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**Annex to the**

**Communication from the Commission  
to the Council and the European Parliament  
on an EU Forest Action Plan**

{COM(2006) 302 final}

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## **1. PREPARATION OF THE ACTION PLAN**

### **1.1. Aims of the EU Forest Action Plan**

The EU Forest Action Plan aims at providing a coherent framework for the implementation of forest-related actions and serving as an instrument of coordination between Community actions and the forest policies of the Member States. In doing so, it respects the main principles and elements identified in 1998 in the EU Forestry Strategy.

The EU Forest Action Plan encompasses both Community forest-related actions and forest-related actions to be carried out by the Member States. This Action Plan covers a period of five years starting in 2007.

### **1.2. Terms and definitions**

The term sustainable forest management (SFM) was defined by the Ministerial Conference for Protection of Forests in Europe in Helsinki 1993<sup>1</sup> and adopted by the EU Forestry Strategy of 1998. A common general definition of forest applied herewith is the one used in the “Global Forest Resources Assessment 2005” for “forests and other wooded land”<sup>2</sup>. In this context, the forest sector includes forestry and forest-based industries. The term forestry is considered to encompass the production of standing timber as well as extraction and gathering of wild growing forest materials. It also includes products which undergo little processing, such as wood for fuel or industrial use<sup>3</sup>. Generally, definitions used in this document are intended to be consistent with those of the MCPFE process<sup>4</sup>.

### **1.3. Why an EU Forest Action Plan?**

#### *1.3.1. The EU forestry strategy of 1998*

The Council Resolution of 15 December 1998 on a forestry strategy for the European Union<sup>5</sup> was adopted in response to the need to establish a coherent framework for forest policy in the EU. The Strategy emphasises the importance of the multifunctional role of forests and sustainable forest management for the development of society and identifies a series of key elements, which form the basis for its implementation. It maintains that forest policy lies in the competence of the Member States, but that the EU can contribute to the implementation of sustainable forest management through common policies, based on the principle of subsidiarity and the concept of shared responsibility. It also underlines the implementation of international commitments, principles and recommendations through national or sub-national

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<sup>1</sup> Definition of SFM: “The stewardship and use of forests and forest lands in a way, and at a rate, that maintains their biodiversity, productivity, regeneration capacity, vitality and their potential to fulfil, now and in the future, relevant ecological, economic and social functions, at local, national, and global levels, and that does not cause damage to other ecosystems”.

<sup>2</sup> Forest is a land spanning more than 0.5 hectares with trees higher than 5 m and a canopy cover of more than 10%, or trees able to reach these thresholds in situ. Other wooded land is a land not classified as forest, spanning more than 0.5 hectares; with trees higher than 5 m and a canopy cover of 5-10%, or trees able to reach these thresholds in situ; or with a combined cover of shrubs, bushes and trees above 10%. Neither forest nor other wooded land include land that is predominantly under agricultural or urban land use.

<sup>3</sup> Eurostat.

<sup>4</sup> [www.mcpfe.org](http://www.mcpfe.org).

<sup>5</sup> OJ C56, 26.2.1999, p. 1.

forest programmes or equivalent instruments, and stresses the need to improve coordination, communication, and cooperation in all policy areas of relevance to the forest sector.

### *1.3.2. The Commission report of 2005*

In March 2005, the Commission presented a Communication reporting on the implementation of the EU Forestry Strategy<sup>6</sup>, accompanied by a Commission Staff Working Document<sup>7</sup> providing a detailed review of the activities implemented in the context of the EU Forestry Strategy in the period 1999–2004. This report confirmed the economic, social, and environmental importance of the forest sector in the EU and the multiple benefits that sustainable forestry provides to society. The report also highlighted that the context for forest policy in the EU had evolved significantly since 1998, both through decisions directly affecting the forest sector and through changes in the broader policy setting.

In this respect, the report indicated the following events and decisions:

- the World Summit on Sustainable Development (WSSD), held in Johannesburg in 2002, put forests firmly into the context of sustainable development;
- at Pan-European level, the Declaration and Resolutions of the 4th Ministerial Conference on the Protection of Forests in Europe (MCPFE) held Vienna in 2003 have set out common concepts and definitions, and a series of coherent actions for the protection and sustainable management of forests;
- at EU level, the adoption of the 6th Community Environment Action Programme in 2002 and the reform of the CAP in 2003, which has strengthened rural development policy, are important developments with implications for the forest policies of the Member States;
- changes in the broader policy context include the Lisbon and Gothenburg Strategies, and EU enlargement. The experiences gained in the implementation of the EU Forestry Strategy show that sustainable forest management can contribute to the Lisbon objectives of sustainable economic growth and competitiveness. It can also play an important role in achieving the Gothenburg objectives of safeguarding the quantity and the quality of the natural resource base. However, in order to maintain and optimise these contributions, the Strategy and its implementation process need to be placed within the newly emerging policy context.

The report identifies the need to enhance the competitiveness and economic viability of sustainable forestry in the EU as the main area where more efforts are necessary in the future. It also drew attention to the increasing importance of good governance for the protection and sustainable management of forests, which requires additional skills and efforts from forest-owners and managers, and new ways of cooperation and consultation with stakeholders. Finally, the report emphasised the importance of cross-sectoral cooperation, and coordination between forest policy and other policies that affect sustainable forest management.

Responding to the above issues, the Communication reporting on the implementation of the EU Forestry Strategy outlined two proposals for action: (1) to develop an EU Action Plan for Sustainable Forest Management; and (2) to review the existing Community means and practices to facilitate coordination, communication, and cooperation between different policy sectors which have an influence on forestry. The report was discussed in the Council and an

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<sup>6</sup> COM(2005) 84 final.

<sup>7</sup> Annex to COM(2005) 84 final.

agreement was found among the Member States to support the Commission's proposals. The Council Conclusions on the EU Forest Action Plan<sup>8</sup> call on the Commission to present an EU Forest Action Plan by mid-2006.

#### **1.4. Consultations and dialogue**

The preparation of the EU Forest Action Plan began immediately after the adoption of the Council Conclusions on 30 May 2005. The process for the elaboration of the Action Plan and its preliminary structure were discussed at the Standing Forestry Committee meeting held on 2–3 June 2005. The development of the Action Plan was structured in line with the Council Conclusions. Drafting of the Action Plan involved consultations with the Member States and acceding countries (through the Standing Forestry Committee), stakeholders (through the Advisory Group on Forestry and Cork and individual contributions), and cooperation among Commission services.

##### *1.4.1. Consultations with the Member States and acceding countries*

The Commission has prepared the Action Plan in close cooperation with the Member States and acceding countries. The preparation started by reflecting on driving forces, opportunities and constraints, and the values of forests and forestry as perceived by society. In this respect, inputs from the Member States and acceding countries were received and analysed. Additionally, two workshops with forestry experts were organised in September 2005 in order to collect their opinions concerning the overall challenges, objectives and gaps in sustainable forest management. The results of both consultation exercises have provided a basis in drafting relevant sections of this document.

The Standing Forestry Committee was consulted three times (2–3 June 2005, 14 October 2005, and 17 March 2006) throughout the elaboration process. In addition, three thematic working groups were set up under the Committee. Each of these working groups met twice during the period of December 2005 – January 2006 to discuss the strategic objectives and individual actions to be considered in the Action Plan, respectively, on: (1) the economic and social dimensions of forests and forestry; (2) ecological dimension of forests and forestry; and (3) coherence and coordination. The outcomes of the discussions in these working groups have formed the basis for the actions outlined in this document. The lists of possible actions, identified by the three working groups can be found at the relevant Commission website<sup>9</sup>.

##### *1.4.2. Dialogue with stakeholders*

In the preparation of the Action Plan, the Commission has taken stock of the results of the stakeholder consultation on the EU Forestry Strategy carried out in 2004. Following this, contributions from relevant stakeholders for the development of the Action Plan were sought in several ways:

- stakeholders had an opportunity to participate in the preparation of the Action Plan through the Advisory Group on Forestry and Cork, which was consulted in this matter on three occasions (8 July 2005, 28 October 2005, and 10 March 2006). The Advisory Group includes representatives of forest-owner organisations (public and private), research organisations, forest-based industries, environmental NGOs, forest trade unions, traders, and consumer groups;

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<sup>8</sup> Council Conclusions on an EU Forest Action Plan, adopted at the 2662<sup>nd</sup> Council meeting Agriculture and Fisheries, Brussels, 30-31 May 2005.

<sup>9</sup> [http://ec.europa.eu/comm/agriculture/fore/action\\_plan/sfc\\_experts\\_en.htm](http://ec.europa.eu/comm/agriculture/fore/action_plan/sfc_experts_en.htm).

