the same time, it is crucial to protect primary forests and stimulate the restoration of secondary forests;
  - B. whereas healthy and sustainably managed and used forests are essential to contribute to the global commitments and policy objectives of the Union;
  - C. whereas climate benefits and other ecosystem services provided by forests and the forest-based sector will be crucial to achieving the Union's international commitments such as the United Nations Sustainable Development Goals (UN SDGs), and those under the Kyoto Protocol, the Paris Agreement and other international instruments;
  - D. whereas sustainable forest management can have a significant impact on the prevention of deforestation, and has a positive impact on the health and diversity of forests;
  - E. whereas indirect land-use change (ILUC) can occur when land previously devoted to food or feed production is converted to produce biofuels, bioliquids and biomass fuels, which can lead to the extension of agricultural land into areas with high carbon stock, thereby contributing to global deforestation;
  - F. whereas deforestation and ecosystem conversion in certain parts of the world can be linked to human rights violations, including concerning the rights of indigenous peoples and local communities;
  - G. whereas in its resolution of 15 January 2020 on the European Green Deal<sup>1</sup>, the European Parliament calls on the Commission to present, without delay, a proposal for a European legal framework based on due diligence to ensure sustainable and deforestation-free supply chains for products placed on the EU market;
  - H. whereas woody raw material and products should emanate only from forests that are legally harvested in accordance with the principles of sustainable forest management that are developed under international forest processes such as UN SDGs (in particular UN SDG 15) and Forest Europe, which include environmental, social as well as economic objectives;
  - I. whereas there is a need to foster the implementation of the EU Timber Regulation (EUTR)<sup>2</sup> in order to prevent the entry of illegally sourced wood to the internal market;

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<sup>1</sup> Texts adopted, P9\_TA(2020)0005.

<sup>2</sup> Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market (OJ L

1. Underlines the multifunctional role of forests in society and the wide variety of ecosystem services they provide, including those related to the provision of raw materials, renewable energy, oxygen supply, CO<sub>2</sub> sequestration, air quality, water storage and filtration, and erosion control;
2. Notes that since sustainable forest management enables the value in forestry to be exploited over time, the economic incentive in sustainable forest management enables the forest assets to at least double, as harvesting takes place at a lower rate than growth, therefore forest volume continues to increase;
3. Recalls that the Union addresses the risk of deforestation by means of the EU Timber Regulation (EUTR), the Commission communication of 21 May 2003 ‘Forest Law Enforcement, Governance and Trade (FLEGT)-Proposal for an EU Action Plan’, the Voluntary Partnership agreements promoting multi-stakeholder processes in producer countries, and the Renewable Energy Directive (RED II)<sup>3</sup>, which include numerous rules and could serve as a valuable basis to minimise the risk of deforestation and illegal logging; notes that RED II extends the obligation to fulfil the Union sustainability criteria from biofuels to all bioenergy end-uses, including heating/cooling and electricity, however, as it only covers raw material used for bioenergy production, it cannot currently ensure that the non-energy use of commodities linked to deforestation or ecosystem conversion as biofuel is not permitted;
4. Highlights the importance of the development of a sustainable bio-economy which gives a high economic value to sustainably produced products;
5. Recalls that RED II limits the contribution to the Union renewable energy target of food and feed crops considered to have a high ILUC-risk, and in relation to which a significant expansion of their feedstock production area into land with high-carbon stock is observed; notes that the contribution of those high ILUC-risk biofuels will be reduced to 0 % by 2030; considers that provision to be vitally important as it limits a negative and unintended impact of the Union's renewable energy policy on global deforestation;
6. Notes that under certain circumstances, the ILUC impacts of fuels that are generally considered to be high ILUC-risk can be avoided; welcomes that the Commission, as empowered by the co-legislators under RED II, has set out criteria to allow for the identification and certification of low ILUC-risk biofuels, bioliquids and biomass fuels; notes that such certified biofuels are excluded from the limits and gradual reduction target set for high ILUC-risk biofuels;
7. Stresses the need in particular for independent monitoring of production and trading of commodities associated with deforestation; calls on the Commission to enhance its efforts on those issues through Horizon Europe, and to support independent monitoring in producer countries, as well as the exchange of best practices and lessons-learnt among them, in order to enhance methodologies used and granularity of information;
8. Underlines the essential role of research and innovation in fostering the contribution of

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295, 12.11.2010, p. 23).

