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REPORT ON THE WORKSHOP FOR THE REVIEW OF THE EU FORESTRY STRATEGY

15 APRIL 2011, BRUSSELS

1. BACKGROUND

The Workshop aimed at maximising opportunities for an exchange of views with Member States and stakeholders on *what* issues should be prioritised in the review of the EU Forestry Strategy and on *how* this review "can make a difference".

The outcome will be also used to draft the terms of Reference for the ad hoc Working Group of the Standing Forestry Committee (SFC) and to prepare the organization of the review process.

The Workshop was chaired by Ms. Maria Angeles Benitez (Director of Dir. H, DG AGRI) in the morning and by M. Juha Hakkarainen (chair of the Advisory Group on Forestry and Cork) in the afternoon session.

2. OUTCOME OF THE PLENARY SESSION

M. Haeusler, Head of Cabinet of Commissioner Ciolos̄ gave the introductory remarks to the Workshop, stressing that forests are important for the EU, contributing to growth and jobs, biodiversity, climate change and many other areas. The European forest sector is one of the sectors with the longest sustainability tradition and forests can fulfil all these demands thanks to the sustainable forest management concept. M. Haeusler drew the attention to the forestry measures included in rural development policy, stressing that they will be further strengthened in the framework of the CAP post 2013 legislative text to be proposed this year.

M. Haeusler mentioned that M. Ciolos̄ will closely follow the review of the Forestry Strategy process and will try to participate to a future event to be organised in this framework.

The opening statement was followed by six presentations from Member States, stakeholders (forest owners and environmental NGO) and research¹.

Ms. Benitez invited the audience to participate in a discussion with the panellists. An open debate started with several interventions from both Member States and stakeholders.

Most speakers welcomed the organisation of this workshop where, for the first time Member States, forest-related stakeholders and Commission services met together to discuss EU forest policy. It was also appreciated that different views on forests were represented. The need to engage all parties in the review from an early stage was stressed by many participants.

The debate focused on both the *content* and on the most appropriate *instruments* for the future strategy. The need for a strategic approach ("vision") and for a prioritisation was underlined, together with the need to establish targets and indicators to measure progress.

While some participants were satisfied with the current strategy, others mentioned that it has failed to ensure coherence with other policies influencing and affecting forests and, therefore, would like an ambitious review. These other policies and sectors sometimes impose contradictory goals on forests. Thus, there is a need to communicate the strategy outside of the forest sector. It was mentioned that, although there is no a specific EU forest policy in the Treaty, there are several EU policies where forests or forestry are key elements, which implicitly leads to a fragmented forest policy. Some participants suggested undertaking first a stocktaking and analysis exercise and only then starting to define the new strategy.

Concerning the most appropriate instrument, it was mentioned that a non-legally binding instrument would provide more flexibility than a directive or other legislative proposal.

With reference to the link of the review process with the international forest discussions, in particular in the framework of Forest Europe, several Member States mentioned that both the legally binding agreement on forests in the Paneuropean Region and the review of the EU Forestry Strategy could be done in parallel. It was considered more logical to have an EU Forest Strategy to influence the Paneuropean level than the other way round.

On the content, it was suggested to broaden the scope of the review and consider not just forestry but the forest sector, including the whole value chain. The contribution of forests to the EU2020 Strategy was considered a good starting point. While coordination was judged as necessary, there are many old and new challenges that need to be addressed. The abandonment of forests, the role of forests in climate change adaptation and mitigation, the lack of funding, in particular for environmental goals and the contribution of forests to –sometimes- contradictory goals, were underlined.

The review of the Forestry Strategy was presented as a unique opportunity to influence forest policy from a forest angle.

¹ Presentations available at the following link:

http://ec.europa.eu/agriculture/fore/forestry_strategy_en.htm

3. OUTCOME OF THE WORKING GROUPS

3.1. Working Group "Smart Growth"

Chair: Bernard de Galember (CEPI)

Secretary: María Gafo Gómez-Zamalloa (European Commission, DG AGRI, Unit H/4)

The Group decided to discuss the broad concept of smart growth (not limited to the flagships of the Smart Growth pillar of the EU 2020 Strategy) and to consider not just the forest but the whole value chain. The discussion focused on the questions suggested to the working group, in order to identify what is the current framework for forests and forestry in the EU (challenges and opportunities) and what should be the objectives of the review, looking both at what objectives and how they should be met.

