



**Government of Sweden**  
Prime Minister

15 September 2025



**PRIME MINISTER**  
**FINLAND**

Ursula von der Leyen  
President of the European  
Commission  
BRUSSELS

Dear Ursula,

First, we would like to thank you for your interest in the Finnish and Swedish forest sectors. We truly appreciate the good cooperation that we have had.

As you are aware, forest and forestry are of crucial importance for both our countries. That is not only from an economic and environmental perspective, but also cultural and social. For Sweden, the export value is more than ten per cent of our total exports. For Finland, it amounts to almost a fifth of total export. The sector's contribution to employment is strong, adding jobs in our rural areas as well, to a total of more than 200 000 Finns and Swedes. By absorbing carbon dioxide and substituting fossil products it is obvious that forests and forestry play an important role in our climate commitments. But we would also underline the importance of national practices and know-how.

In this context, we would like to underline our current challenges under the LULUCF Regulation. Due to the changes in forest age structure and the impacts of climate change, such as periods of droughts, pest and other factors, forest growth has decreased in the previous years. Russia's aggression against Ukraine has affected markets in an unforeseeable way thus increasing prices and the demand for domestic forestry products.

As our respective countries have been allocated substantial obligations, based on the current Commission guidelines and according to the latest analyses, both Finland and Sweden are projected to be unsuccessful in our respective commitments. That applies to both the first and second commitment periods in the LULUCF.

A much decreased harvest would entail dire consequences for our economies as well as labour markets and it would severely affect the supply of timber and forest biomass in the whole EU. Especially in these uncertain times, that cannot be a viable option. Even with far-reaching active measures, reaching our commitments would still be highly uncertain, as natural variability in the sector drowns the effect of active measures.

Therefore, we welcome the Commission's initiative to work with Member States to prepare for the compliance process for the LULUCF first commitment period. We highly appreciate your efforts to find solutions that takes the altered circumstances into account in a realistic manner. In this process we foresee a need to ensure access to the use of flexibilities within the regulation. Furthermore, the guidance on technical corrections on the Forest Reference Level needs further work regarding methodological changes, natural variability in growth, natural disturbances, increased emissions from organic soils and other aspects affecting the net removals from the sector, such as the impact of geopolitical changes on harvest intensity. In this context, we are constantly seeking to improve monitoring methodologies and see that this should be done at the EU level as well.

For the future we see a need for greater recognition of the substitution effects so we can harness the full potential of forest products in the green transition and a thriving bioeconomy.

Looking ahead, we are looking forward to the finalisation of the 2040 targets. We support a swift adoption of an EU-wide net emission reduction target of 90 per cent for 2040, covering both emissions and removals, provided that the Commission's further work takes sufficient account of uncertainties in the land use sector, technology neutrality, cost-effectiveness and technological sinks.

As you know, we firmly believe that climate action and competitiveness are not opposing goals – they are complementary. We are committed to our goals in climate policy. In this work, forests and forestry will remain crucial. We believe that it is time to learn from the existing legislation and take into account the inherent uncertainties of the land use sector. Overestimated assumptions regarding the contribution of the sector should be avoided. Of course, we are not the only Member States who see challenges with today's LULUCF and now comes an opportunity to create a framework that works

in practice, without undermining an important sector. In order to safeguard our climate work, without hampering our economies, we would like to highlight the need for a post-2030 legislation that takes into account the realistic potential of LULUCF removals and their inherent uncertainties. The sector plays a crucial role in ensuring access to biomass, enabling a sustainable bioeconomy and has the potential to provide long-term climate benefits contributing to reducing dependencies by substituting fossil-based materials.

A successful future for Europe relies on a successful clean transition, combining growth, jobs and decreased emissions. We foresee that active forestry, in the bioeconomy, will be a key part in our climate agenda, while strengthening European competitiveness. Finland and Sweden are committed to finding the best solutions in this endeavour. And we want to work with the European Commission to achieve this.

Yours sincerely,

A handwritten signature in blue ink, consisting of a series of fluid, connected loops and strokes, representing the name Ulf Kristersson.

Ulf Kristersson

A handwritten signature in blue ink, featuring a stylized 'P' followed by a series of loops and a final flourish, representing the name Petteri Orpo.

Petteri Orpo