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to the European Union



EU Forest Strategy for 2030: where we are and where we go next

Event report



EVENT REPORT

On 24 January 2023, CEPF, Copa-Cogeca and EUSTAFOR organised a joint event hosted by the Representation of the free State of Bavaria to the EU and co-hosted by MEP Ulrike Müller (Renew, DE), MEP Carmen Avram (S&D, RO) and MEP Jessica Polfjård (EPP, SE)

This event provided an opportunity to have an open discussion on the implementation of certain actions outlined in the EU Forest Strategy for 2023.

In July 2021, the European Commission adopted the EU Forest Strategy for 2030, one of the flagship initiatives of the European Green Deal, the main objective of which is to contribute to meeting the EU's biodiversity targets as well as targets to reduce net greenhouse gas emissions by at least 55% by 2030 and achieve climate neutrality by 2050. The European Council and European Parliament reacted to this proposal and raised some key points regarding the actions included in the Strategy and their implementation.

European forest owners and managers have expressed their views on the Strategy's approach and asked for greater consideration to be given to the diverse and complex needs of forest management, realities on the ground and what forest owners and managers have achieved to date.

The sector needs an effective governance framework and well-balanced policy approaches to further enhance the sustainable management of forests in the EU. The input and concerns of those who will bear the ultimate responsibility of implementing these policies should be regarded as equally important.

The discussion of the event focused on the following questions:

- What should be the aim of actions to be taken next on sustainable forest management and closer-to-nature forest management practices?
- What is the future of EU Forest Governance?
- What role will the forest sector play in achieving the EU's environmental and climate objectives and what impacts may be seen in the sector as a result?

Welcome address by Barbara Schretter, Director of the Representation of the Free State of Bavaria to the EU

Forests issues have gained momentum since the publication of the new EU Forest Strategy 2030. In Bavaria alone, around 700,000 forest owners are working for a climate-friendly forest. Bavaria's forests alone absorb the CO₂ emissions of a round-trip flight from Munich to New York in only about 10 seconds. Europe's forests are thus a decisive factor on the way to achieving the goal of climate neutrality in 2050. Without our forests, meeting the climate targets is unthinkable.

Views of the European Commission, Council, European Parliament, and EESC - Five key messages on what the main priorities in the implementation of the new EU Forest Strategy should be.

European Commission - Silvia Michelini, Director, Directorate - General for Agriculture and Rural Development - 5 main messages:

- 1. Forest monitoring:** Good policy needs good data in high quality. The Commission will develop an EU wide forest observation framework which is timely, reliable, and accurate. Public consultation has been carried out and the Impact Assessment (IA) is under work. The legislative proposal is expected before summer 2023.
- 2. Restoration and resilience of forest ecosystems:** The Nature Restoration Law includes several forest-specific restoration targets and forest-specific indicators.
- 3. Governance:** Inclusive and coordinated approach. An amendment of the existing Council Decision setting up the Standing Forestry Committee (SFC) is in preparation. Legal basis, policy references, membership and tasks will be updated. In parallel the Commission will work with civil society and stakeholders. A new expert group for forest and forestry stakeholders will be established.
- 4. Research and innovation:** There are several relevant topics in Horizon Europe Work Programme 2023-2024 such as protection of carbon-rich and biodiversity-rich forest ecosystems, climate-smart use of wood in construction etc.
- 5. Financial incentives:** e.g. the development of Payment schemes for forest-related Ecosystem Services. The Commission intends to publish a guidance document before the summer break.

Swedish Presidency of the Council of the EU - Linda Reinholdsson, Desk Officer, Ministry of Rural Affairs and Infrastructure - 5 main messages:

- 1. Forests are varied in the EU and due to this, priorities can be different in each Member State.**
- 2. Forests have a multifunctional role, there is a need for a comprehensive approach and a balanced view on the 3 dimensions of sustainability.**
- 3. The process on the upcoming legislative proposal on monitoring and observing EU forests is important. Member States have a lot of knowledge and experience to share. Collaboration between Commission, Member States and**

stakeholders is key The Swedish Presidency will organise a workshop on this subject in early February to ensure this dialogue.

4. The process of reviewing the governance structure will also be important, a well-functioning forum for discussing forest related policy initiatives is important for the implementation of the strategy.

5. The EUFS is not isolated and coherence is needed among different forest-related EU policies. Also, the EU is not isolated thus is important to connect to build on the existing regional and international processes in order to be efficient.