WG Smart Growth: Framework - EU Forests and Forestry

According to the group, the major challenges that the EU forest-based sector faces are the following:

- Fragmented ownership, fragmented value chain, fragmented forest research.
- Current unsustainable consumption patterns (non recyclable and non renewable raw materials).
- Economic viability/profitability, which is a prerequisite for sustainability.
- Loss of competitiveness (compared with regions with fast growing forests) and of investment attractiveness.
- Rural areas depopulation.
- Climate change adaptation together with increasing biotic and abiotic threats.
- Increasing demands on forests (biodiversity, bioenergy, raw material, climate change...)
- Valuation and payment for non wood products and services and ecosystem services (they are appreciated but not valued yet).
- Multifunctionality, which is not adapted to all forests.
- Limited innovation and R&D

Opportunities from the point of view of "smart growth" are the new bio-based products and the need not to produce more but to produce better (and therefore manage better), increasing the efficiency, developing higher added value products and finding new uses for forest resources.

WG Smart Growth - Objectives of the review of the EU Forestry Strategy

The largest part of the discussion focused on this point. According to the participants, the review of the EU Forestry Strategy has an important role in coordination, in particular to ensure coherence with other policies that interfere in forests. It should focus on where the EU can add value

For that, there is a need to develop a vision to guide the process (the strategy could kick-off the process of establishing such a vision for forests of Europe), to establish clear objectives and indicators to measure the progress. According to the group, the strategy should be linked to an action plan, where there should be a prioritisation of actions according to the possibilities at EU level. When developing the strategy, it is important to

consider the long term consequences. Concretely, the strategy shouldn't only cover the "what", but also the "who" and the "how".

There is a need for a framework approach with general goals at EU level, focusing on commonalities, but with forest management to be left to the countries.

The strategy needs ownership. It was suggested to involve Member States, forest-related stakeholders and other EC Directorate Generals in the discussion as early as possible, in order to make all these actors share the ownership.

The EU internal forest policy should be coherent with EU external forest policy. Thus, the new Strategy should cover the external relations in forestry (coordinating the EU contribution to global/international forums, e.g. UNFF, CBD, UNFCCC, Forest Europe, etc) ..

From the point of view of "smart growth", it was stressed the need to increase research and innovation in the sector (notably socio-economic research) and to strengthen the link science/policy. Science need to feed the strategy and the strategy needs to further encourage research. Thus, it was suggested to include a specific part in the next EU Framework Program for Research dedicated to forests.

Looking at the overall framework, it was considered more appropriate to approach the new strategy in a holistic way rather than following the three pillar approach of the EU2020 strategy (the EU Forest Strategy should feed the EU 2020 process and not the other way around).

Last, it would be important to identify mechanisms to communicate the strategy outside of the forest sector. Here also a coordinated approach on communication is of utmost importance to avoid contradicting messages.

3.2. Working Group "Sustainable Growth"

Chair: Robert Flies ((European Commission, DG ENV, Directorate B)

Secretary: Ana Suarez Meyer (European Commission, DG ENV, Unit B/1)

The chair initiated the debate with a wrap up of the main challenges to EU forests and forestry identified in the morning session, being:

- improving competitiveness and facing the increasing demands on the sector
- fulfilling the demands coming from the environment and the society
- climate change: mitigation, substitution and adaptation

WG Sustainable Growth - Framework: EU Forests and Forestry

According to the group, the major challenges that the EU forest-based sector faces are the following:

- the risk of having an increased number of inactive forest owners
- contradictory EU policy objectives
- the need for a better understanding and communication of the sector with specific messages to the different stakeholders but with a common understanding and effective information campaigns
- the need to regain credibility in the society
- the need for a better balance of functions
- to become aware of the increased importance of forest functions since 1998 (wood as a resource, climate change mitigation tool, biodiversity repositories, etc).

