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The New EU Forest Strategy for 2030

Position of European Forest Owners and Managers

European forest owners and managers were among the most active and supportive of a new EU Forest Strategy under the European Green Deal. Indeed, we were deeply convinced that the strategy was needed to support the role of forests' multiple functions, to better address the challenges and opportunities of the sector and to achieve new Green Deal objectives through a consistent and well-coordinated framework at EU level. With the final version of the strategy published in July these hopes have been dashed. This paper aims to explain the main reasons why European forest owners and managers are highly worried about the strategy and deem it inadequate. This paper also aims to raise some initial questions and remarks with regards to the implementation of this Strategy.

1. The strategy's approach does not correspond to realities on the ground

The approach and tone of the strategy imply that sustainable forest management (SFM) practices are not going in the right direction in the European Union and that they therefore need to significantly change. This is a simplistic approach that ignores the diversity and complexity of forest management, property rights, and the realities faced by forest owners and managers as well as their achievements to date.

On the contrary, the facts provided by international forest reporting, e.g. the Forest Europe Report on the State of Europe's Forests, show some very positive trends in EU forests, including that:

- Over the last decades, forests in the EU have been steadily growing in terms of their size and productivity and currently more than 43% of the EU is covered by forests and other wooded land.
- Every year, in Europe, forest biomass sequesters about a tenth of the carbon dioxide emissions produced in other sectors. Carbon stored in harvested wood products also contributes to the reduction of CO2 emissions.
- Simultaneously, forests provide a home for thousands of birds, mammal, insect, and plant species. About 50% of the Natura 2000 sites (37,5 million hectares) are forests. Over the past 20 years, the area of forests designated for biodiversity conservation increased by about 65%. Protective forests form 32% of Europe's forests.
- The vast majority of European forests are open to the public, while 6% are primarily designated or managed for public recreation.
- Forestry and wood processing industries provide employment for more than 2.6 million people in Europe.

Contrary to what the strategy implies, there is no “one-size-fits-all” way to manage forests across the EU. Also, contrary to what the strategy implies, very positive outcomes have been achieved in EU forests thanks to the work of European forest owners and managers.

We would like to recall that multifunctional forestry is a deep-rooted European forest management tradition. Hence, forest owners and managers hold knowledge and expertise in taking care of biodiversity in their forests. They also work on making forests a more resilient, living, and growing resource, thus making them vibrant contributors to local economies and rural livelihoods.

Forest owners and managers expect smart policy coordination at EU level that sets balanced, not conflicting, objectives in forest-related policies. First and foremost, we expect solid science-based knowledge exchange on how to manage and further develop forests vis-a-vis climate-related pressures by striking a proper balance between mitigation and adaptation measures, while having due regard to all three pillars of SFM. Unfortunately, the strategy misses this opportunity by not taking into consideration the great diversity of EU forests and the realities they are facing.

2. The importance of the economy of forestry and wood is missing from the strategy

SFM is a complex concept and managing forests sustainably aims at reaching a proper balance of forest functions, including delivering and supporting different ecosystem services. If only one aspect is favoured, the balance is disturbed.

Conserving biodiversity, restoring ecosystems, and increasing carbon sinks are the dominant elements within the strategy. The resulting lack of coherence with climate and growth objectives is one of the most problematic points of the strategy.

The role of forests in developing a bio-based circular economy is presented more from a perspective of risk than opportunity. This is unfortunate given the significant role that bio-based products can play in tackling climate change by reducing fossil fuel consumption, one of the main goals that this Commission has set for the Union.

The strategy correctly highlights the importance of supporting wood in the construction and building sector. However, the substitution benefits from using wood products are not merely a function of how long the wood products are used for. Regretfully, other uses of wood are not granted similar attention. This raises doubts on whether the strategy is based on sound knowledge of the realities of sustainable forest management. We wish to underline that down-stream forest-based industries always seek to optimise the value from our forests with ‘long-lived’ products being a critical component of this. However, supporting long-lived wood products requires supporting the entirety of active forest management, including the production and consumption of other wood-based products such as paper, packaging, and energy.

In addition, support for forest owners and managers to provide environmental and climate-related ecosystem services is commendable but should not mean neglecting support for investments in the wood-producing functions of forests or replacing the sound economic foundations of forestry. The reality is that forest management does not simply happen – it requires substantial efforts, skills, investments, considerable time and money, and entails risks prior to generating any revenue. Forest owners and managers need comprehensive, not fragmented, support.

3. The strategy does not ensure policy coherence and will not help the sector to reach all EU objectives

This strategy is closely linked to the EU biodiversity and certain land use policies and may indeed bring some consistency in this regard. However, we believe that this is far from sufficient to reach the overall EU goals and address the full scope of forest-related policies.