European Parliament - MEP Ulrike Müller, Renew, DE, EP's report on the EU Forest Strategy for 2030 - 5 main messages:

1. Forests are multifunctional and Sustainable Forest Management must encompass all functions of forests.

2. Sustainable Forest Management is a dynamic concept. There is a need to adapt management to climate change, and the assessment and tools should be defined on an individual basis. Research and innovation is key.

3. We must move away from the opposition between forest preservation and forest exploitation. It is possible to both mobilise wood and provide benefits to the environment. Forest owners must plan their activities for the next generations. Forest ownership rights must be respected as it is a guarantee of healthy forests.

4. Forest owners derive most of their income from timber. Other services must be remunerated without destroying the market and installing dependency on subsidies. CAP funding will not be sufficient to remunerate ecosystem services provided by forest management. Specific programmes for forest owners are needed. A strategy that is not fit for forest owners will fail to deliver on the various goals including climate and biodiversity protection.

5. The EU Forest Strategy is a good start but there is a lot of work to be done. We must all be part of it.

European Economic and Social Committee (EESC) - Simo Tiainen, Director MTK (Finland), Rapporteur for EESC opinion on the EU Forest Strategy for 2030 - 5 main messages:

1. Vitality and health of our forests are of fundamental importance. EUFS addresses social and economic opportunities, but this should be done in a more comprehensive way.

2. Make decisions at the right level according to competence and subsidiarity principle. There is no one size fits all solution.

3. There is a need for close involvement of civil society in the further development and implementation. Representatives of forest owners are still missing in many preparatory groups.

4. Comprehensive impact assessment is still needed. This is a highly important topic. Today, nobody knows about the total and cumulative impact of EU forest related policies and legislations.

5. The EU should actively promote level playing field between EU enterprises and international ones on the international bioeconomy market. Without such level playing field, there is a risk that the EU would outsource forestry to countries where forestry is less sustainable.

Main messages shared by the Panelists during the event:

Panel discussion I – What should be the aim of actions to be taken next on sustainable forest management (SFM) and closer-to-nature forest practices?

Marco Onida, Team Leader Forests, European Commission, DG ENV: The EU Forest Strategy (EUFS) has been designed as a process to 2030 as it encompasses many actions to be developed. One of these actions concerns additional indicators as well as thresholds and ranges for better defining the concept of SFM. An issue that we have to face is related to intensive forestry with even-aged monocultures. We have “standardised” nature for fitting a market based on standardised timber sale and processing. This approach is not sustainable for the future, monocultures have in general poor biodiversity and are by definition less resilient than biodiverse forests. The concept of closer-to-nature forestry allows to aim at more biodiverse forests. This concept should be seen as an insurance in the future and related practices should be financially rewarded, which is one of the objectives of the EUFS.

Anke Schulmeister, Senior Forest Policy Officer WWF European Policy Office: An important question is whether our current forest management is fit for future forests, given all the challenges we are facing with biodiversity loss or climate change. There seems to be a competition between the different interests and demands. Closer to nature is a process towards a forest management that is close-to-nature, that respects natural processes in forests and looks at preserving the integrity and resilience of a forest ecosystem. But this dynamic concept cannot solve all challenges and pressures faced by forests and answer to all needs, especially not the increasing demand

for forest products such as timber. The question that we should ask ourselves is “What shall forests deliver to us?”. There are many demands on forest ecosystems, and they cannot all be delivered at the same time in the same space. Let’s also keep in mind that forest types do not stop at the border – it is important to look at forest management from a perspective that goes beyond national boundaries. We need to come together and discuss a common way forward on this question on how to manage our forests better.

Leire Salaberria, Managing Director, USSE: European forest owners do a very good work to provide many services to society, most of them for free. There are certainly improvements that can be made and forest owners are open to them but the work accomplished so far has to be recognised and somehow compensated. Close to nature and closer-to-nature are as good as other practices and can bring benefits provided that it can be implemented. It is essential to start from the reality on the ground (topography, soils, natural disturbances, ownership fragmentation) and to remember that in many forest holdings, forest activities are not profitable, which can lead to non-management or abandonment. In the Southern European context, given the high risks caused by extreme events and disturbances, abandonment of management is putting a threat on the existence of forest ecosystems. Closer to nature requires more space and more time to produce different types of wood. In a context of high fragmentation, this approach can only be considered at landscape level. Additionally, this may mean a massive reduction of raw material provision with subsequent wood price increase in a context where society wants and demands more wood. This may induce intensification of wood production in other areas or lead to increasing imports of wood from third countries.