- the increasing demographic pressure
- damages caused by pests and diseases
- the existing gap between politicians and society
- the limited capacity of forest to provide resources
- fragmentation of the ownership

The chair summarised the challenges in the traditional ones (social, economic and environmental challenges), plus the communication challenge, the need to keep a balanced approach involving all stakeholders and the pressures presented by globalisation.

Before moving to the point about the objectives of the review, a few more relevant ideas were raised among them the need to have Rural Development as a stable pillar for forests, and the question of whom to address the review of the EU forest Strategy.

WG Sustainable Growth - Objectives of the review of the EU Forestry Strategy

The discussions focused on the need for improving competitiveness and innovation within the sector, the challenge of a proper implementation, the need to foster the added value of an EU Strategy, improving coordination, the valuation of non marketable goods and services, resource efficiency and the need to finance protection measures.

The main priorities identified by the participants in the sustainable growth WG were the following:

- research and information
- support owners and society needs
- increase knowledge on forest related issues
- better balance of all aspects of forestry
- payment for ecosystem services
- economic value of the forest as a whole
- support forest-based Industries
- not to start from scratch and build upon existing results

3.3. Working Group "Inclusive Growth

Chair: Nella Mikkola (COPA-COGECA)

Secretary: Piotr Borkowski (European Commission, DG AGRI, Unit H/4)

Working Group Inclusive Growth - Framework: EU Forests and Forestry

According to the discussions in the group, the major challenges that the EU forest-based sector faces are the following:

- climate change adaptation with increased biotic and a biotic threats
- land abandonment in rural areas and the depopulation
- loss of know-how and competent workforce when land is abandoned and rural areas are depopulated
- slow recovery from the economic crisis
- fragmented ownership

- economic viability/profitability
- loss of competitiveness.
- increasing demands on forests (biodiversity, bio-energy, raw material, climate change...)
- challenge of providing public goods at the same time being competitive

In order to be able to provide all this forestry sector needs to be competitive. Policies are needed that emphasize the multifunctional role of forests, recognize the contribution of sustainable forest management, promote the use of wood and contribute to the employment in rural areas. Forestry, forest producers and forest cooperatives are a potential in rural areas that need to be unlocked. Innovative ideas are needed to further create employment in rural areas. This can contribute to the inclusive growth and eventually the aims of EU 2020 strategy.

Working Group "Inclusive Growth - Objectives of the review of the EU Forestry Strategy

The discussions focused on the questions presented by the chairwoman related to how forests, forestry and the new strategy can contribute to inclusive growth, what kind of elements should include, what type of instruments can be used and its role in coordination and communication.

The group considered that the main input of the forest sector to "inclusive growth" is related to the following:

- Contribution to improve the economy in rural areas and promote the local industry and the local wood.
- Contribution of wood and non-wood products and services to job creation. In this framework, it is important to recognize the potential of wood as raw material.
- Provision by the sector of social benefits.

Support mechanisms to forest cooperatives and forest owners organizations can be helpful and can contribute to activate forest owners.

It is important that the new strategy sets priorities. It should cover the whole forest sector. Its coordination role of policies affecting forests is important and should contribute to improve the coherence with other policies that interfere in forest and with the national schemes and measures. In particular, the strategy can contribute to the dialogue between Member states and the ground, forest sector and consumers and forest sector at EU and paneuropean level. The EU Forest Strategy could act as an umbrella guiding the policy making that has an effect on European Forests.

On the link with the previous strategy, the WG considered that while the existing objectives of the 1998 EU Forestry Strategy are valid, implementation has not worked, Thus, it is necessary to have clearer objectives.

The non-legally binding nature of the strategy was considered challenging for achieving the objectives. Concerning the three pillars approach of the EU2020 Strategy, the group considered that there are strong interlinkages between them. As an example, innovative ideas would be needed (smart growth pillar) to create employment in rural areas suffering from the economic crisis (inclusive growth pillar).

Last, the group emphasized that it is time to do more acting.

4. CONCLUSIONS AND NEXT STEPS

Ms. Hilikka Summa (Head of Unit H/4 in DG AGRI) explained the next steps for the Review of the EU Forestry Strategy.