- some stakeholders have produced individual contributions. Opinions were received from: BirdLife International, CEI-Bois, CEPF, CEPI, COPA and COGECA, ELO, FERN, UEF, USSE<sup>10</sup>;
- the exchange of opinions with stakeholders also took place during bilateral meetings with the Commission services. During the process of elaboration of the Action Plan, the Commission updated the forestry website, where all reports and contributions related to the preparation of the Action Plan are publicly available<sup>11</sup>.

#### *1.4.3. Consultation within the Commission*

Finally, considerable efforts were made by all relevant Commission services to cooperate in preparation of the EU Forest Action Plan. The Commission Inter-Service Group on Forestry discussed the preparation of the Action Plan in four meetings (24 June 2005, 21 October 2005, 12 January 2006, and 6 April 2006), and representatives of several Commission services actively participated in the discussions of the three Working Groups of the Standing Forestry Committee.

#### *1.4.4. Inputs from other Community institutions*

Other Community institutions have also significantly contributed to the preparation of the Action Plan with their opinions and reports. The European Parliament's report on the implementation of the EU Forestry Strategy<sup>12</sup> provides a clear set of recommendations on the content and scope of the Action Plan. Opinions on the Commission Communication on the implementation of the EU Forestry Strategy were also delivered by the European Economic and Social Committee<sup>13</sup> and the Committee of the Regions<sup>14</sup>. All these reports from Community institutions underline the importance of forests, forestry and forest-based industries in the EU and support the Commission's proposal on the preparation of an EU Forest Action Plan.

## **2. CONTEXT AND BACKGROUND**

### **2.1. Multiple functions of forestry**

Forests in the European Union have traditionally served multiple functions providing a range of goods and services to the society. Forests in the EU contain the greatest diversity in terms of species, genetic material and ecological processes of all ecosystems. The enlargement of the EU in May 2004 increased the Community's forest and other wooded land area by 20%, from 136 up to 166 million hectares<sup>15</sup>. Presently forests cover 37.8% of the EU's land area. The percentage of the land covered by forests in the world is 30.3%. The forest area of the EU Member States has also been steadily increasing over the last decades. According to the results

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<sup>10</sup> CEI-Bois - the European Confederation of Woodworking Industries, CEPF - Confederation of European Forest Owners, CEPI – Confederation of European Paper Industries, COPA - Committee of Professional Agricultural Organisations in the European Union, COGECA - General Confederation of Agricultural Cooperatives in the European Union, ELO - European Landowners' Organization, FERN - Forests and the European Union Resource Network, UEF – Union of European Foresters, USSE – Union of Foresters of Southern Europe.

<sup>11</sup> [http://ec.europa.eu/comm/agriculture/fore/index\\_en.htm](http://ec.europa.eu/comm/agriculture/fore/index_en.htm).

<sup>12</sup> European Parliament A 6-0015/2006 Final.

<sup>13</sup> OJ C28, 3.2.2006, p. 57.

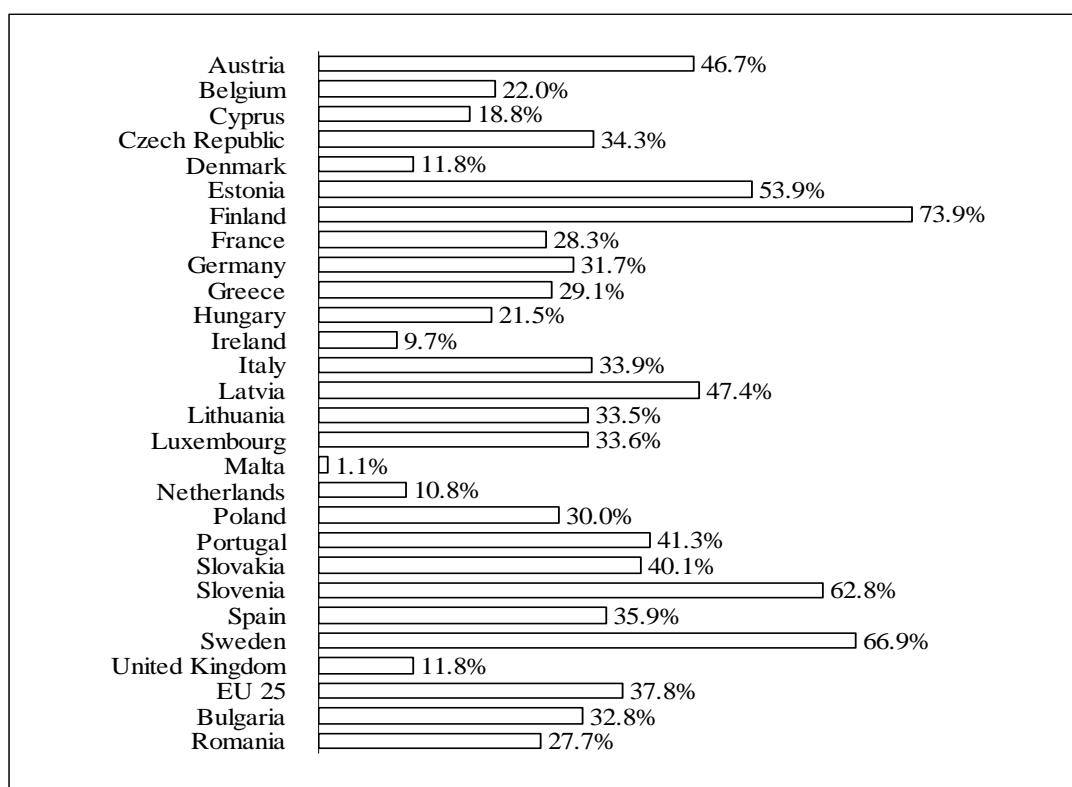
<sup>14</sup> OJ C115, 16.5.2006, p. 84.

<sup>15</sup> TBFRA 2000 and Global Forest Resources Assessment 2005 data.

published in the latest FAO report, the total forest cover in the EU during the period of 2000–2005 has increased by 2.3 million ha<sup>16</sup>.

Despite being a homogenous block from a global perspective, the EU is very diverse. Forest cover greatly varies among the EU Member States ranging from respectively 73.9% and 66.9% of the total land area in Finland and Sweden, to 9.7% in Ireland, 10.8% in the Netherlands and 11.8% in Denmark (Figure 1). During the process of elaboration of the Action Plan, representatives of countries with low forest cover have indicated that for them afforestation remains a necessary objective in order for their citizens to avail of the multifunctional benefits provided by forestry.

**Figure 1. Forest cover in the EU Member States and acceding countries as a percentage of the total land area**



Source: Global Forest Resources Assessment 2005, FAO 2006.

### 2.1.1. Economic function

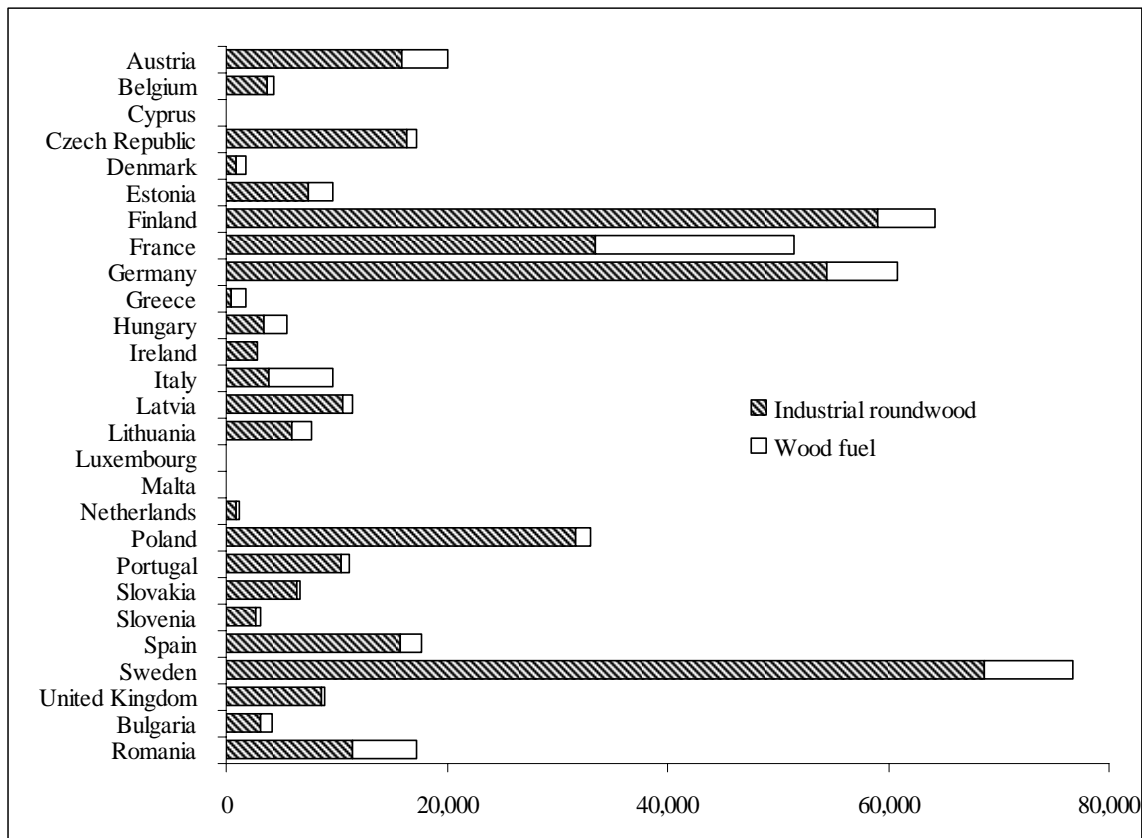
The EU is one of the largest producers, traders, and consumers of forest products in the world<sup>17</sup>. About 60% of the forests in the EU are in the ownership of about 15 million private forest owners. Private forest holdings have an average size of 13 ha, but many privately-owned forests are less than 3 ha in size. Forestry and forest-based industries employ about 3.4 million people, and the EU produces about 20% of the world's industrial roundwood, being the second biggest producer after the USA. The EU is also the world's biggest sawn-wood producer. The EU-25 produced 28% of the world's total paper and paperboard in 2003, compared to the 24% produced in the USA. In 2003, the production of paper and paperboard in the EU amounted to 91.6 million metric tonnes.

