

Regenerative Forestry should be fostered in EU forest-related policies

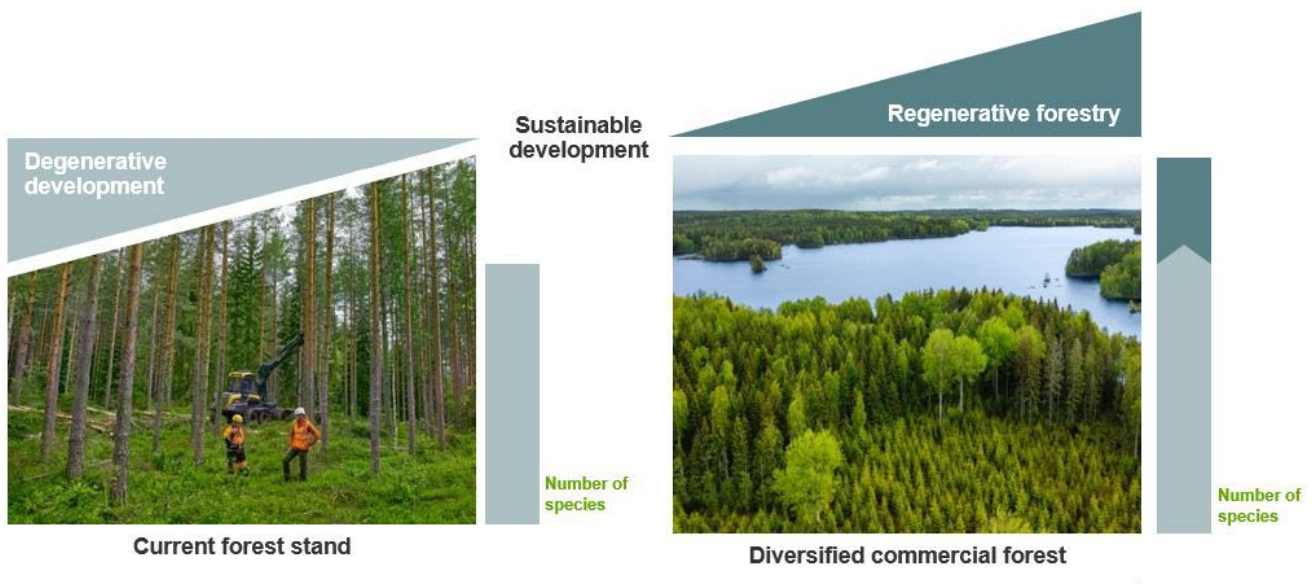
Regenerative forestry improves biodiversity while using forest commercially. It aims to strengthen the state of nature in a proven way.

It contributes to the global and EU-level goals of halting deforestation, forest degradation, land use change and the exploitation of primary and old-growth forests. It uses native tree species as commercial species and aims for a net positive impact for biodiversity, based on monitored impact data. It also involves a multipurpose and holistic strategy for ecosystem services, where the production of wood happens together with other ecosystem services.

We call the EU to support regenerative forestry:

- Introduce an EU-wide compulsory forest regeneration after harvesting.
- Better recognize and quantify the substitution impacts of biobased materials.
- Make adaptation one of the key focus of the EU climate policy.
- Comprehensively promote the use of native tree species and their critical role in enhancing biodiversity in forest policies.
- Design an Ecosystem Services Strategy that properly identifies the different ecosystem services and integrates their concept in the relevant EU policies.
- Carry out a systematic and cumulative impact assessment of the novel requirements set by the EU Green Deal regulations on the availability of sustainable biomass.
- Channel funding to research and innovation related to regenerative forestry via the EU's R&D&I programs.

In spring 2023, Metsä Group committed to a regenerative forestry strategy. Our goal is to ensure that Finnish forests are transferred from one generation to the next in a more vital, diverse and climate resilient conditions.



Based on our voluntary experience, we call for EU policies that promote business-integrated solutions that support regenerative forestry and sustainability. Science-based policies should take into account the great diversity of Europe's forests and avoid one-size-fits-all solutions that ignore the complexity and specificities of ecosystems. The impact of forest policies should always be holistically assessed to take into account ecological, social and economic aspects.

