

EU Forest Strategy post-2020 in the context of post-EU

Green Deal future-fit Europe:

How to maximize the contribution from sustainably managed and multifunctional forests for climate neutrality, biodiversity and growing circular bioeconomy?

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Introduction and welcome by Moderator

Aigar Kallas, Vice-President of European State Forest Association (EUSTAFOR), chief executive officer of State Forests of Estonia (RMK)

Opening words on the behalf of Forested Regions

Risto Poutiainen, Region Mayor of North Karelia

The aim of forested regions network is to keep regional perspectives but also collaborate in the context of bioeconomy. Forests have different roles in the fields of economy, biodiversity, landscape, and regeneration. Forestry is also essential part of S3 strategy in Eastern Finland. Climate-smart forestry and circular economy are key factors for climate resilient future.

The perspective from the European Commission

Nicola Di Virgilio, Policy Analyst, Environment, climate change, forestry and bio-economy, DG AGRI, European Commission

EU forest strategy is an important objective in European Green Deal, having aims of effective afforestation, forest preservation and restoration. The new EU forest strategy needs to be in line with other strategies inside EU Green Deal. Climate dimension is important in forests, and the new climate law has been proposed to achieve EU targets legally. It is Europe's pathway to climate neutrality by 2050. The plan is to cut EU-wide greenhouse gas emissions at least 55% by 2030. Land use is having a crucial role in it (LULUCF), by increasing forests sink capacity significantly, and to provide biomass for renewables and bioeconomy.

EU forest strategy is currently being prepared by DG AGRI, DG ENVI and DG CLIMA from European Commission. The aim is to publish new strategy in 2021. Roadmap was published in October 2020, including context, problem definition and the basis of EU intervention. Areas of action will be covering existing forests, new forests and all forests (see the areas of action below).





Areas for action

Existing forests	New forests	All forests
<ul style="list-style-type: none"> • Enhance forest protection and restoration to meet the EU biodiversity and climate objectives • Preserve stocks and increase the EU carbon sinks in forests, their soils and harvested wood products • Enhance prevention of disaster risk events and of damages, and resilience to natural hazards • Secure forest health with a view to changing climatic conditions and environmental degradation • Support restoration of damaged areas and degraded ecosystems • Ensure the sustainable management of all EU forests, maximising the provision of their multiple functions while enhancing their productive capacity 	<ul style="list-style-type: none"> • A roadmap for planting at least three billion additional trees by 2030 • Adaptation of forests to climate change strengthening resilience • New training, skills and jobs • Rural development, including local enterprises and value chains • Innovative forest-based services and products replacing carbon-intensive counterparts • A strong research and innovation agenda, including for the bioeconomy 	<ul style="list-style-type: none"> • Stronger coordination between national forest policies and the European Green Deal • Improve and harmonise monitoring to demonstrate the contribution to EU objectives • Secure financing, including for research, ensuring a consistent approach of funding instruments • Innovative financial incentives, including payments for ecosystem services and result-based schemes • Improve communication on forests and their roles, considering the rural/urban interface • Consistency with international commitments, reinforcing EU's international leadership.

Input received from European parliament adopting the strategy and European council's conclusions are important for the European commission to continue with the planning of the strategy. As a next step a public consultation will be published around the end of the year. Aim is to consult member states and stakeholders through expert groups. It will be based on modelling, dealing with emissions in all the sectors and the result is based of everything gathered. DG CLIMA is organizing an impact assessment for climate target about carbon sinks. Aim is to try different scenarios to increase and plant new forest, increase foreseen use of biomass, not only from forests but also from agriculture and other relevant sectors.

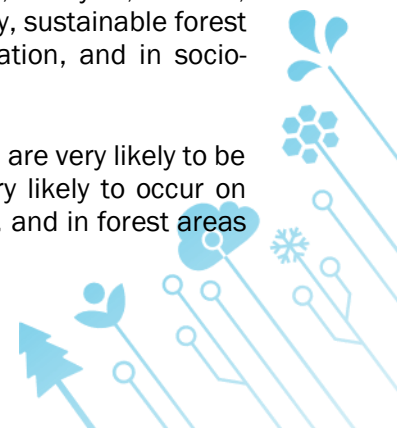
Assessment of possible leakage effects of implementing EU COM proposals for the EU Biodiversity Strategy on forestry and forests in non-EU countries.

Matthias Dieter, Head of Institute, Thünen-Institute of International Forestry and Forest Economics

A study has been conducted about EU forests by calculating the effects of the policy proposals in forest sector inside the EU and in non-EU countries. The study focused to calculate leakage effects, environmental policies that take place across established boundaries. The leakage has a negative effect on the targeted variable. Research question of the study was, *does the biodiversity strategy result biodiversity decline in non-EU countries?* The study tries to understand the roundwood production changes in EU and in non-EU countries, as well as the effects and indicator changes in non-EU countries. Data was gathered from Germany and core measures were applied overall the EU.

As a result, 33% of reduction in EU will be increased in non-EU countries. Non-EU countries will be the relocation of production of roundwood (USA, Russia, Canada, Brazil, India, Malaysia, Ukraine, Turkey, Chile, Belarus). Effects can be seen in vulnerability, governance quality, sustainable forest management, forest condition, deforestation pressure, biodiversity conservation, and in socio-economy aspects.

There will be positive biodiversity effects in the EU due to additional protection are very likely to be countered by negative effects in non- EU countries. Additional logging is very likely to occur on already degraded land, in countries with lower biomass stocks than in the EU, and in forest areas



without management plan or not under certification. Moreover, in most countries, there is a risk that endangered species and intact forest areas will become more endangered and that net deforestation further increases.