<sup>16</sup> Global Forest Resources Assessment 2005, FAO 2006.

<sup>17</sup> Source "Statistics in focus" 44/2005, Eurostat.

Despite these large quantities of production, the average annual volume of timber harvested in the EU is only slightly over 60% of the annual forest growth. Total removal of wood in 2005 was 427.5 million m<sup>3</sup> o.b.<sup>18</sup> Large variations in removals of wood can be observed among the Member States (Figure 2). The largest share of the removed wood is used as industrial roundwood. However, in some countries (e.g. Greece, Italy, and Denmark) removals of wood for fuel appear to be particularly important in the timber harvesting balance.

**Figure 2. Wood removal in 2005 in the EU Member States and acceding countries, '000 m<sup>3</sup> o.b.**



Source: Global Forest Resources Assessment 2005, FAO 2006.

Besides wood, cork is one of the most important forest products in the European Union, with approximately 1.7 million ha of cork oak forests accounting for 80% of the worldwide production of cork. Almost 100% of the manufactured output of cork originates in the EU.

### 2.1.2. Ecological function

Of all biotopes in the EU, forests are home to the largest number of species, providing important environmental and social functions, such as the conservation of biodiversity and protection of water and soil as well as infrastructure. EU forests are situated in very different ecological environments, ranging from boreal to the Mediterranean, and from alpine to lowlands.

<sup>18</sup> Global Forest Resources Assessment 2005, FAO 2006.

The establishment of the Natura 2000 network has substantially increased the attention given to forest biodiversity both at Community and at Member States level. Almost 30% of all designated Natura 2000 sites concern forest habitats and another 30% partly contain woodland elements and related species<sup>19</sup>.

Forests can play an important role in climate change mitigation by acting as carbon sinks. As the utilisation rate<sup>20</sup> of forest resources has declined over the past decades, carbon stocks in forests are relatively high today. There is increasing evidence that the pan-European region is one of the areas in the world where the forest sink has a high degree of permanence, provided that carbon stocks are sustainably managed and protected against biotic and abiotic factors. Carbon stock in forests and other wooded land in the EU in 2005 has reached 15 240 million tons, of which 6 861 million tons are stored in the above ground biomass and 5 444 million tons are soil carbon<sup>21</sup>.

Forest protection is a constant concern in the EU. Biotic factors and grazing are main causes of forest damage. Other major factors affecting forests are air pollution, storms, and forest fires, all of which are expected to be aggravated by climate change. The Commission has already indicated that specific risks related to climate change will require comprehensive adaptation strategies<sup>22</sup>.

While EU legislation has led to considerable improvement of air quality in Western Europe over the past 20 years, deposition of air pollutants is still a concern for European forests and most sites with the highest acid inputs (which comprise nitrogen as well as sulphate deposition) are now situated in Central European forests.

Several heavy storms within a relatively short period, the latest in January 2005 in Sweden and the Baltic States, have caused severe damages to forests. Only in Sweden, the volume of wood of the trees felled by the storm of 2005 was estimated to amount to approximately 75 million m<sup>3</sup>. While individual extreme weather events cannot be directly linked to climate change, scientific modelling has consistently indicated that these extreme events will become more frequent and more severe.

About 0.5 million ha of forests and other wooded land are burned every year, predominantly in the Mediterranean countries<sup>23</sup>. The average annual burnt area in the five Southern Member States (Portugal, Spain, France, Italy, and Greece) during the period of 2000–2004 was 464 090 ha. The average annual number of forest fires in this region during the same period was 60 633. Figure 3 indicates burned forest area, expressed as burned forest fraction in each NUTS3 (Eurostat territorial units for statistics level 3) for which forest fire data are available in the EU Fire Database of EFFIS.

Desertification is also a problem of growing concern in Mediterranean countries, which needs to be addressed through appropriate strategies and measures.

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<sup>19</sup> COM(2004) 431 final.

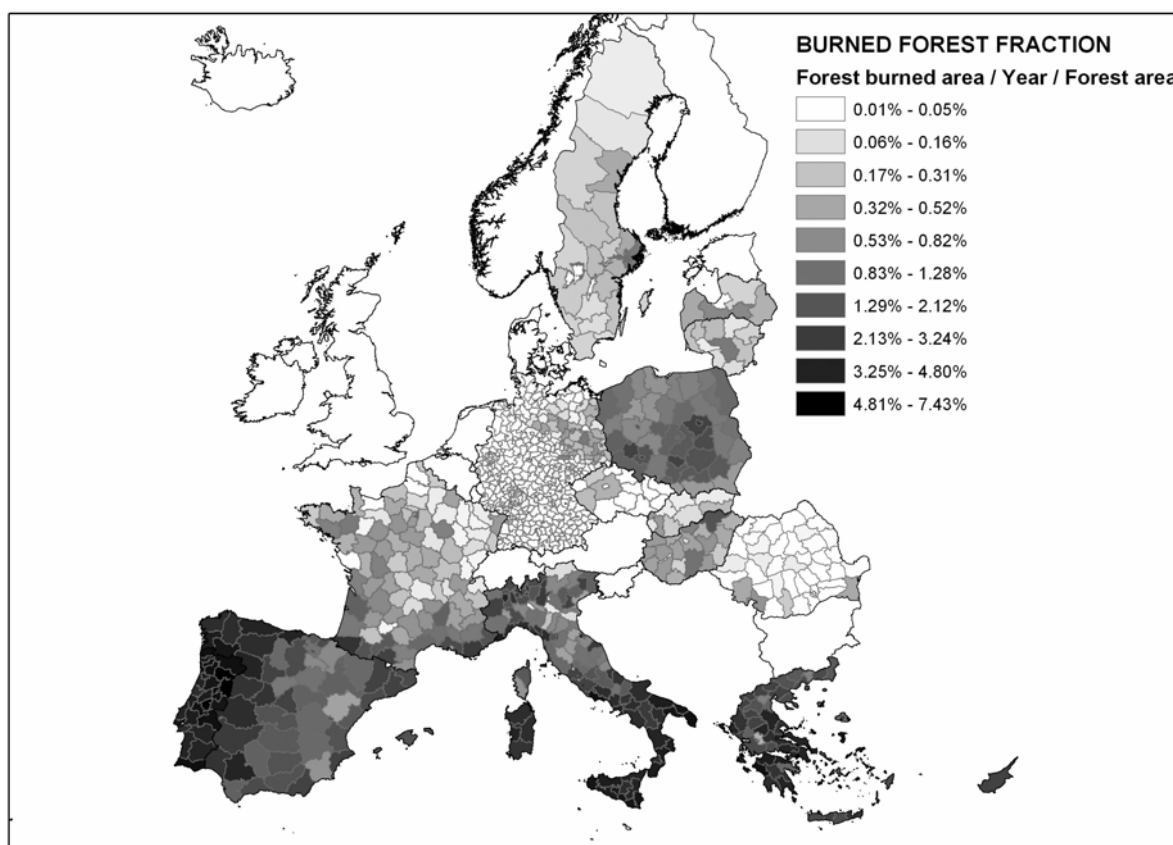
<sup>20</sup> Utilisation rate: difference between measured volume increment and reported production figures.

<sup>21</sup> Global Forest Resources Assessment 2005, FAO 2006.

<sup>22</sup> COM(2005) 35 final.

<sup>23</sup> Forest Fires in Europe 2004. S.P.I.05.147 EN, European Communities 2005.