<sup>3</sup> Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).

sustainable forest management and the forest-based sector in meeting deforestation challenges and tackling climate change;

9. Stresses the importance of education and of a skilled and well-trained workforce for the successful implementation of sustainable forest management in practice; calls therefore on the Commission and Member States to implement measures, and use existing partnerships, to facilitate the exchange of best practices in that field;
10. Emphasises the need to take into consideration the links between the forest-based sector and other sectors, and the importance of digitalisation and investment in research and innovation in order to monitor deforestation;
11. Underlines the contribution of non-governmental organisations, environmental activists, industry associations, as well as whistle-blowers, to the fight against illegal timber harvesting that results in deforestation, loss of biodiversity and increased emissions of greenhouse gases;
12. Highlights the positive role of Union forest-based industries in advancing global standards for sustainable forest management; believes that Union industries, small and medium-sized enterprises (SMEs), and micro-enterprises in the forest sector should play a key role in the dialogue with partner countries on how to further promote sustainability in the entire value chain; notes, however, that approximately 80 % of global deforestation is caused by agriculture and believes therefore that standards and certification schemes should accurately target that sector;
13. Stresses the need to strengthen standards and certification schemes that already exist instead of incorporating new standards and certification schemes; notes furthermore, that those standards and certification schemes must comply with World Trade Organization rules;
14. Stresses the importance of evidence-based decision-making when it comes to policies related to forests, the forest-based sector and its value-chains; acknowledges that sustainable and active forest management is an effective way to prevent forest damage, deforestation and to preserve biodiversity;
15. Emphasises that initiatives should be developed to tackle issues outside the Union, with a focus on the tropics and the drivers outside the forest sector which have an impact on unsustainable practices in the forests, leading to deforestation and forest degradation;
16. Notes the importance of ensuring that deforestation is included in country-level political dialogues, and of helping partner countries to develop and implement national frameworks for forestry and sustainable forestry; emphasises that those national frameworks have to reflect domestic needs as well as global commitments; stresses the need for the implementation of mechanisms incentivising small holder farmers to maintain and improve the ecosystem and products provided by sustainable forestry and agriculture;
17. Stresses the essential need to improve mechanisms which would help identify the source or origin of wood material placed on the internal market;

18. Points out that voluntary measures and schemes alone will not be able to stop deforestation and forest degradation; considers due diligence legislation in this regard to be a possible tool, providing for forest-risk commodities placed on the internal market to have supply chains which do not originate from deforestation and other activities that infringe environmental and human rights of indigenous peoples and local communities populations, including women, or cause forest degradation and conversion or degradation of natural ecosystems, in compliance with international standards and obligations; reiterates its request to the Commission to submit a proposal for a Union legal framework in that regard, based on due diligence and based on an impact assessment focussing in particular on SMEs; underlines the need to ensure that that new legal framework would create opportunities for SMEs and would not lead to excessive administrative burden;
  - to incorporate the following recommendations into the annex to its motion for a resolution:
19. Asks the Commission to explore the strengthened use of the Copernicus satellite system for forest monitoring and for forest fire and forest damage prevention, including monitoring and identification of the causes of fires and forest damage, deforestation and ecosystem conversion, facilitating access for the relevant authorities in each Member State, and ensuring direct source of open data for SMEs or start-ups;
20. Invites the Commission to consider the creation of an early alert mechanism to notify consumers, public authorities and companies about sourcing commodities from areas at risk of deforestation;
21. Requests the Commission to increase cooperation with all stakeholders, in both the public and private sectors, with a view to ensuring that they are committed to the principle of responsible management of forests, responsible sourcing practices and sustainable production;
22. Calls on the Commission to step up its efforts, jointly with Member States, to strengthen standards and certification schemes that help identify and promote deforestation-free commodities;
23. Calls on the Commission to increase the transparency of supply chains, minimise the risk of deforestation for industry and consumers, and make it possible for industry and consumers to play their part in creating deforestation-free supply chains;
24. Encourages the Commission to strengthen the EU Action Plan on FLEGT, with a focus on Voluntary Partnership Agreements (VPAs) as crucial bilateral trade agreements with third countries, and incorporate it into the new European Forest Strategy to encourage third countries to abandon deforestation policies.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