The Workshop should be considered as a launching event for the work and, thus, this is the moment when the work starts, not when it ends. The outcome of the discussion will be used to get input for the future work and to get input and orientation for the Working Group that will be established. The WG will start its work before the summer break and five meetings are foreseen. For the participation in the WG, the Commission will follow the usual procedures but will try to accommodate the participation of more stakeholders, if possible, under the budgetary constraints. In any case, there will be many opportunities to exchange and the Commissions will try to organise another meeting like this, with MS and stakeholders, with the aim to facilitate the participation of interested parties and make the process interactive and participatory. A public consultation may also be foreseen.

On the schedule for the work, the Commission proposal is scheduled in the Collège Agenda Planning for the 3rd quarter of 2011.

Referring to the outcome of the Workshop, Ms. Summa mentioned that the objective of addressing not just what has to be included in the Review but also what kind of mechanisms should be put in place to improve its effectiveness and usefulness for operations at all levels, was fulfilled. This issue was systematically addressed by all interventions during the discussions.

Recognising that there are different expectations on how forests should be approached at EU level, Ms. Summa mentioned that the Review should find the balance between complementing and influencing national forest policies. She referred to the open method of coordination applied by different policies and, in particular, by the EU2020 strategy. This strategy has targets decided at Council level and a process to follow up the national programmes that have been set to implement them. It has a monitoring mechanism, which is not enforced by law but by common agreement.

The review of the EU Forestry Strategy is an opportunity for the MS, supported by the stakeholders, to put in place a common process to act on prioritised forestry issues that will be agreed upon in the strategy work.

The need for coordination is important, but it is not going to make the different and to some extent even contradictory interests and objectives regarding forests to go away. It is important to face those different interests and find the best solution to balancing between them. In this framework, it would be important to prioritise and find those areas where we can add value with common actions at EU level.

The Review is also an opportunity to give stronger voice to the forest sector and to further strengthen existing knowledge and the already good understanding of the forest sector about sustainability and how to balance these different objectives.

Ms. Summa concluded by thanking the participants for their valuable contributions and mentioning that the outcome of the Workshop will be taken on board for the work that has just started.

Annex I: Agenda

Annex II: Participants to the Workshop

Workshop on the Review of the EU Forestry Strategy

BRUSSELS, 15TH APRIL 2011 - 9:30- 17:30

CENTRE DE CONFÉRENCES ALBERT BORSCHETTE

Agenda

1. Welcome and introduction
2. Opening statement - M. Georg Haeusler. Head of Cabinet of Commissioner Ciolos
3. Plenary session: Review of the EU Forestry Strategy
 - Presentations from Member States and Stakeholders:
 - Gerhard Mannsberger - Forest Director General, Austrian Federal. Ministry for Agriculture, Forestry, Environment and Water Management
 - Janusz Zaleski - Under-Secretary of State and Chief Nature Conservator. Ministry of Environment of the Republic of Poland
 - Natalie Hufnagl – Member of the board International Family Forestry Alliance
 - Veerle Dossche – FERN
 - Enrique Valero - Director of the Forestry University of Vigo (Spain)
 - Bernard Roman-Amat - AgroParisTech ENGREF, Director of the Nancy Centre (France)
 - Discussion
4. Guidance for the break-out Working Groups
5. Working Groups (3 parallel sessions)
 - A. Smart Growth – Chair: Bernard de Galember (CEPI)
 - B. Sustainable Growth – Chair: Robert Flies (DG Environment, EC)
 - C. Inclusive Growth - Chair: Nella Mikkola (COPA-COGECA)
6. Presentation of the results of the Working Groups
7. Conclusions and next steps

PARTICIPANTS:

Standing Forestry Committee

Representatives from Austria, Belgium, Bulgaria, Check Republic, Germany, Estonia, France, Italy, Cyprus, Latvia, Lithuania, Hungary, the Netherlands, Poland, Slovenia, Slovakia, Finland and Sweden

Advisory Group on Forestry and Cork

Representatives from producers, industries, trade unions and environmental organisations.

European Commission:

Collège

Cabinet of Commissioner Ciolos

Commission Services

DG Agriculture and Rural Development.

DG Environment

DG Energy

DG Research

DG Climate Action

DG Regional Policy

DG Development