**Figure 3. Burned forest area in Europe**



Source: EU Fire Database of EFFIS. (The Burned Forest Fraction is computed as the average yearly burned forest area ratio from the forest area of the territory, and expressed as a percentage. The fire statistics cover the period before 2004 for maximum length of 10 years (i.e. from 1995), with variations between the individual Member States (depending on data availability): Portugal 10, Spain 10, France 10, Italy 10, Greece 10, Germany 8, Cyprus 5, Latvia 1, Czech R. 1, Slovakia 1, Poland 10, Lithuania 1, Hungary 3, Sweden 9, Romania 1. The forest area of each NUTS3 has been estimated from CLC2000 – Corine Land Cover 2000).

### 2.1.3. Social function

Forests offer many goods and benefits in addition to forest products, such as supplying social and recreational services. Forestry provides also for the stewardship of scenic and cultural values, as well as other functions, such as traditional collection of mushrooms and berries, hunting and tourism.

Having about 4% of the world's forests, EU population makes up over 7% of the total world's inhabitants. Therefore, the direct or indirect dependence of the European citizen on the EU forests for providing goods and services is relatively greater if compared to the world's population in general. If on average in the world forest area per capita is 0.62 ha, this figure in Europe is almost twice as low, being only 0.31 hectares of forest land per capita (1.0 ha in USA and 5.6 ha in the Russian Federation). Forest area per capita within the EU ranges from 4.3 ha in Finland and 3.1 ha in Sweden to 0.13 ha in Germany and 0.6 ha in Belgium.

Rural regions in the EU represent 92% of the territory<sup>24</sup>, and over half of the EU's population live in rural areas. These regions generate 45% of the Gross Value Added in the EU and provide 53% of the employment. Covering large parts of rural areas, forests provide a range of

<sup>24</sup> COM(2005) 304 final.

goods and services, which are of a vital importance to the rural population, creating economic welfare and employment.

On average in the EU25, 39% of forest land is owned by public bodies, 60% – by private entities, and 1% – by other type of forest-owners (data from the year 2000)<sup>25</sup>.

## **2.2. Coherence across policies and sectors**

### *2.2.1. International agreements and commitments*

Since the 1990s, national forest policies in Europe have been shaped and influenced increasingly by the interaction and inter-linkages between global, regional and national forest policy development processes. The overall aim of both the United Nations' International Arrangements on Forests and the Ministerial Conference on the Protection of Forests in Europe (MCPFE) has been the promotion of sustainable forest management. The global UN processes since the United Nations Conference on Environment and Development in 1992 and subsequent Intergovernmental Panel on Forests, Intergovernmental Forum on Forests, and the ongoing United Nations Forum of Forests have produced a large number of policy outputs in terms of recommendations, initiatives, principles, and other types of soft law.

In addition, international processes have resulted in legally binding international instruments, such as: UNFCCC<sup>26</sup> and its Kyoto Protocol, CBD<sup>27</sup>, UNCCD<sup>28</sup>, ITTA<sup>29</sup>, and CITES<sup>30</sup>.

At the Pan-European level, the MCPFE<sup>31</sup> has become a well established process, through which European countries and the European Community have developed comprehensive guidelines for forest policy, and strengthened coordination and cooperation. During the last 15 years, the MCPFE has identified the main forest policy issues in the region, specified in seventeen Resolutions as political commitments of the European countries. Whereas the Strasbourg (1990) and Helsinki (1993) Resolutions largely focussed on policy issues related to ecological sustainability and environment, a shift towards socio-economic aspects in the Lisbon Resolutions (1998) may be noted. Further changes can be observed in the Vienna Declaration and Resolutions (2003), where 40 signatory countries and the European Community set themselves the target of achieving a balance between the economic, ecological, social, and cultural roles of forests in the context of sustainable development.

### *2.2.2. Relevant EU policies*

During the preparation of the EU Forest Action Plan, the Commission has considered the main EU policy objectives, notably concerning the Lisbon objectives of sustainable economic growth and competitiveness, and the Gothenburg objectives of safeguarding the quality and the quantity of the natural resource base. The Lisbon European Council in 2000 approved a new strategic goal for the EU, namely by 2010 to become the most competitive and dynamic knowledge-based economy, capable of sustainable economic growth with more and better jobs and greater social cohesion<sup>32</sup>. The Gothenburg European Council in 2001 complemented the

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<sup>25</sup> Global Forest Resources Assessment 2005, FAO 2006.

<sup>26</sup> UN Framework Convention on Climate Change.

<sup>27</sup> Convention on Biological Diversity.

<sup>28</sup> UN Convention to Combat Desertification.

<sup>29</sup> International Tropical Timber Agreement.

<sup>30</sup> The Convention on Trade in Endangered Species.

<sup>31</sup> Conferences in: Strasbourg 1990, Helsinki 1993, Lisbon 1998 and Vienna 2003.

<sup>32</sup> [http://europa.eu.int/growthandjobs/key/index\\_en.htm](http://europa.eu.int/growthandjobs/key/index_en.htm).

Lisbon Strategy by adopting the EU sustainable development strategy, which requires addressing the economic, social and environmental policies in a mutually reinforcing way<sup>33</sup>. A new Lisbon partnership for growth and jobs was launched in 2005<sup>34</sup>. This renewed Lisbon Strategy builds on three central concepts: more focus of Europe's actions (concentrating efforts on delivering on the ground policies that will have greatest impact); mobilised support for change (establishing broad and effective ownership of the Lisbon goals); and simplification and streamlining of the implementation of the Lisbon Strategy.

Several EU policies, such as the common agricultural policy (CAP), environment, energy, enterprise and industry, and research affect sustainable forest management and the forest policies of the Member States. The Community objectives in these policy areas also provide an important reference point in the preparation of the EU Forest Action Plan.

#### 2.2.2.1. Rural development policy

The EU rural development policy, the second pillar of the CAP, seeks to establish a coherent and sustainable framework for the future of the rural areas<sup>35</sup>. The multifunctionality of agriculture and forestry, i.e. its varied role over and above the production of foodstuffs and raw materials is one of the cornerstones of the Community rural development policy. This implies the recognition and encouragement of the range of services provided to society by farmers and forest owners. The Community also takes a multi-sectoral and integrated approach to the rural economy. Consequently, the new Rural Development Regulation<sup>36</sup> provides a key tool in efforts to create growth and jobs in rural areas, while enhancing sustainable development and aiming to improve competitiveness, stimulate diversification, and improve environmental protection. The European Agricultural Rural Development Fund (EARDF) is one of the main Community instruments for the implementation of the Action Plan.

#### 2.2.2.2. Environment policy

The 6th Community Environment Action Programme<sup>37</sup> seeks to promote the integration of environmental concerns in all Community policies and to contribute to the achievement of sustainable development. The key environmental priorities to be met by the Community are set by the Programme in the following areas: climate change; nature and biodiversity; environment and health, quality of life; natural resources and wastes.

Since the adoption of the Kyoto Protocol, the EU and its Member States have taken the lead of international efforts to turn the constraining emission reduction targets into a working system. Concerning forests, a balance will need to be struck in the future between mitigation measures (removal of green-house gases from the atmosphere) and adaptation measures (adaptation of forests and forestry to a changed climate). The mitigation measures would have to be socially and environmentally acceptable, while the adaptation strategies would need to be given a higher profile, from both a biodiversity and a socio-economic perspective. Awareness about the potential of forests to simultaneously sequester substantial amounts of carbon and help create renewable alternatives to the consumption of fossil fuels and non-renewable materials, should be raised. As forest cover in the EU is continuously expanding, the potential for carbon sequestration and production of bioenergy feedstock and environmentally friendly raw

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<sup>33</sup> [http://europa.eu.int/comm/sustainable/sds2005-2010/index\\_en.htm](http://europa.eu.int/comm/sustainable/sds2005-2010/index_en.htm).

<sup>34</sup> COM(2005) 24.

<sup>35</sup> [http://europa.eu.int/comm/agriculture/rur/index\\_en.htm](http://europa.eu.int/comm/agriculture/rur/index_en.htm).

<sup>36</sup> Council Regulation (EC) No 1698/2005 of 20 September 2005 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).

<sup>37</sup> <http://europa.eu.int/scadplus/leg/en/lvb/l28027.htm>.

materials is increasing. Some Member States have chosen to include forest management, under Article 3.4 of the Kyoto Protocol, in their emission reduction measures<sup>38</sup>.

In the area of biodiversity, the Commission has adopted in May 2006 the Communication “Halting the loss of biodiversity by 2010 – and beyond”<sup>39</sup>, in which the Commission proposes four key policy areas for action to 2010 and beyond, and an action plan to meet the EU high-level objectives to halt the loss of biodiversity by 2010, secure the recovery of habitats and natural systems and to contribute to significantly reducing rate of biodiversity loss worldwide by 2010.

