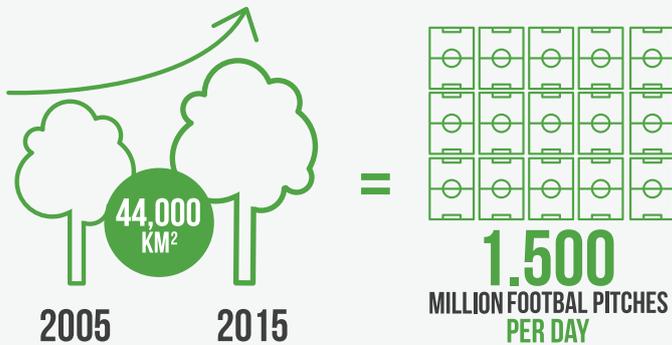




THE FOREST OUR CALL TO LIFE

EUROPEAN FORESTS ARE GROWING



According to figures from the Forest and Agricultural Organisation of the United Nation (FAO) between 2005 and 2015, European forests grew by more than 44,000 km² – an area bigger than Switzerland – this amounts to over 1,500 football pitches of forest growth every day! Today, European forests stand 30% larger in area than they did in the 1950s.

In Europe, the use of forests is also subject to stringent legislation and wood comes from well-managed forests where the cycle of natural regeneration, planting, growing and logging is carefully controlled.

We, the European forest fibre and paper industry committed early on to sourcing wood from sustainably managed forests. The industry has supported the development of criteria and indicators in the 'Forest Europe' process. This intergovernmental process provides general guidelines which all EU Member States implement nationally.

Through legislation, Member States define binding requirements that operators have to fulfill when planting, thinning, logging and managing forests.



Sustainable Forest Management (SFM) is driving Europe's forest growth. The industry has also invested in the use of forest certification schemes such as the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) and further voluntary schemes. CEPI actively participates as a member in these schemes.

- 90.4% of forests owned or managed by the European pulp and paper industry are forest management certified.
- >90% of the pulpwood we use is sourced from the EU
- 83.2% of pulp purchased by the European pulp and paper industry is certified.
- 70.7% of wood, woodchips or residues from saw mills we purchase come from forests that are certified



BIODIVERSITY IS THE BASIS FOR OUR BUSINESS

Well-managed forests provide a natural habitat for wildlife. **The European Environment Agency (EEA)** has stated that 'Forestry practice in Europe is developing in a way that can be considered good for biodiversity.' All pulp imported to Europe is covered by the **EU Timber Regulation** which prohibits imports of wood products from illegally harvested timber.

We rely on forests to deliver the raw material for pulp and paper products. It is vital to the success of our business that the industry acts responsibly and promotes biodiversity, forest health and productivity, as well as providing the many other benefits from forests that society needs.

Please **contact us** to learn more about how we promote biodiversity.



Forests also have an important economic role beyond providing a renewable base for resources as they provide vital income and employment in **rural areas** and down the forest-based value chain. In fact, **63% of the employees** in the European forest fibre and paper industry are employed in rural areas.

A CLEVERER WAY TO USE WOOD THAN JUST BURNING IT FOR ENERGY

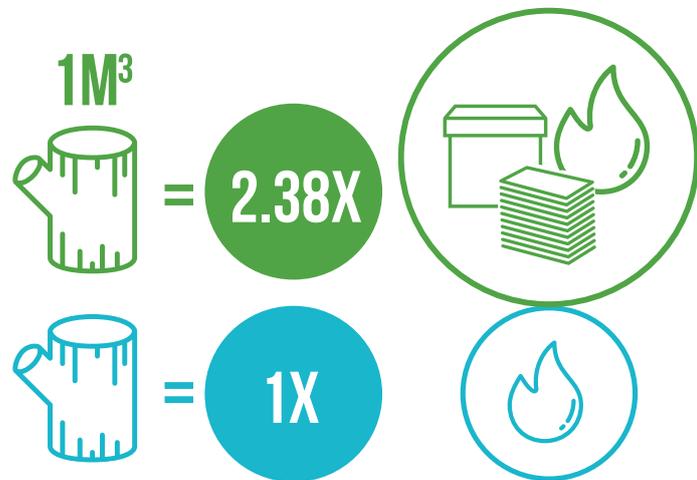
Forest biomass comes from sustainable sources and using wood for bioenergy should only be considered on the basis of the "cascading use of wood principle".

The **cascading use of wood** is a principle is one which naturally follows a market-based approach, which should lead to specific measures to balance subsidy-induced market distortions.

This principle promotes the most efficient use of natural resources, optimising value creation and using the material firstly for food (ideally), then products and finally for energy.

To ensure the continuing health and sustainable use of forest raw materials in Europe, solid biomass should only be eligible for subsidies when it is proven to be efficient.

This cascading principle allows for a situation where every wood fibre is used in average almost **2.5 times** instead of just one, which contributes to resource efficiency and increased value creation for European society. The by-products that are produced by our industry can then be used by other industries, leading to industrial symbiosis e.g. leftover bark is often used as a means of biomass that can heat for district heating.



**CASCADING USE
EFFICIENT USE OF NATURAL RESOURCES**

PULP AND PAPER PRODUCTION VS. BURNING WOOD FOR BIOENERGY

USING WOOD OR PAPER FOR RECYCLING FOR ENERGY
– 1X ADDED VALUE

VS.

USING WOOD FOR WOOD PRODUCTS, PULP & PAPER, RECYCLED PAPER AND
CREATING ENERGY – 9X MORE ADDED VALUE AND 7X MORE JOBS

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2050 INVESTMENT ROADMAP

Contact us to learn more about our 2050 'Investment Roadmap' to a low-carbon bioeconomy