As a conclusion, at a global scale it is expected that positive biodiversity effects in the EU due to additional protection are counteracted by negative effects in non-EU countries. Countries with high additional roundwood production and high vulnerability should be primarily focused on in the risk assessment; they should be subject to EU policy measures strengthening sustainable forest management and respective governance.

Next step is to integrate other EU countries to the study to get more coherent indicators. We need to work a bit more to get information across EU. To achieve this, the biodiversity strategy implementation needs to be more precise. It is essential to define different definitions clearer to continue with leakage study.

Further reading: https://www.thuenen.de/media/publikationen/thuenen-workingpaper/ThuenenWorkingPaper_159.pdf

EU Forest strategy - Insights from the European Parliament

Petri Sarvamaa, Member of the European Parliament, Group of the European People's Party

Forest based sector has crucial role to achieve European Green Deal and circular bioeconomy objectives. In October 2020 European parliament has adopted with large majority EU forest strategy. It is important to emphasize the balanced way to reach the goals; social, economic, and environmental aspects balanced together. Sustainable forest management promotes protection of forest biodiversity with suitable tools enhancing forest cover. Jobs within the sector are dependent on resilient and well-maintained forests. Therefore, a holistic and independent strategy is needed.

Effective coordination should be promoted, and to provide coherence and synergies with other sectors. Member states have the core responsibility of forests, and the EU level comes important in fields of energy, climate and environment policies and their effects to the use and managements of forests. Role of wood-based materials will be increasingly important to substitute unsustainable energy fuels.

EU forest strategy can provide new opportunities for rural areas. European parliament states that research and innovation are crucial in the forest sector to meet the opportunities and challenges in future. Also, evidence-based decision making is very important. Strong political message from European Parliament is that the forests are the keys to solve challenges of our time, and we can reach there through sustainable forest management. Nevertheless, there exists a danger that balanced approach may not be exercised in an old way. If we bring one dominating aspect instead of holistic way, there are risks. We have to do everything we can to keep the balance in the EU forest strategy.

The perspective of the German Presidency of the Council of the European Union

Aljoscha Requardt, Policy Advisor, European and International Forest Policy, Federal Ministry of Food and Agriculture

Currently, different forest policies are coming to an end and new ones are starting. There is a wide number of new policy developments on a table, e.g., European Green Deal, biodiversity strategy, and LULUCF regulation. Forest strategy has been a key subject for German EU presidency in last months. Member states are ready to give further guidance for the European commission in this matter. EU policies have an influence for forest policy in the EU and in its member states and regions. It is important to notice that the role of our forests is multifunctional.



Member states have finalized and adopted the European council conclusions of EU forest strategy in November 2020. It is important to promote forest-based sector as a solution-based sector. New forest strategy will help to improve coordination and coherency of EU forest related policies. The key parts are to strengthen resilience and adapt climate change, as well as to increase sustainable forest management, research and innovation and knowledge sharing. Ecosystem services are also essential, building up on lessons learned in the European integrated network. Member states emphasize that EU forest policy lies in member states and that the EU forest strategy should be fully aligned with this understanding.

Emphasis should be on how to improve and strengthen EU forest strategy strategically and politically but also in implementation level. Sustainable development goals are overall a guiding framework to communicate better sustainable forest management and to connect other SDG-related policies. We need an integrated network to exchange knowledge better. Member states request European commission to develop a mechanism to exchange information on how to implement sustainable forest management and in this way better respond to the challenge. Sustainable forest management is an essential part of the solution. We have already proper instruments to reach our goals.

Moderator's foreword and Q&A

There is a contradiction in forestry, are we over or underharvesting?

Nicola Di Virgilio: Combination of both. We might need to consider several aspects in the future of forests. The damage is happening because of the extreme situation of the climate. Age structure is one of the primary courses of sink production.

We deal with forest aging as well as severe damages that are using the sink. We need to double the sink in order to make Europe carbon neutral. What should we do?

Aljoscha Requardt: We have already all the instruments needed to secure sustainable forest management to achieve these objectives. Still, also new actions are needed to compensate the loss of the forests and to rebuild and adapt the forests. This requires effort while still having existing uncertainties. We shouldn't go just one direction, but to mobilize all resources and instruments we have.

Do we have sufficient funding available for forest practices?

Nicola Di Virgilio: The work is still ongoing in European commission to finalize these questions. Still, a bigger support could come from research and innovation as well as from knowledge sharing. Also, the role of common agriculture policy and measures within rural development could have potential. There is also potential in voluntary carbon market that can be maybe developed in the future.

Money is coming into research, what we should do in order to avoid negative effects of biodiversity outside of Europe and what to do also inside Europe?

Matthias Dieter: From scientific perspective we need to refine our research impact of EU forest in the target countries within and outside EU. Nature conservation should be more efficient and not focusing only to areas, but to define better what are our conservation objects. We could combine sustainable forest management with nature conservation, e.g., certain species plants etc. We need better goals in sustainable forest management.

What comes next with EU forest strategy?

Nicola Di Virgilio: Online public consultation will be published most probably in December 2020 and there will be around 15 weeks to react.

Tanja Lepistö: European forested regions network will continue on participating policy discussions in EU level and will keep on arranging events like this. We have an interest to increase activity inside the working group.



Final words on the behalf of Forested Regions

Juan Carlos Suárez-Quiñones, Regional Minister for the Environment of Castilla y León

We have chosen sustainable forest management as a guiding line and integrated approach that gathers different parts together, such as rural development. We need policies to strengthen the forest sector and its industries. We would like to see stronger connections between forests and people living in rural areas, and to build competitive value chains in forestry. We are worried about ongoing separating of forests. Socio-economic implications are important in Mediterranean forests. Forest policies rely on member states as well as on regional and local actors. Representatives of landowners and industries important. These areas sustainable forest management is the best guarantee for a long-term conservation of our forests.