The Regulation on Forest Focus<sup>40</sup> provides a Community scheme for a harmonised, comprehensive and long-term monitoring of European forest ecosystems. It concentrates in particular on protecting forests against air pollution and fire but also relates to biodiversity, climate change, carbon sequestration, soils and protective functions of forests. After phasing out at the end of 2006, it will be possible to continue Community support for forest monitoring under the forthcoming LIFE+ financial instrument for the environment. It should be noted that forest monitoring will not be obligatory under LIFE+.

### 2.2.2.3. Energy policy

The Community objectives in the area of energy policy call for the doubling of the renewable primary energy production in the EU with an increasing share of the electricity production from renewable energy sources, significant production of biofuels (5.75% by 2010 on energy basis) with emphasis on second generation of biofuels after 2008, and increased use of energy from renewable sources in general. In December 2005, the Commission adopted a Biomass Action Plan (BAP)<sup>41</sup> designed to increase the use of energy from forestry, agriculture, and waste materials. The BAP aims at reducing Europe’s dependence on imported energy, cut greenhouse gas emissions, protect jobs in rural areas and extend the EU’s technological leadership in these sectors. The BAP outlines measures in three sectors – heating, electricity, and transport – announcing more than 20 actions, most of them to be implemented from 2006 onwards. The BAP includes: reviews of: how fuel standards could be improved to encourage the use of biomass for transport, heating, and electricity generation; investment in research, in particular in making liquid fuels out of wood and waste materials; and a campaign to inform farmers and forest owners about energy crops. The EU Forest Action Plan closely links its activities in relation to forest biomass to the relevant measures outlined in the Biomass Action Plan.

### 2.2.2.4. Industrial policy

The Commission adopted in 1999 a Communication on the State of Competitiveness of the EU Forest-based and Related Industries<sup>42</sup>. This Communication included a thorough analysis of the key features and competitiveness factors of forest-based industries and identified key

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<sup>38</sup> This is a case for FR, PT, SE, UK, who have taken a decision and for whom this would result in a total additional carbon uptake of 7.53 Mt CO<sub>2</sub>eq. Similar decisions on forest management by other Member States are still pending. This may add an additional 10.5 Mt CO<sub>2</sub>eq., totalling 18.03 Mt CO<sub>2</sub>eq., or slightly below the ECCP I estimate of 19 Mt CO<sub>2</sub>eq (ECCP II review working group on agriculture and forestry).

<sup>39</sup> COM(2006) 216 final.

<sup>40</sup> Regulation (EC) No 2152/2003 of the European Parliament and of the Council of 17 November 2003 concerning monitoring of forests and environmental interactions in the Community (Forest Focus).

<sup>41</sup> COM(2005) 628 final.

<sup>42</sup> COM(1999) 457.

challenges lying ahead. The Commission Communication has been subject of an impact evaluation<sup>43</sup>, which *inter alia* concluded that the scope and depth of the preparatory work brought strong credibility to the Communication as well as a close and sustained cooperation between different industry stakeholders. The Commission is presently involved in the process of preparation of a Communication on the sustainable competitiveness of the EU forest-based industries, as it was indicated in the Commission Communication on Implementing the Community Lisbon Programme: A policy framework to strengthen EU manufacturing – towards a more integrated approach for industrial policy<sup>44</sup>, adopted in October 2005. The preparation of the EU Forest Action Plan has considered the specific issues and priorities that will be included in the aforementioned Communication.

#### 2.2.2.5. Research and technological development policy

The preparation for the EU 7th Research Framework Programme 2007–2013 (FP7)<sup>45</sup> is well under way. This programme places greater emphasis than in the past on research relevant to the needs of European industry, to help it compete internationally and to develop its role as a world leader in certain sectors. FP7 will be organised in four specific programmes, corresponding to four major objectives of European research policy: cooperation, ideas, people, and capacities. The future European support under FP7 will be provided in the cooperation specific programme, especially in the thematic priority 2: Food, agriculture and biotechnology, 5: Energy and 6: Environment, including climate change. The thematic domains will cover individual areas of research in which a range of research projects and networks will be supported. European Technology Platforms have been initiated to provide a framework for stakeholders, led by industry, to define research and development priorities, timeframes and action plans on a number of strategically important issues. These priorities will locate areas where achieving Europe's future growth, competitiveness and sustainability objectives is dependent on major research and technological advances in the medium to long term. In this context, The “Forest-Based Sector Technology Platform”<sup>46</sup> aims at establishing and implementing the forest sector’s research and development roadmap for the future.

#### 2.2.2.6. Development cooperation policy

The main tool by which international commitments can be supported in non-EU countries is the use of economic and development cooperation instruments, which are a shared competence of the Community and Member States. Overall aid levels are set to increase over the coming decade. The challenge though is to ensure that the role of forests is adequately taken into account when decisions are made on resource allocation by EU governments and the partner countries, in accordance with the Paris Declaration on aid effectiveness.

Even though the Commission will no longer have a specific financing instrument for forests after 2006, there will be opportunities for financial support from 2007 and on in the Environment and Natural Resources Thematic Programme, as well as in country or regional programmes.

To build on a commitment taken at the World Summit on Sustainable Development and responding to growing societal concern, in May 2003 the Commission has taken up the

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<sup>43</sup> “Evaluation of the Communication on the State of Competitiveness of the EU Forest-based and Related Industries”, European Evaluation Consortium, Twickenham, UK, 2004.

<sup>44</sup> COM(2005) 474 final.

<sup>45</sup> [http://europa.eu.int/comm/research/future/index\\_en.cfm](http://europa.eu.int/comm/research/future/index_en.cfm).

<sup>46</sup> <http://www.forestplatform.org/index.php?mid=1>.

challenge of tackling illegal logging through the adoption of the EU Action Plan for Forest Law Enforcement, Governance and Trade (FLEGT)<sup>47</sup>. Council Conclusions were adopted in October 2003, and the European Parliament motion on the FLEGT action plan was adopted in February 2004. The European Commission adopted a proposal for a Regulation to implement the timber import licensing scheme in 2004. Based on this proposal the Council adopted a Regulation on the establishment of a FLEGT licensing scheme for imports of timber into the European Community<sup>48</sup>.

Global deforestation has entered the agenda of the UN Framework Convention on Climate Change (UNFCCC)<sup>49</sup> and is likely to play an important role in engaging developing countries in the post-2012 Kyoto regime. It will be important to ensure that such future agreements are in line with the EU Forestry Strategy.

#### 2.2.2.7. Trade policy

The EU's trade policy seeks to secure prosperity, solidarity and security in Europe and around the globe. The Commission in implementing the trade policy aims at shaping a trade environment that is good for people and for business, and is committed to helping world trade and development, thereby boosting competitiveness, jobs and growth in the process.

The EU has promoted the integration of sustainable development into international trade (for instance through its work on trade-related sustainability impact assessment) and in global efforts to curb unsustainable production and consumption patterns.

#### 2.2.2.8. Regional policy

EU Regional policy continues to support an integrated approach to regional development, taking advantage of natural assets and considering the economic, social and environmental dimensions of sustainable development. Indeed, one of the principal conditions for creating cohesion in the European territory is to ensure complementarity and balance between urban and rural areas (including the forest areas). The European Regional Development Fund<sup>50</sup> (ERDF) can provide financial support to the Member States for the implementation of specific actions of the EU Forest Action Plan under the condition these actions are coherent to the regional priorities of development and the Community Strategic Guidelines.

#### 2.2.2.9. Plant health policy

In the field of plant health, forest reproductive material is covered by Council Directive No 2000/29 on protective measures against the introduction into the Community of organisms harmful to plants or products and against their spread within the Community<sup>51</sup>. The use of forest reproductive material is dealt with by Council Directive No 1999/105 on the marketing of forest reproductive material<sup>52</sup>.

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<sup>47</sup> COM(2003) 251 final.

<sup>48</sup> OJ L347, 30.12.2005, p. 1.

<sup>49</sup> The Government of Papua New Guinea, by its communication dated 28 July 2005, requested the UNFCCC secretariat to add an item entitled "Reducing emissions from deforestation in developing countries: approaches to stimulate action" to the agenda of the 11<sup>th</sup> Conference of the Parties. See also: COM(2005) 35 final.

<sup>50</sup> COM(2004) 495 final.

<sup>51</sup> OJ L169, 10.7.2000.

<sup>52</sup> OJ L11, 15.1.2000.

### **3. MEETING THE CHALLENGES: TRENDS, CONSTRAINTS AND OPPORTUNITIES**

#### **3.1. Increased globalisation**

Globalisation has been a major driving force in recent years, supported by policies reducing barriers to the movement of goods, capital, and technology across national boundaries<sup>53</sup>. This has led to a set of global markets for many forest materials and products in which the market price is defined by the lowest-cost producers. In this context, EU forest owners are facing increasing difficulty to compete because their production costs are higher than those of low-cost competitors outwith the EU. Moreover the value of environmental and social functions is not reflected in wood revenues. Fragmentation of private forest-ownership may be seen as a negative factor leading to higher cost in forest management and in the mobilisation of wood.