Nikolay Vasilev, Department on Strategies and Planning in Forestry, Ministry of Agriculture, Bulgaria: It is important that Member States have their own approach regarding forestry. In Bulgaria, close-to-nature forestry practices are the norm, clearcutting is forbidden, and forest renewal relies on natural regeneration. There has already been a move to close-to-nature. However, these choices should be made by Member States who know better the local and regional situations of their forests. 80% of Bulgarian forests are FSC certified. It is difficult to understand why, for many stakeholders, SFM is responsible for the problems in the forests. This leads to the question about when did the forest sector start losing connection with society and whether / how society should be convinced that SFM is the most appropriate way for the protection of our forests.

Panel discussion II – What is the future of EU Forest Governance?

Gaëlle Marion, European Commission, DG AGRI: The Commission plans to implement a new forest governance building on the experiences of the existing groups. There will be two groups, one for Member States and one for forest stakeholders. To update the mandate of the Standing Forestry Committee (SFC), which is the group for Member States, the Commission is finalising a legal act for the Council and the Parliament. The workplan is under preparation and in the meantime the SFC will continue its work with four meetings planned for 2023. A subgroup on forest monitoring law is established and active. A joint group between CDG Forestry and Cork and the Working Group on Forest and Nature will be created for stakeholders. The call for applications is open until 17th February for all EU organizations which are transnational, represent European interest and with an expertise on forestry. These groups will cover forest multi-functionality, putting all expertise around the same table. DG ENV and DG CLIMA are involved together with DG AGRI, other DGs might get involved as well. It has been said that stakeholders were not sufficiently involved in the development of the strategy itself, they are now all involved in its implementation, and we can work from there. Confidence in the institutions is crucial. The Green Deal implies a lot of changes and dialogue is needed to accompany this change, it is important to exchange good practices, with which a dedicated thematic working group under the CAP network will help on. DG AGRI is promoting the importance of improving dialogue and confidence. This new forest governance will institutionalize these dialogs and exchanges. Good governance and good dialogue are based on good facts and data, therefore developing scientific facts is always a good idea.

MEP Jessica Polfjärd, European Parliament, EPP, SE: Forests are an important matter for the Swedes, as they cover 70 to 80% of the territory. Sweden thinks that forests are of national competence, due to important differences in forests over Europe. Forests are multifunctional and should not just be seen as a Carbon sink. It is important to acknowledge differences in forest owners’ background. They need a coherent framework and a clear strategy. We have a tendency to punish front runners. We should not buy the narrative that the forest-based industry is comparable to the oil industry. Experts are needed to get the information out of the data, for science-based solutions.

María Jesús Rodríguez de Sancho, Director General of Biodiversity, Forest and Deforestation Department, Ministry for the Ecological Transition and the Demographic Challenge, Spain: Spain supports the new EU forest strategy and would like to contribute and make it relevant. In this process the participation of all Member States is crucial. Fragmentation of EU policies needs to be addressed (ex: Nature Restoration Law), internal coordination and with MS needs to be improved. In addition, active involvement of forest stakeholders. In Spain, 72% of forests are private. Such situations, as well as the three pillars of sustainability, need to be addressed. SFC should facilitate close cooperation with the Commission and Members States in developing forest-related initiatives. The content of the annual work-plan should include all points of discussion affecting forestry, taking into account national particularities. National forest delegates should be more involved in the work-plan. The plan could also include key challenges, e.g. in Spain there is a lot of land abandonment, and this needs to be addressed. Without forest management, there is a high risk of forest fires due to biomass accumulation. 40% of forest areas are also protected nature areas, thus usually in Spain, forest and biodiversity easily go hand in hand.

Martin Höbarth, Forest department, LK Österreich: First important aspect is that the Commission should respect

subsidiarity in the forest sector. This is usually not respected in the name of biodiversity and climate protection. Then forest owners and Member States should be more involved, and their opinion taken into account. The strategy can only be implemented with forest owners. EU legislation concerning forest management should lead to motivation and not frustration. Forest owners need help on many aspects, but this strategy does not provide this support. The strategy mainly limits forest management, and aims to re-invent sustainable forest management. The strategy can only be implemented when property rights are respected. There is a loss of confidence in the institutions, especially in the Commission. In a new group such as described by Ms. Marion, each organization has only 1 seat, while in the previous group, COPA COGECA had numerous seats, such events will decrease confidence. The result of the non-involvement of forest scientists is that there are a lot of conflicting goals. There are new sustainability criteria's (e.g. not harvesting biomass), but how do these respond to the citizen's needs for cheaper energy and decarbonisation? Before the Green Deal was published, wood mobilization was a primary goal because we need more wood for bioeconomy. For good policy and implementation, conflicting goals must be avoided and solved. Forest management should move forward and not backwards, the Nature Restoration Law should also do so. Forests are in a better state and health than 70 years ago and this needs to be acknowledged. What we need is a help to adapt our forests to climate change and not to hamper forest management through restrictions like REDIII.

