

## Swedenergy's comments on the draft ENVI report on the revised LULUCF regulation

*Swedenergy is a non-profit industry and special interest organisation for companies that supply, distribute, sell, and store energy. Mainly electricity, heating, and cooling. Swedenergy monitors and promotes the interests of its members and the Swedish energy sector in general. The organisation has a total of 400 members, which includes state-owned, municipal, and private companies as well as associations within the energy sector.*

### Summary

*Swedenergy cannot support the draft ENVI report's suggested forest sink target for Sweden of 64,1 million tonnes. This would mean an increase of more than 70 % to be achieved in less than 10 years, which is a very short time in the context of boreal life cycles that often extend 100 years. Carbon removals from the LULUCF sector play a key role in achieving the EU climate objectives, but the Swedish forest industry, energy system, employment and economy should not be sacrificed to compensate for fossil emissions in other countries and sectors.*

Swedenergy acknowledges the crucial role that forest sinks and the bioeconomy plays to tackle climate change. Forest-based products and bioenergy substitute fossil raw materials and fossil fuels. Swedenergy however questions the level and the proposed distribution of responsibilities of the EU's climate targets between the Member States. The commitment allocated to Sweden by 2030 should be reduced to a level that is compatible with the Swedish climate policy framework and supports Sweden's bioeconomy ambitions and the continued development of the fossil-free and circular Swedish energy system. More than 50 percent of buildings and individual houses in Sweden are heated by waste heat, biowastes and forest residues.

The EU Commission proposes a target for Sweden of 47.3 million tonnes in climate sinks in 2030, which can be compared with the fact that we had an average LULUCF net of 36.4 million tonnes during the years 2015 - 2019. The ENVI draft report proposes a target for Sweden of 64,1 million tonnes, meaning an increase of more than 70 % to be achieved in less than 10 years. This is a very short time in the context of a slow-growing forest ecosystem with a life cycle that in major parts of Sweden can be more than 100 years. The main part of the increase needs to come from forests and achieving the target by increasing forest growth is not realistic at this scale in this time frame. Increased carbon storage in the Swedish forest does indeed provide a short-term climate gain, but after a relatively short time, average growth in the forest decreases.

Carbon removals from the LULUCF sector play a key role in achieving the EU climate objectives but should not be used to compensate for the failure to reduce emissions in other sectors. Such a strategy is inefficient and would fundamentally undermine the environmental integrity of the EU' climate policy. Emissions and removals from the

LULUCF sector should not be merged with the emissions from agriculture sector or any other sector.

The primary focus of the EU should be to reduce emissions, while also optimising the mitigation potential of the forest sector. Swedenergy opposes binding national targets for increased coal storage in the forestry sector to compensate for emissions from other countries or/and climate policy failure in other sectors. The Swedish forest industry, energy system, employment and economy should not be sacrificed to compensate for fossil emissions in other countries and sectors.

A mandatory target for Sweden in the framework of LULUCF implies a restriction on Sweden's right to decide on its forest policy, which according to the Treaty is national competence.

#### For more information

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