At the same time, concern at a global level about the alarming rate of loss and degradation of forests has led to efforts to control illegal logging and promoting sustainable forest management, including through the introduction of market-based instruments, such as forest certification. Whilst new EU measures are emerging to tackle these issues directly (the EU FLEGT Action Plan) in specifically identified regions outside the EU, forest certification has been one of the tools to encourage the sustainability of forest management within the Union in the respect of WTO<sup>54</sup> rules and, thereby, raise awareness about these trends generally.

#### **3.2. Economic growth and increasing volume of available wood**

Economic growth leads to increased trade, investment and personal incomes, resulting in stronger growth in demand for all forest products and services<sup>53</sup>. EU forests are expanding and standing volume of wood in existing forests is rising. This offers economic opportunities for forest owners and a potential for forest-based industries to increase output of wood and other forest products. However, in many EU countries, the relationship between forestry activities and downstream industries appears to be weak, with low connectivity between the resource base and industry requirements.

#### **3.3. Changes in population and employment structure**

The ageing of population in the EU also plays an important role in shaping societal views on and expectations from forestry. Changes in the population age structure can also have an important effect on markets, by altering patterns of demand for forest products and services and income levels<sup>53</sup>. The share of the age group 65 to 79 years in the EU rose from 10.9% in the total population in 1993 to 12.5% in 2004<sup>55</sup>. The ageing of EU population requires the development of new products and infrastructures, which forests may provide. Rapid advancements in technological development broaden the variety of products available to society, influences habits and style of life, as well as opens new opportunities for the industry.

Increasing migration into urban areas is leading to changes in rural areas and changing values in society in general. These trends are resulting in a greater demand for amenities and lesser knowledge of the variety of goods and services provided by forests and the importance of forest management. However, forestry can also serve an urbanized European society in providing various services affecting health and quality of life, such as amenities and place for

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<sup>53</sup> European Forest Sector Outlook Study 2005, FAO/UNECE.

<sup>54</sup> World Trade Organisation.

<sup>55</sup> Eurostat yearbook 2005.

recreation, protecting soil and water, protection against natural disasters and hazards (landslides, avalanches, flooding), and purifying air.

The decreasing share of employment in the manufacturing and primary sectors is another important trend having implications for forestry. Reduction in the rural workforce may in the future place upward pressure on labour costs, leading to further increase in the mechanisation of forestry operations and more need for investment in machinery and training<sup>53</sup>.

### **3.4. Climate change**

Climate change presents a severe threat to the future well-being of life on Earth. Forestry can make a substantial contribution to tackle this issue. The role of forests in carbon sequestration and their contribution to mitigating the effects of burning fossil fuels is increasingly recognised. On the other hand, as much as 25% of all global greenhouse gas emissions can be attributed to land use changes<sup>56</sup>, among which tropical deforestation is the most prominent.

Climate change concerns and worldwide rising prices of fossil fuels are leading to an increasing demand for energy from renewable sources. Therefore, the use of biomass for energy purposes is growing in importance. The markets for biomass energy in rural areas are expanding due to innovative products and fuel burning technology. A weak point in the wood-based energy chain, however, is the present inefficiency in collecting forest residues and small-sized timber for energy purposes. There is also a need to better assess the availability of wood and wood residues and the feasibility of their use for energy production. Information of the ECCP II working group<sup>57</sup> on agriculture and forestry points towards an important potential in terms of biomass which could be reached. In addition, there are large differences between availability, quality and costs of mobilising forest biomass for energy in EU countries and regions. Research needs to be carried out to identify how to mobilise this potential, because although biomass is available and adequate energy generation technology exists, secure and competitive supply of feedstock remains a key constraint. Environmental consequences of increased biomass removal from forests will have to be carefully considered.

Major threats to sustainability in forestry occur from an increased number of catastrophic events such as forest fires, drought periods and storms leading to instability of forest ecosystems.

Scientific evidence indicates that even meeting the EU 2°C target<sup>58</sup> will require significant preventive and remedial adaptation efforts around the globe. As yet, only few Member States have examined the need to reduce vulnerability and to increase the resilience of their forests to the effects of climate change.

Adaptation to climate change will also require further research to predict the impacts at regional level in order to enable local and regional public and private forest sector actors to develop cost-effective adaptation options.

### **3.5. Growing awareness of the importance of biodiversity**

As stated in the EU Forestry Strategy, the maintenance and enhancement of biological diversity is an integral element of sustainable forest management. Substantial efforts to restore

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<sup>56</sup> COM(2005) 35.

<sup>57</sup> European Climate Change Programme II.

<sup>58</sup> Maximum mean temperature increase above pre-industrial levels (Press Release No 6762/06 concerning the 2713<sup>th</sup> Council Meeting of 9.3.2006).

habitats and natural ecosystems are required, as much of the EU's biodiversity remains impoverished and continues to decline. While significant progress has been made and there are first signs of declining rates of biodiversity loss, the pace has been slow. Achievement of the 2010 target is still possible, but accelerated action at both Community and Member State levels is necessary.

### 3.6. Importance of good governance

The globalisation and the promotion through the media of the debates on biodiversity conservation and climate change have attracted public interest in initiatives where nature protection, economic aspects as well as the social expectations of citizens are increasingly taken into account. A framework of coherent public policies with coordinated objectives, strategies and instruments is considered more and more essential to overcome complex land use challenges.

## 4. SETTING THE COMMUNITY'S PRIORITIES

### 4.1. Values of forestry

The Commission has discussed with the Member States the values of forests and forestry. It is expected that in the future, forestry will continue to be valued for the ability to serve a range of economic, environmental, and social functions, as summarised in the following (non-exhaustive) table:

| <b>Values of forests and forestry</b> |  |
|---------------------------------------|--|
| Economic functions:                   | <ul style="list-style-type: none"> <li>– providing a source of income;</li> <li>– serving as a place of employment;</li> <li>– providing renewable resources for production and household consumption;</li> <li>– being a local and renewable source of energy;</li> <li>– supplying materials for high quality wood products.</li> </ul>  |
| Environmental functions:              | <ul style="list-style-type: none"> <li>– being a valuable ecosystem containing a diversity of species;</li> <li>– a landscape element providing ecological stability and integrity;</li> <li>– serving a protective function for water resources;</li> <li>– mitigating the effects of climate change through carbon sequestration;</li> <li>– being an important element for ecological stability in mountainous regions, especially in safeguarding against avalanches and landslides;</li> <li>– preventing and stopping soil erosion;</li> <li>– combating desertification;</li> <li>– purifying the air;</li> <li>– eliminating fossil fuel greenhouse gas emissions when used for energy.</li> </ul> |
| Social functions:                     | <ul style="list-style-type: none"> <li>– providing relieve and amenities to urban inhabitants;</li> <li>– providing recreational and preventive healthcare opportunities;</li> <li>– protecting against natural disasters;</li> <li>– making rural areas attractive for living;</li> <li>– being a cultural heritage and spiritual refuge.</li> </ul>  |

## 4.2. Overall vision and strategic objectives

In the course of preparation of the EU Forest Action Plan, the Commission and the Member States have developed a common vision of forestry and of the contribution which forests and forestry make to society.

**Forests for society: long-term multifunctional forestry fulfilling present and future societal needs and supporting forest-related livelihoods.**

Multifunctional forestry delivers economic, environmental and cultural benefits. It supplies renewable and environmentally friendly raw materials and plays an important role in the economic development, employment and prosperity of Europe, in particular of rural areas. Forests make a positive contribution to the quality of life, providing a pleasant living environment, opportunities for recreation and preventive healthcare, while maintaining and enhancing environmental amenities and ecological values. Forests are to maintain the spiritual and cultural heritage they contain.

In accordance with the above vision, the Action Plan focuses on four main objectives:

- improving long-term competitiveness;
- improving and protecting the environment;
- contributing to the quality of life;
- fostering coordination and communication.

## 5. KEY ACTIONS

The five-year Action Plan (2007–2011) consists of a set of key actions which the Commission proposes to implement jointly with the Member States. It also points out additional actions which can be carried out by the Member States according to their specific conditions and priorities, with support from existing Community instruments, although implementation may also require national contribution.

### 5.1. Improving long-term competitiveness

The overall objective is to improve the long-term competitiveness of the forest sector and to enhance the sustainable use of forest products and services. The following key actions will be carried out in the context of achievement of this strategic objective:

| Key actions |  |
|-------------|--|
| 1.          | Examine the effects of globalisation on the economic viability and competitiveness of EU forestry    |
| 2.          | Encourage research and technological development to enhance the competitiveness of the forest sector |
| 3.          | Exchange and assess experiences on the valuation and marketing of non-wood forest goods and services |
| 4.          | Promote the use of forest biomass for energy generation  |
| 5.          | Foster the cooperation between forest owners and education and training in forestry                  |

In addition, in order to strengthen the competitiveness and economic viability of sustainable forest management, and in the framework of their priorities, the Member States may also:

- encourage cooperation between private forest-owners, industry and third parties in the development of new products, processes, technologies and efficient markets;
- encourage investments to enhance the economic value of forests;
- support establishment and development of forest-owner associations.

