International NGO response to Finnish and Swedish Prime Minister statements on LULUCF

We are writing to respond to the recently <u>publicised letter</u> from the Finnish and Swedish Prime Ministers calling for the weakening of the Land Use, Land Use Change and Forestry (LULUCF) Regulation.

A vibrant European forestry sector that serves people, biodiversity, and the climate is both possible and achievable. For this, a <u>paradigm shift in forestry</u> is needed. The EU's New Forest Strategy for 2030 recognises the need for more robust articulation of "sustainable forest management" with improved biodiversity outcomes and to help meet **LULUCF targets, which sit at the core of much of the EU's and Member States' climate and nature legislation**. As confirmed by a recent European Commission <u>impact assessment</u>, the LULUCF sector has a crucial contribution to make to the EU's 2040 climate target. If LULUCF targets are not met, it won't be possible to ensure the sustainability of the "bioeconomy".

The positions expressed in the Finnish-Swedish letter undermine the whole purpose of carbon accounting, which is to accurately reflect the quantities of carbon dioxide in the atmosphere and land-sink. The actions proposed in the letter would prioritise the short-term interests of a single sector over long-term societal health and resilience, and deliver policies that would undermine the long-term economic resilience of Nordic forestry.

The letter contains multiple misrepresentations and skewed narratives, such as depicting the <u>forest sector</u> as a key source of jobs, despite it employing <u>fewer and fewer people</u> while extracting ever-greater quantities of forest biomass.

Despite increased harvest volumes the Swedish forestry sector ranks in the EU's bottom tier for forestry jobs and value-added per hectare of forest (employing fewer than 30,000 people in forestry and logging). It prioritises industrial throughput over socio-economic benefit, whereas the outdoor recreation sector, which directly depends on forest ecosystem integrity, employs 167,000 people and has a 14 billion turnover.

Claims elaborated in the letter are also contradicted by science, such as Sweden's own Parliamentary Commission (SOU 2025:21) which definitively concluded that **forest** carbon stocks and sinks provide greater climate benefits than substitutions such as **fossil fuels for bioenergy or cement for timber**. The Commission explicitly called for measures to protect and increase forest carbon storage - which were ignored by the Swedish leadership.

The letter's substitution narrative is further undermined by an examination of actual wood use. According to the Swedish Environmental Protection Agency (p.20), in Sweden 80% of harvested biomass is burnt for energy or used for short-lived products (i.e. where carbon

dioxide is rapidly released into the atmosphere). The situation is similar <u>in Finland</u>, where 61% is burnt for energy and only 12% used as sawnwood (timber) - the rest essentially used for pulp and paper.

The letter's call for "flexibilities" is essentially a request for permission to continue to fail to meet climate commitments while accelerating logging rates. This would undermine the EU's credibility on climate and create dangerous precedents for other sectors seeking exemptions.

The real environmental impact of Swedish and Finnish forestry does not match the sustainability claims being made. Since the 1950s, clear-cutting has been dominant in Sweden and has hugely increased tree monocultures, with adverse impacts on biodiversity and ecosystem services. In Finland, continuous cover forestry, a management practice known to have superior environmental outcomes, was only recognised as a legal management practice in 2014 (until then it was illegal). Clear-cutting remains the dominant method of forest management, and its adverse effects on carbon stocks are expected to intensify as approximately one million hectares of nutrient-rich peatland forests reach harvestable age. In contrast, emission reductions from moving to continuous-cover management are well documented.

In Sweden, the expansion of logging into irreplaceable forest ecosystems with intact carbon stocks has a very damaging effect on carbon stocks and sinks. Sweden's budget proposal for 2026 shows that Swedish forests currently host 52-59 million tonnes of carbon dioxide equivalents less than the LULUCF reference level for the period 2021-2025. Old-growth and continuity forests have virtually disappeared and the remaining areas Continue to be destroyed.

In Finland, net LULUCF emissions are now <u>more than one quarter of the country's total</u> <u>greenhouse gas emissions</u>. The Finnish Climate Change Panel has <u>repeatedly said</u> that Finland's negative sink trend could be reversed, and Finland's own net zero 2035 target still achieved, with policies leading to lower logging levels. These include policies leading to lower use of wood for energy.

In addition, recent extreme weather events - including torrential downpours washing away rail infrastructure in northeastern Sweden - may have been linked to <u>massive clear-cutting</u> in affected areas, as this <u>has been shown</u> to be the case in previous situations.

Finally, we note that the Prime Ministers' letter mentions the cultural and social importance of forests and forestry - which should not be associated with the <u>industrial clear-cutting model</u>. Policy responses should therefore eliminate incentives that drive destructive practices. Flawed bioenergy subsidies should be removed and preference given to creating diverse, resilient forest landscapes that support both increased conservation and sustainable economic development.

Accepting this call by Finland and Sweden would fundamentally shake confidence in the EU's climate architecture, and threaten progress that many other sectors have invested in. The Commission should instead encourage discussion about how to remove obstacles to the diversification of Nordic forestry sectors so as to transition to more sustainable practices.

EU policy should be science-led and guided by public interest rather than industry lobbying. Research has shown that the <u>majority of EU citizens</u> want to see strong and effective climate policy and that they consider the <u>climate and biodiversity benefits</u> of forests to be of paramount importance.

We look forward to hearing your response and to finding a date to discuss these matters and identify ways forward.

Sincerely,













































































































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