

Position note on the CRCF delegated act “Planting of trees on unused and severely degraded land”

aDryada, a French company dedicated to restoring Nature (forests, mangroves, wetlands etc.) all over the world, for and with people, welcomes the European Commission’s efforts to structure a clear and practical framework for carbon removal through the Carbon Removal and Carbon Farming (CRCF) regulation.

We are aware of the difficulty in finding a fair balance between the need to respond to the environmental challenges (climate and biodiversity) that confront us on the one hand, and the growing demand for wood on the other. This is why, regarding tree plantations aiming to “increase and improve the share of forested land in the EU”, we particularly support the authorities’ willingness to promote “sustainability”. Forests are to be under increased pressure in the coming years because of both climate change and human activities.

Nevertheless, aDryada considers that the text as it is written kills an option which would serve both environmental imperatives and the European position towards countries of the Global South without harming wood production: the possibility offered to operators/foresters to plant forests rich in biodiversity, with pure conservation aims.

Thus, we suggest an amendment to the draft text that would open this option for operators.

1. Restoring Natural-like Forest Ecosystems for Conservation Purposes would serve both environmental objectives and the European positioning towards southern countries without threatening wood production

- Primeval and natural forests in EU countries account for less than 3% of the total forest area and are predominantly small-scale and fragmented[1]. Given that most European forests are for timber production, no matter how effective a financial incentive CRCF creates to recreate natural-like forests, it could never be strong enough to transform the profile of European forestry and threaten timber production growth.
- At the same time, restoring such natural-like forests could contribute both to the conservation of biodiversity – in line with the Nature Restoration law - and carbon storage:
 - More than a quarter of all bird species associated with forest habitats are in decline[2] because of unsustainable, but still widespread, industrial forestry which has turned our forests into habitats where many species can no longer live.[3] Such habitats need to be restored and then preserved.
 - The more a planting project emphasizes biodiversity in re-creating a “natural” forest, the more it guarantees the permanence of the forests’ carbon sink over 30 years (the diversity of species in particular providing protection against diseases and fires).

[1] Barredo et al. 2021

[2] <https://www.birdlife.org/wp-content/uploads/2022/05/BirdLife-European-Red-List-of-Birds-2021.pdf.pdf>

[3] Maes et al. (2020) assess the overall ecological status of forests as a concern: out of 81 forest habitat types, only 14% are in a favorable condition; 53% are in an unfavorable-insufficient condition and 31% are in a poor condition; for about 2%, the condition is unknown

- Finally, a regulation encouraging the creation of natural-like forests would strengthen the European position towards countries of the Global South: The Regulation on Deforestation-free products encourages countries of the Global South to protect their forests - the most important global reservoirs of biodiversity - otherwise they will no longer be able to export certain goods to Europe. Europe should impose the same requirements regarding biodiversity, in the EU, by rebuilding its own biodiversity reservoirs.

2. However, the text as written discourages the creation of natural-like forests, even if the option could be financially attractive for some foresters/operators.

- While the draft delegated act includes basic biodiversity safeguards—such as restrictions on plantations in Natura 2000 sites and limitations on non-native species—its requirements are minimal and mainly based on a “do not harm” approach. Operators are required to implement only one biodiversity action, which may lead to superficial or token measures that fail to meaningfully support ecosystem health.
- The fact that the CRCF will set the tone in term of quality implies that buyers of carbon credits will consider plantation projects with the minimum requirements on biodiversity – as set in the text – as a reference, with no incentive to pay higher prices for projects with stronger biodiversity components (those implementing the methodology of the Society for Ecological Restoration for instance).
- Thus, the text as written does not allow operators/foresters to make informed decisions regarding the different revenue options they have (timber production vs. generation of high-quality carbon credits) while:
 - The price of high-quality carbon credits from reforestation projects is to be above 50€/t in 2050 (source: MSCI)
 - There is a growing demand for these kinds of credits – major buyer Microsoft, asks that project developers should “prioritize biodiversity and resilience by growing diverse native species, pursuing ecological restoration or natural regeneration of formerly forested areas where possible, and choosing species and seedling sources which maximize biodiversity”.^{[4][5]}

In this context, we propose adding a new category: “Restoration of Native Forest Ecosystems for Conservation Purposes” within this draft element or in a new element. This category would prioritize projects aimed at enhancing biodiversity and ecosystem services alongside carbon sequestration, moving beyond minimal compliance and establishing a stronger foundation for environmental protection.

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<https://query.prod.cms.rt.microsoft.com/cms/api/am/binary/RW1mYgP>.pg. 17

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<https://www.frontiersin.org/journals/forests-and-global-change/articles/10.3389/ffgc.2023.1246992/full>

As a new generation of Nature-Based project developers, aDryada restores and protects Nature at scale, using the rigorous processes of the infrastructure sector and generating very high-quality carbon credits. The company ensures its projects have a tangible impact on biodiversity, climate, and the economic livelihoods of people, because the three go together. www.adryada.com