## **5.2. Improving and protecting the environment**

The overall objective is to maintain and appropriately enhance bio-diversity, carbon sequestration, integrity, health and resilience of forest ecosystems at multiple geographical scales. The following key actions will be carried out in the context of achievement of this strategic objective:

| Key actions |   |
|-------------|---|
| 6.          | Facilitate EU compliance with the obligations on climate change mitigation of the UNFCCC and its Kyoto Protocol and encourage adaptation to the effects of climate change |
| 7.          | Contribute towards achieving the revised Community biodiversity objectives for 2010 and beyond  |
| 8.          | Work towards a European Forest Monitoring System  |
| 9.          | Enhance protection of EU forests  |

In addition, and with support from the European Agricultural Fund for Rural Development and the Life+ instrument, the Member States may:

- develop national afforestation guidelines and promote afforestation for environmental and protective objectives;
- promote agroforestry systems;
- promote Natura 2000-forest measures;
- promote schemes for forest-owners to engage in voluntary environmental commitments;
- promote investments which enhance the ecological value of forests;
- support forest fire prevention measures;
- support restoration of forests damaged by natural disasters and fire;
- support studies on the causes of forest fires, awareness raising campaigns, training and demonstration projects;
- review and update broader protection strategies against biotic and abiotic agents, including studies on risk assessment in relation to harmful organisms and invasive species.

## **5.3. Contributing to the quality of life**

The overall objective of the individual actions in this field is to contribute to the quality of life by preserving and improving the social and cultural dimensions of forests. The following key actions will be carried out in the context of achievement of this strategic objective:

| Key actions   |
|---|
| 10. Encourage environmental education and information efforts |
| 11. Maintain and enhance the protective functions of forests  |
| 12. Explore the potential of urban and peri-urban forests     |

In addition, within the framework of their priorities, and with support from the EARDF, the Member States may:

- enhance investments and sustainable forest management for natural hazard prevention and safety;
- include these aspects in forest education and awareness-raising activities.

With support from the ERDF<sup>59</sup>, the Member States may enhance investments for natural hazard prevention and safety, notably in the framework of cross-border cooperation.

#### **5.4. Fostering coordination and communication**

The overall objective of the individual actions in this field is to improve coherence and cross-sectoral cooperation in order to balance economic, environmental and socio-cultural objectives at multiple organisational and institutional levels. The following key actions will be carried out in the context of achievement of this strategic objective:

| Key actions  |
|--|
| 13. Strengthen the role of the Standing Forestry Committee                               |
| 14. Strengthen coordination between policy areas in forest-related matters               |
| 15. Apply the open method of coordination to national forest programmes                  |
| 16. Strengthen the EU profile in international forest-related processes                  |
| 17. Encourage the use of wood and other forest products from sustainably managed forests |
| 18. Improve information exchange and communication                                       |

The table below indicates a relevance of the key actions to individual objectives of the Action Plan and presence of existing Community instruments, which can be used in implementation of these actions.

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<sup>59</sup> European Regional Development Fund.

| Key action | Relevance to the objective |    |     |    | Relevant instruments   |
|------------|----------------------------|----|-----|----|--|
|            | I                          | II | III | IV |  |
| 1.         | HR                         | R  | R   | HR | Community funding  |
| 2.         | HR                         | R  | R   | HR | FP7, IEE-CIP <sup>60</sup> , ERDF                                |
| 3.         | HR                         | HR | R   | R  | EARDF, Life+, FP7, IEE-CIP                                       |
| 4.         | HR                         | HR | R   | R  |  |
| 5.         | HR                         | HR | R   | R  | EARDF, Community programmes in the field of education            |
| 6.         | HR                         | HR | R   | R  |  |
| 7.         | R                          | HR | HR  | R  |  |
| 8.         | HR                         | HR | R   | R  | Life+  |
| 9.         | R                          | HR | HR  | R  | EARDF, Life+, FP7  |
| 10.        | R                          | HR | HR  | R  |  |
| 11.        | R                          | HR | HR  | R  | EARDF, ERDF  |
| 12.        | R                          | R  | HR  | R  |  |
| 13.        | R                          | R  | R   | HR | Standing Forestry Committee, Advisory Group on Forestry and Cork |
| 14.        | R                          | R  | R   | HR | Inter-Service Group on Forestry                                  |
| 15.        | R                          | R  | R   | HR |  |
| 16.        | R                          | HR | R   | HR |  |
| 17.        | HR                         | R  | R   | HR |  |
| 18.        | R                          | R  | HR  | HR | “Europa” website   |

HR – Highly relevant, R – Relevant; EARDF – European Agricultural Rural Development Fund, FP7 – 7<sup>th</sup> Research Framework Programme, ERDF – European Regional Development Fund.

## 6. EXPECTED RESULTS OF THE PROPOSED ACTIONS

This section outlines the extent to which the proposed actions will contribute to the achievement of the strategic objectives of the EU Forest Action Plan. As indicated in the Action Plan, a wide range of policy instruments, which can contribute to the implementation of the actions are already in place (rural development policy, nature directives, environmental legislation, cohesion policy, research policy, development cooperation policy). The specific measures included in those instruments have already been subject to an extended impact assessment. The Action Plan will facilitate the implementation of those measures in a coordinated manner.

### 6.1. Improving long-term competitiveness

The progress towards achieving this strategic objective is made by implementing five key actions.

- *Key action 1: Examine the effects of globalisation on the economic viability and competitiveness of EU forestry*

<sup>60</sup> Intelligent Energy-Europe programme in the Competitiveness and Innovation framework programme.

Sustainable forest management relies on millions of private forest-owners, forest-related enterprises and public bodies as well as on a highly qualified workforce. Changing conditions for sustainable forest management have led to economic challenges for forestry in many regions of Europe.

Among the positive results, it is anticipated that examination of the effects of globalisation on the economic viability of EU forestry will provide a better understanding of the issue and a sound basis for future actions aimed at increasing the viability of forestry in the EU, which will contribute to enhancing the competitiveness of the forest sector.

- *Key action 2: Encourage research and technological development to enhance the competitiveness of the forest sector*

In the context of implementation of the Action Plan, research and technological development actions will be encouraged and a stronger coordination in the science-policy interface will be facilitated. These efforts will aim at improving sustainable production and rational use of forest products and services. Increased research efforts will contribute to enhancing the competitiveness of the forest sector, diversification of activities, and further development of sustainable forest management practices.

- *Key action 3: Exchange and assess experiences on the valuation and marketing of non-wood forest goods and services*

A better understanding of valuation and compensation mechanisms for non-wood forest goods and services will make a step forward in placing a market value on a range of environmental and social benefits provided by forests. Sharing the experiences on marketing of non-wood forest goods and services will facilitate the entrepreneurial initiatives in such areas as: safe water production, ecotourism, and recreation.

- *Key action 4: Promote the use of forest biomass for energy generation*

The Action Plan will facilitate the involvement of the Standing Forestry Committee in the implementation of the Biomass Action Plan. Cooperation between Member States will allow examining in particular two issues of strategic importance for the development of wood energy: the experiences in mobilisation of low-value timber and small-sized wood for energy production, and assessment of the availability of wood and wood residues and the feasibility of their use for energy production at national and regional levels. Increasing the use of forest biomass for energy generation will result in reductions of GHG emissions from fossil fuels and improved energy independence.

- *Key action 5: Foster the cooperation between forest-owners and education and training in forestry*

The development of advisory services and fostering of cooperation between private forest-owners should contribute to increasing capacities for practising sustainable forest management, innovation in forestry, and the development of new market outlets for forest products. Improved capacities and better organisation in the private sector would allow addressing the negative effects of fragmentation of private forest holdings. The efforts in the field of education and training will help to increase the capacity of forest-owners and forest-workers to apply sustainable forest management practices and improve efficiency in forestry operations.

## 6.2. Improving and protecting the environment

Four key actions will be implemented in the context of this strategic objective.

- *Key action 6: Facilitate EU compliance with the obligations on climate change mitigation of the UNFCCC and its Kyoto Protocol and encourage adaptation to the effects of climate change*

Concerning EU compliance with the Kyoto obligations, the Action Plan will examine how to respond in a more coordinated way to the UN FCCC on the domestic compliance obligations of Articles 3.3 and 3.4 of the Kyoto Protocol. Among the positive impacts in this field, it is also expected that the knowledge about effects of climate change on forest ecosystems will increase. This will contribute to the development of science-based adaptation strategies and measures. Improved and more coordinated reporting about land use under the Kyoto protocol will allow the EU to better defend its positions in the upcoming UN FCCC negotiations about the Kyoto regime after 2012. Awareness raising about the expected effects of climate change will allow forest-managers to anticipate evolution of ecological conditions. In this context, it is especially important that the EU has information about land use and climate change.