Gert-Jan Nabuurs, Wageningen University and Research: Good governance needs to go with good data, but interpretation is also very important. There is usually a 6-7 years gap between ground based measurements being taken and interpretation and results being published. Therefore, improvements must be made to be faster. Some countries are reluctant to send their raw data. Our research institute managed to obtain (thanks to willingness of 20 NFI institutes) the raw data, this is based on trust. We still sign papers to prove they will not leak the data. This all needs to be more efficient and faster. Then governance can improve. Remote sensing is developing fast, and it is complementary to national forest inventories, and plot monitoring. Only relying on remote sensing can cause misinterpretation and mis-use. Therefore, there is a need for experts and validation on the ground. The national inventories are not good enough at the local level, this is where RS & GIS could be a real solution. Remote sensing allows data to be collected fast, but only for forest cover often, which allows for fast information and thus allows a fast response as well, which is valuable in the climate change context. Someone said 70% of forest are in bad health, this is based on defoliation only, and habitat assessments for EEA which are carried out very different in the Member States. The defoliation is due to drought and not forest management. Varied messages show that forests are sometimes going in a good direction, but the last 3 years things are changing, with more pressure from drought and bark beetle. Data from varied sources should be used more. This could avoid errors coming from one source of data only.

Panel discussion III – What role will the forest sector play in achieving the EU's environmental and climate objectives and what impacts may be seen in the sector as a result?

Silvia Melegari, CEI-Bois & EOS: The Green Deal has directly and indirectly highlighted the key role of timber products in decarbonising the built environment. According to the EU executive, to achieve a climate-neutral building stock in the long-term, it is essential to invest in resource efficiency and circularity and to start seeing buildings as 'carbon sinks'. And this can be done by recurring to low-impact and bio-based construction materials, such as sustainably sourced wood, which store CO₂ and avoid emissions associated with the production of conventional construction materials. Very recently, in presenting the Carbon Removal certification, DG Clima underlined again that long lived products storing CO₂ are key to achieving the 2050 carbon neutrality objective. Despite all these important recognitions, there are important concerns that should be highlighted as well. In the framework of the ongoing discussions related to biodiversity protection and nature restoration, the key role of the wood processing industries in providing sustainable and low carbon products essential to decarbonise the built environment has been forgotten. It is essential to guarantee the raw material supply for the primary timber industry while ensuring also the ecological and social functions of sustainable forest management. Currently, no impact assessment has been made on the costs and raw material supply for the EU wood processing industries.

András Szepesi, Forestry Department, Ministry of Agriculture, Hungary: Forestry is important. The forests globally hold 80% of the terrestrial biodiversity and compensate for 10% of EU GHGs emissions. These contributions will depend on how we manage forests. SFM is not only an idea, it is used in practice for forest management. Carbon sequestration and the protection of biodiversity can also play an important role in SFM. However, the 3 dimensions of SFM has to be taken into account: protection, production and social in a harmonized way. The EU Forest Strategy is not properly balanced, economic aspects get less attention but there are good opportunities. We have to make the best out of it by harmonizing the different objectives and expectations. There is a strong pressure to set aside more and more forest. This is a danger for biodiversity, for carbon sequestration and may cause problems to the managed forests (pests, diebacks, fires, etc.). The BIOEAST project aims to improve products and processing of biomass (forestry is part of the project). There are big differences between the countries in the East (e.g. Hungary has a lot of plantations and non-native species, Poland has a very strong State forest organization and wood sector), but there is a need to identify region specific topics for R&I and find solutions for the proper investments. The current challenges are: longer-term products form low quality wood while the demand for fuel wood is increasing. We have to find balance on how to sequester the carbon in managed forests and in forest based products more effectively. General challenge of the sector is where to find the workers? Designation of 10% strictly protected areas – based on the biodiversity strategy - 3 out of the 21 state forest companies in Hungary may go bankrupt due to the loss of most valuable forest resources.

Christian Holzleitner, European Commission, DG CLIMA: The plan is to be carbon-neutral by 2050 and we are on a good way. But we have to think about the feedstocks for the future because we will still need carbon. The forestry sector has a big role to play here. We also have to increase the capabilities to take the CO₂ from the air. We can use CCS projects (Carbon Capture with permanent storage) and bioenergy. We have to embody carbon in products (construction, end-of-life uses, chemicals, bioplastics, recycling, etc.). But to what extent do we do that? How to produce the biomass and sequester more carbon? How can we use biomass and products in a more sustainable way? More and more investors want to get out of fossil fuels and invest in the bioeconomy. The carbon removal proposition will give a framework to consider what is a high-quality removal. Carbon farming will think about how to sequester more carbon while growing more forests. Incentives to store the carbon are also needed.