The actions proposed by the strategy will, for example, neither support the implementation of EU policies such as the EU bioeconomy strategy, the EU industrial strategy, and the renewable energy directive, nor

will it contribute to reaching the EU's social and growth objectives, including green jobs, which are also part of the European Green Deal.

In a context marked by increasing and multiple demands on forests, the approach of the Commission to not continue building on the multifunctionality of forests, will logically not allow for coherence between the many EU forest-related policies that are in place or in the pipeline. This is deeply regrettable as this was one of the main calls from European forest owners and managers as well as from the Council of the European Union, the European Parliament, the European Economic and Social Committee and the European Committee of the Regions.

Therefore, the strategy does not provide an answer to the crucial need for coherence between the relevant EU policies affecting forestry and does not further unlock the potential of the sector to contribute to and reach EU objectives.

4. The strategy needs major clarifications and explanations prior to further implementation

The new EU Forest Strategy does not reveal a consistent and comprehensive objective for EU forests towards 2030. Instead, it encompasses various actions and initiatives, of which many are still vague and with only some are provided with an indicative timing. Compared to the previous strategy which, considering their role and the role of stakeholders, identified Member States as responsible for certain actions, most of the actions of this strategy are to be defined by the Commission. Therefore, regarding the implementation of the strategy, a first necessary step is to elucidate the concepts and actions and to elaborate an action plan to bring clarity regarding objectives, scope, timing, and responsibilities. Such an action plan would need to acknowledge the position of Member States on the new Strategy and their considerations on the proposed way forward. It should also include the views of the European Parliament and stakeholders.

As forest owners and managers, we would like to draw attention to the following actions set by the Strategy:

1. *New EU SFM indicators, thresholds, and ranges:* clarification is required on how these will relate to Forest Europe's work on SFM criteria and indicators, given that the EU and its Member States are signatories of Forest Europe. Information is also needed on the legal basis that would justify this action and on what "starting with a voluntary basis" would imply regarding future possible steps. In addition, it is important to clarify the link between SFM and the "closer-to-nature" concept.
2. *New EU voluntary closer-to-nature forest management certification scheme:* In addition to the action on SFM, a thorough prior assessment is needed to identify the need for and added value of such a scheme, as well as related costs and benefits as compared to those already provided by widely accepted existing schemes. Also missing is a clarification on whether the new scheme should have a mandatory or voluntary status as well as the legal basis on which such actions would be developed.
3. *Development of payment for ecosystem services:* the scope and feasibility of this action must be thoroughly discussed with the Member States and stakeholders. Subsequent reality checks should be performed to assess if the financial mechanisms foreseen in the strategy (CAP, carbon farming and carbon removal certification) would allow to reach the envisaged objectives. The role of forest owners and managers to develop these actions must also be clarified since they have not so far been invited to contribute to the ongoing European Commission's work on carbon farming and carbon removals and the latest report published by the Commission does not include the forest sector.

4. *New legislative proposal on EU Forest Observation, Reporting and Data Collection*: an assessment is needed on the added value of such a proposal, as well as on the existing and missing data and information. Subsidiarity, costs, and administrative burdens are key elements that need to be addressed as well. EU-wide forest monitoring could bring an added value on condition that it is supported by the EU Members States and is based on ground data collected by national forest inventories and built on the experience of Forest Focus. Regarding the national strategic plans, their nature (voluntary vs. mandatory), format, and exact purpose should also be clear before this action starts.

Overall, the subsidiarity principle has to be duly implemented, not only mentioned in writing. In addition, prior to implementing the strategy, European forest owners and managers also need clarity on how the envisaged actions will fit in with the other ongoing EU policy developments that also address forest management, in particular the delegated acts of the Sustainable Finance Regulation and the sustainability criteria proposed under the new Renewable Energy Directive (RED III).

European forest owners and managers understand the importance of reaching EU objectives and are determined to do their part. The current European forest sector is green and sustainable. However, if EU policy developments continue to lack coherence and disregard the input and concerns of those who will be given the ultimate responsibility of implementing these policies, there is a strong risk of infeasibility. Forest owners and managers have a lot at stake in their forests. To remain motivated, they are in need of constructive and congruent signals from European policymakers.

Signatories:

CEPF – Confederation of European Forest Owners

Copa-Cogeca – European Farmers and Agri-Cooperatives

ELO – European Landowners' Organization

EUSTAFOR – European State Forest Association

FECOF - European Federation of Forest-Owning Communities

USSE – Union of Foresters of Southern Europe