Regenerative forestry increases resilience and carbon capture

- Regenerative forestry encourages actions to halt deforestation. It is based on a long-term, intergenerational use of forests and on sustainable maintenance of existing forest resources. Creating new forests and ensuring the growth of existing ones should be a key part of forest management activities. **We support introducing an EU-wide compulsory forest regeneration after harvesting.**
- Regenerative forestry supports forests' role as carbon sinks, as well as their health in the long-term. It also strengthens forest resilience, contributing to long-term access to wood raw material. Sustainable forest resources are needed to replace fossil-based materials and provide raw-material to meet the growing demand for wood-based products. **The substitution impact of biobased materials should be better recognised and quantified as part of climate, product and circular economy policies.**
- Regenerative forestry utilizes nature-based solutions to adapt to climate change. Diversifying the tree species composition and increasing the amount of dead wood contribute to the number of species in forest ecosystems. This kind of solutions increase competition between species and reduce abiotic and biotic risks. **Climate change adaptation should be one of the key focus areas for EU policy.**

Regenerative forestry improves the state of nature

- To maintain the high biodiversity capacity of forests, regenerative forestry respects the following key principles:
 - Wood production is integrated into existing ecosystems and does not cause land use change.
 - Tree species are grown in the conditions to which they have adapted during their evolution.
 - Only native tree species, naturally occurring in the harvested areas, are used commercially.
- Metsä Group aims to strengthen the state of nature in a proven way by 2030, verified by an independent third-party. To this end, we implement an annual action plan, based on verifiable targets. R&D&I collaboration, in parallel to forest service development, plays an important role in our concept.
- EU policies should comprehensively promote the use of native tree species and recognize their critical role in enhancing biodiversity. The EU has taken steps in the right direction by **acknowledging the role of native tree species** in some legislative proposals such Nature Restoration Regulation. However, these species should be **prioritised in all future forestry policies** to support the resilience of Europe's forests.

Regenerative forestry & ecosystem services provide essential services for all

- With regenerative forestry, the planning of forest management and use is based on holistic ecosystem service reviews. Regenerative forestry strive to maintains wood production, carbon sinks, pollinator services, water resources, food production and recreational and cultural services at the same time. It is essential to recognize the importance of different services locally, regionally, nationally and globally.
- In Finland, forests are multi-use forests. Everyone's rights apply, meaning that you can freely go on excursion in the forest, even if you don't own it. This applies in wood procurement areas too. The forests are a source of berries, mushrooms and herb crops, that can be collected freely.
- Given the importance of healthy ecosystems for safeguarding biodiversity and human health, the EU should **develop an Ecosystem Services Strategy that properly identifies the different ecosystem services and integrates their concept into the relevant EU policies.**
- **We need a systematic and cumulative impact assessment of the novel requirements** set out in the EU Green Deal regulations on the availability of sustainable biomass. A balanced approach should be created, integrating the aspects of vitality of nature, resilience, security of supply and competitiveness. This is necessary to ensure that our forests remain solid pillars of the EU circular bioeconomy, while also fulfilling environmental and societal functions.

Regenerative forestry enables collective innovation and partnerships for real impact

- Measuring and monitoring the quality and impacts of forest management using the latest technologies is an integral part of regenerative forestry. National inventory methods, species' specific monitoring and participation of monitoring researchers are needed to collect comprehensive science-based data and further develop monitoring methodologies.
- With its regenerative forestry commitment, Metsä Group is one of the pioneers in the field. Monitoring methods are still in development and we are actively working to identify the relevant indicators and monitoring techniques. **The EU's R&D&I programs should channel funding to research and innovation related to regenerative forestry.**
- Regenerative forestry is best implemented through active cooperation with a diverse network of stakeholders. **Active dialogue within society and partnerships** with experts and other key groups form the basis of a solid regenerative strategy..

Metsä Group's parent company is a cooperative owned by over 90,000 forest owners. We use wood to make recyclable products for the day-to-day lives of millions of people globally. We focus on wood supply and forest services, wood products, pulp, paperboards, and tissue and greaseproof papers. We are committed to the principles of regenerative forestry to measurably strengthen the state of forest nature. In 2023 our sales totaled EUR 6.1 billion, and we have around 9,500 employees.

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