Damian Zielinski, Directorate General of the State Forests, Poland: 77% of forests in Poland are managed by the Polish State Forests. Forestry is key in achieving the EU's objectives thanks to the healthy and resilient forests and SFM principles. The carbon sequestration opportunities will have a huge impact on the timber market. Because of LULUCF, according to one of the scenario, we will have to reduce the timber harvest by ca. 10 million m³ by 2030. Furthermore, if some forests are not managed, there are high risks of forest diebacks, but these are difficult to evaluate. The new EU policies will have consequences on Poland's public forests. SFM is based on 3 pillars and the economic one is crucial for the 2 others. When applying the EU legislations, the timber volume (harvesting) will decrease and then will have an impact on the employment rate. But we need more wood so we will have to increase the import from non-EU countries. If all EU policies are applied, we will have to change how the forest is managed in Poland but who will pay for this? Who will pay for fallowed forests, especially in the case of insect infestations and stand dieback? Has anyone counted the opportunity costs and possible changes in the labor market? We need impact assessments for each document that will have an influence on forestry in UE in the future.

MEP Carmen Avram, European Parliament, S&D, RO: Everyone is on board with the EU Forest Strategy. Forests will have a big role in the Green Deal and climate change but how? The European Bauhaus opposes the fact that we will have less wood on the market. The principles are very good on paper but more difficult to apply on the ground. Romania has a lot of forests. This is good but comes with challenges as well. We have to reply to 3 questions: What are primary and old-growth forests? We need a definition as otherwise the forested countries will have to take the burden themselves. It cannot be defined purely by age. In Romania, traditionally, the very old trees are cut around 100 years. Other MS cut younger trees. It will be a problem of competition between countries cutting older or younger trees. Romania cuts 33% of annual growth, EU average is around 70%. Low level of commercial wood per hectare. Where are these forests? 4 countries have most of the primary and old-growth forests. We need precise mapping. Romania started mapping old-growth and virgin forests in cooperation with NGOs. Are they all primary or old-growth, or are there any other such forests to be mapped? Can still not be decided. How to manage these forests? Payment formula for the private and public owners that will have to set aside their forests. There is a need to also clarify what sanitary and prevention measures are allowed on such forests.

Concluding remarks by the organisers

Fanny-Pomme Langue, Secretary General of CEPF
Pekka Pesonen, Secretary General of COPA-COGECA
Piotr Borkowski, Executive Director of EUSTAFOR

Panel I

SFM remains the umbrella concept for forest management in the EU. Closer to nature forestry practices is one of the available tools, well suited in some cases but not all given the diversity of challenges that forests are facing all over the EU. When it comes to forest management practices, it is essential to address them with the local level lens so to reflect best on socio-economic and environmental contexts. With regards to wood production, it is important to reflect on demands in relation with wood-industry production, consumers asks and forest management. Additionally, all the services that forest management provide to society should be adequately valorised. This would allow to reward the actual work of forest owners and managers which provide most of these services for free today.

Panel II

We need an effective and relevant EU forest governance built on trust and close cooperation and coordination between the involved actors. A strong governance could help in avoiding conflicting objectives and ensuring more policy coherence and good understanding on the realities on the ground.

Without a strong involvement of the ones who are taking care of the forests and making policies at national level, most of the actions proposed in the EU Forest Strategy will be difficult to be implemented. We need to focus not only on the implementation of the actions included in the EU Forest Strategy but also on other relevant policies that are impacting the sector from climate change, deforestation, bioeconomy and the Long-Term Vision for Rural Areas to research and innovation.

Panel III

The EU Green Deal assigns forests and forestry a central role in reaching climate and biodiversity-related policy objectives. Forests are a part of the solution, and the sustainable and multifunctional forest management has a great deal to contribute to the overall climate neutrality ambition of the EU towards 2050. However, forests cannot be the only solution, especially that forests and forestry themselves are not the causes of climate change and biodiversity decline. Forest ecosystems are under increasing pressures and as such need to be carefully and skilfully managed with a view to their future long-term health, resilience, and vitality. Such management will only be possible if the necessary resources are in place. The latter can be guaranteed only if there is a balance among the three dimensions of SFM: environmental, social and economic. Therefore, EU policymaking requires better precision and consistency especially when respecting of SFM principles. It should also ensure fair distribution of burdens among the sectors.





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