<b>Date adopted</b>	28.5.2020
<b>Result of final vote</b>	+: 48 -: 18 0: 12
<b>Members present for the final vote</b>	François Alfonsi, Nicola Beer, François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Michael Bloss, Manuel Bompard, Paolo Borchia, Marc Botenga, Markus Buchheit, Klaus Buchner, Martin Buschmann, Cristian-Silviu Buşoi, Jerzy Buzek, Carlo Calenda, Andrea Caroppo, Maria da Graça Carvalho, Ignazio Corrao, Josianne Cutajar, Nicola Danti, Pilar del Castillo Vera, Martina Dlabajová, Christian Ehler, Valter Flego, Niels Fuglsang, Lina Gálvez Muñoz, Claudia Gamon, Jens Geier, Nicolás González Casares, Bart Groothuis, Christophe Grudler, András Gyürk, Henrike Hahn, Robert Hajšel, Ivo Hristov, Ivars Ijabs, Romana Jerković, Eva Kaili, Seán Kelly, Izabela-Helena Kloc, Łukasz Kohut, Zdzisław Krasnodębski, Andrius Kubilius, Miapetra Kumpula-Natri, Thierry Mariani, Marisa Matias, Eva Maydell, Georg Mayer, Joëlle Mélin, Iskra Mihaylova, Dan Nica, Angelika Niebler, Ville Niinistö, Aldo Patriciello, Mauri Pekkarinen, Mikuláš Peksa, Tsvetelina Penkova, Morten Petersen, Markus Pieper, Clara Ponsati Obiols, Sira Rego, Jérôme Rivière, Robert Roos, Sara Skytvedal, Maria Spyrali, Jessica Stegud, Beata Szydło, Grzegorz Tobiszowski, Patrizia Toia, Evžen Tošenovský, Marie Toussaint, Isabella Tovaglieri, Henna Virkkunen, Pernille Weiss, Carlos Zorrinho
<b>Substitutes present for the final vote</b>	Jutta Paulus, Edina Tóth

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

48	+
PPE	François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Cristian-Silviu Buşoi, Jerzy Buzek, Maria Da Graça Carvalho, Pilar Del Castillo Vera, Christian Ehler, András Gyürk, Seán Kelly, Andrius Kubilius, Eva Maydell, Angelika Niebler, Aldo Patriciello, Markus Pieper, Sara Skyttedal, Maria Spyrali, Edina Tóth, Henna Virkkunen, Pernille Weiss
Renew	Nicola Beer, Nicola Danti, Martina Dlabajová, Valter Flego, Claudia Gamon, Bart Groothuis, Christophe Grudler, Ivars Ijabs, Iskra Mihaylova, Mauri Pekkarinen, Morten Petersen
S&D	Carlo Calenda, Josianne Cutajar, Niels Fuglsang, Lina Gálvez Muñoz, Jens Geier, Nicolás González Casares, Robert Hajšel, Ivo Hristov, Romana Jerković, Eva Kaili, Lukasz Kohut, Miapetra Kumpula-Natri, Dan Nica, Tsvetelina Penkova, Patrizia Toia, Carlos Zorrinho

18	-
ECR	Robert Roos
GUE/NGL	Manuel Bompard, Marc Botenga, Marisa Matias, Sira Rego
ID	Thierry Mariani, Joëlle Mélin, Jérôme Rivière
NI	Martin Buschmann, Ignazio Corrao
Verts/ALE	François Alfonsi, Michael Bloss, Klaus Buchner, Henrike Hahn, Ville Niinistö, Jutta Paulus, Mikuláš Peksa, Marie Toussaint

12	0
ECR	Izabela-Helena Kloc, Zdzisław Krasnodębski, Jessica Stegrud, Beata Szydło, Grzegorz Tobiszowski, Evžen Tošenovský
ID	Paolo Borchia, Markus Buchheit, Andrea Caroppo, Georg Mayer, Isabella Tovaglieri
NI	Clara Ponsatí Obiols

Key to symbols:

+ : in favour

- : against

0 : abstention