- *Key action 7: Contribute towards achieving the revised Community biodiversity objectives for 2010 and beyond*

The proposed action will facilitate the contribution to achieving the revised Community biodiversity objectives.

This key action will also facilitate the exchanges of experience among the Member States on the implementation of measures on Natura 2000 forest areas. Forest biodiversity monitoring will be considered as a pilot exercise, supporting development and application of EU biodiversity indicators. The possibilities of monitoring the fragmentation of forests will be considered in the context of implementation of this key action. The existing commitment of the Community and the Members States to implementation of forest related elements of the CBD will be followed-up.

- *Key action 8: Work towards a European Forest Monitoring System*

The “Forest Focus” monitoring scheme expires in 2006. During the period 2007–2013, it will be possible to support EU-level environmental monitoring under the new LIFE+ instrument, which is expected to explicitly cover forest monitoring. However, unlike Forest Focus, LIFE+ will not contain legal obligations for harmonised monitoring. This will imply more initiatives from Member States to maintain a monitoring system producing EU-wide information.

Better information and long-term monitoring of forest condition are essential for awareness of the state of forest ecosystems. Therefore, as part of the implementation of the Action Plan, the Commission with the Member States and relevant international organisations will work towards establishing a European Forest Monitoring System. The development of such a system would advance harmonising the collection of information and monitoring of forest condition. At the same time it would allow to include existing monitoring architectures and frameworks, such as the SEBI<sup>61</sup> process concerning biodiversity and the MCPFE criteria and

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<sup>61</sup> “SEBI 2010”: “Streamlining European 2010 Biodiversity Indicators” process with the European Environment Agency and UN Environment Programme.

indicators for sustainable forest management<sup>62</sup>. Furthermore, additional climate related forest monitoring parameters may be developed. It is expected that the system would be capable of providing comparable and reliable forest information and would contribute to fulfilling the reporting needs for scientific and policy purposes, as well as for fulfilling reporting requirements of international obligations (e.g., CBD and UN FCCC).

– *Key action 9: Enhance protection of EU forests*

The Action Plan will facilitate the further development of the European Forest Fire Information System. In the context of implementation of this key action, the Commission will carry out an assessment of the main factors influencing forest condition in Europe and the efficiency of current Community instruments in this field. The results of this assessment will allow the identification of future options to improve the situation in the EU.

Research on forest protection and phytosanitary issues will also contribute to the development of more efficient protection strategies and measures.

### **6.3. Contributing to the quality of life**

Three key actions will be implemented.

– *Key action 10: Encourage environmental education and information*

Changing values linked to the migration of people into urban areas imply an increasing demand for amenities, while the knowledge on the variety of goods and services provided by forests and the importance of forest management is decreasing. It is anticipated that environmental education and information efforts, encouraged in the context of implementation of this action will contribute to raising awareness in society about sustainable forest management. These activities will allow society to better appreciate the contribution of sustainable forest management to the quality of life.

– *Key action 11: Maintain and enhance the protective functions of forests*

The exchanges of experience on measures and strategies to maintain and enhance the protective functions of forests will be facilitated in the context of implementation of this strategic objective. Enhancing the protective functions of forests should be viewed particularly positively in relation to the present concern with the perceived increasing risk of natural hazards.

– *Key action 12: Explore the potential of urban and peri-urban forests*

Urban forests are unique places for interaction between forestry and society. Placing more focus on the establishment and management of urban and peri-urban forests should enable forestry to better serve society in providing amenity values, recreational and preventive healthcare services.

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<sup>62</sup> [www.mcpfe.org](http://www.mcpfe.org).

#### **6.4. Fostering coordination and communication**

– *Key action 13: Strengthen the role of the Standing Forestry Committee*

It is anticipated that strengthening the role of the Standing Forestry Committee (SFC) will positively contribute to fostering coordination and communication on forest-related issues between the Commission and the Member States. It will also enable a coordinated implementation of the Action Plan and facilitate the exchange of information between the Commission and the Member States. In the context of implementation of the Action Plan, a yearly work programme of the SFC will be established. This will enable a more coherent work of the Committee.

Joint meetings between the members of the SFC and the Advisory Group on Forestry and Cork will be organised, which should contribute to enhancing communication between the members of the SFC and relevant stakeholders.

The Commission will also encourage the SFC to deliver position papers and own-opinion reports on forest-related issues. This will strengthen the involvement of the Committee in its advisory role in policy formulation processes. The working methods of the SFC will be adjusted by making use of ad hoc working groups established to address specific issues, which will enable a better concentration of technical expertise.

– *Key action 14: Strengthen coordination between policy areas in forest-related matters*

It is expected that coordination and communication on forest-related issues will be significantly improved by establishing focal points in the Commission services. The information about the work programmes in different forest-related policy areas and relevant actions will be periodically channelled to the SFC.

– *Key action 15: Apply the open method of coordination to national forest programmes*

The Commission and the Member States will explore the possibility of applying the open method of coordination (OMC) in relation to the national forest programmes. As decided by the Lisbon European Council, the OMC, which is designed to help Member States to progressively develop their own policies, involves: (1) fixing guidelines for the Union combined with specific timetables for achieving the goals which they set in the short, medium, and long terms; (2) establishing, where appropriate, indicators and benchmarks as a means of comparing best practices; (3) translating these European guidelines into national and regional policies by setting specific targets and adopting measures, taking into account national and regional differences; and (4) periodic monitoring, evaluation and peer review organised as mutual learning processes.

The outcomes of such work may provide an important foundation for further cooperation on forest policy processes and establishing greater coherence, while respecting the competences of the Member States.

– *Key action 16: Strengthen the EU profile in international forest-related processes*

This action should contribute to increasing the degree of coordination between the Commission and the Member States to ensure that forestry is addressed in a coherent manner in different international processes. Development cooperation instruments will be used as the main tool to support implementation of the international commitments in non-EU countries.

The implementation of the Forest Law Enforcement, Governance and Trade Action Plan will be a priority, particularly concerning capacity building in FLEGT partner countries.

- *Key action 17: Encourage the use of wood and other forest products from sustainably managed forests*

Barriers to the use of wood have been intensively examined by the Enhanced Use of Wood Working Group, managed by DG Enterprise and Industry. This work has fed into the “EU Wood-working Industries Roadmap 2010” initiative and the Commission’s survey of education and training in the wood sector. The results of the above activities will be discussed with Member States and interest groups at a workshop, which is scheduled to take place in 2006. Appropriate measures to promote the enhanced use of wood will also be considered in the future Commission Communication on the sustainable competitiveness of forest-based industries.

Complementing these ongoing initiatives, within the context of the EU Forest Action Plan, the Commission will facilitate the exchanges of experience among Member States in developing national guidelines in application of the Public Procurement Directive to forest products.

- *Key action 18: Improve information exchange and communication*

Awareness of the general public on forestry issues should be increased. The Action Plan will contribute to improving information exchange and communication on sustainable forest management. These improvements are expected to enhance availability of up-to-date forest-related information and to make this information more accessible to those involved in policy making as well as to the general public. A communication strategy on forestry will be developed in furthering this strategic objective of the Action Plan. This will outline the main steps to be taken in improving information exchange and communication on sustainable forest management in the Community. In the context of preparation of the communication strategy, the Member States will have the opportunity to exchange information on experience and best practices in forest communication.

The “forestry” site on the Europa website will be developed and launched in the context of this strategic objective. This site will be linked with the relevant web-sites of the Member States, making access to forest-related information easier. The Commission will continue the implementation of a preparatory action aimed at developing a European Forest Information and Communication Platform (EFICP) and will examine possible links with the European forest monitoring system.

## **7. EVALUATION**

The Action Plan will span five years (2007–2011). A mid-term evaluation of implementation and effectiveness of the Action Plan will take place in 2009. The results of this evaluation will be reflected in the yearly work programme of the Standing Forestry Committee. Full review of the implementation, effectiveness, and appropriateness of the EU Forest Action Plan will be concluded in 2012. A report on implementation of the Action Plan will be presented to the Council and the European Parliament in 2012.

Collaboration with stakeholders on implementation of the Action Plan at Community level will be channelled mainly through the Advisory Group on Forestry and Cork.

The Standing Forestry Committee will be the coordinating body between the Commission and the Member States for implementation of the Action Plan. It will also be actively involved in the mid-term and final evaluations.

Identification and dissemination of best practices ought to be an inherent part of the Action Plan. This exercise will allow lesson-drawing and exchanges of experience and information on implementation of individual actions in the Member States. It will also increase the visibility of the forest sector at EU level.