



THE EU FOREST STRATEGY POST-2020: PERSPECTIVES FOR THE BALTIC SEA REGION

Organised by the Energy and Climate Working Group of the CPMR Baltic Sea Commission

21 January 2020 | 10:00 – 12:00 CET

Opening Address

Mr Richard Sjölund, Chair, CPMR BSC Energy and Climate Working Group and Vice-Chair, Regional Board of Ostrobothnia gave an opening speech and welcomed all participants. He recalled the history of the group and introduced the speakers. He noted that the implications of the future of the EU Forest Strategy post-2020, currently under preparation by the European Commission, for the Baltic Sea Regions will be addressed during the meeting. The forest sector is of key importance from an economic, environmental and social perspective for the Baltic Sea Region, and the BSC will closely follow the development of the new Strategy, as it wants to contribute to shape the policy to ensure it fits regional needs.

European Commission's approach regarding the EU Forest Strategy post-2020

Ms Claudia Olazabal, Head of Unit, DG ENVI, European Commission, thanked the BSC for the opportunity to present the work that is on-going in the European Commission on the new Forest Strategy. She welcomed that the BSC Energy and Climate Working Group is addressing this issue as it is a very forested area and the contribution that this Working Group can make to the Commission's reflection is very important. She highlighted the political context on which the Commission is developing the Strategy is completely different to that of 2012-2013, as now there is now a huge political attention on forests as they are recognised as a crucial ecosystem for 2 major elements of the EU agenda, climate change and biodiversity. The forests are at the heart of the solutions for two main global challenges, and at the heart of the productive capacity of the circular bioeconomy, which the Green Deal wants to promote very much. The central part of forests and forest ecosystems in big challenges and political avenues that the EU wants to pursue makes them more politically visible. Public opinion and media attention has increased greatly, with people seeing how much climate change impacts the forests and being marked by images of deforestation outside the EU. She mentioned the problem of illegal logging in some Member States, which is very prominent in the public opinion.

Ms Olazabal highlighted the importance of forests as a repository and hosting huge amounts of biodiversity. Deconfinement has demonstrated how much nature has an impact on well-being and mental health. She reminded participants that the EU has made a commitment to be carbon neutral by 2050, and this means that the forests are needed, along with other ecosystems, to massively contribute to that climate neutrality.

In this new political context, the decision was made that 3 DGs would co-lead this, DG Agriculture, DG Environment and DG Climate Action with the close involvement of many other DGs. This shows the 3 dimensions to be highlighted in the Strategy. The Strategy aims to bring visible and tangible benefits during the next decade that would quantify and show the public and stakeholders something is being done to make the most out of forests. She explained the extent of the supply chain that it would cover, noting that the Strategy would mostly concentrate on the management of forests, with a little bit on the use of wood in terms of substitution of other fossil fuel products, but it is not meant to cover the whole supply chain. The first stages of lifecycle linked to forest will be addressed. Instructions are to find a balance between the environment, climate, resilience of forests, bioeconomy, and rural vitality. to cover all aspects and see how to maximise the multi-functionality of forests.

There are 2 areas of work, what do we do with the forest we have now, and secondly the forests that are being planted now, what kind of forests do we want in the future?

- Regarding what to do with the existing forest, a roadmap has been published and the BSC Energy and Climate Working Group was invited to complete a questionnaire, available in different languages by the end of January 2021. The roadmap demonstrates that there is a huge resilience to climate change impacts and adaptation to climate change. There is a huge agenda of restoration of damaged ecosystems including forests. There is a very big agenda on bioeconomy and rural vitality.
- With regard to the future forests, if we decide what kind of forests we want for the future, forests that are being planted now, we can do what we want as choices are open. Decisions are to be made regarding what role that forest is to play, and this varies between regions, so a planification and reflection needs to be carried out on what kind of forests we want in the future. How to retrofit existing forests with the future forests also need consideration. There will be a series of enablers for both existing and future forests, which will include enabling factors such as funding, for both current and future forests; there is need for research and a clear training push; and the issue of governance – and whether it can it be improved.

Ms Olazabal explained there will be a series of flagship initiatives, including the plantation of 3 billion trees, revenues beyond wood, training, communication gap, substitution of wood products. A number of flagships are currently being discussed internally and some are likely to feature in the Strategy. Although the Strategy was originally expected by 31 March 2021, it will be delayed but work is continuing steadily with an online consultation starting at the end of month for 12 weeks.

She concluded by noting that the Commission is having close discussions with Finnish and Swedish industries. In parallel, guidance is being developed on deforestation and reforestation as well as closer to nature forestry.

Questions/Answers

Nils-Olov Lindfors asked Ms Olazabal what is her spontaneous reaction regarding the proposal for taxonomy, which is also greatly influencing the view of forestry.

Ms Olazabal replied that the Commission sees taxonomy as a way to divert investment into sustainable investment, to favour the best investment. It is not meant to be business as usual, but to favour those in the sector that are performing the best, the actors in the sector that are going beyond - it is these pioneers that are going the extra mile that will be favoured in sustainable investment. This idea that it needs to be the top of the sector and not the common denominator of the sector, this philosophy largely shaped the criteria that is being developed. It is meant to be a screening tool that favours the best in the sector, to encourage the whole sector to move forward well beyond legislation.

Nils-Olov Lindfors asked what is the definition on protective areas that should be used? He stressed that the same definition on a national level and EU level should be used, and that a joint definition on forest area is also important.

Ms Olazabal replied that regarding the definition of protected areas, it is important that the 30% includes Natura 2000 areas and the areas which are in different levels of protection designated by Member States under different national regimes. She pointed out that some are stricter than Natura 2000 and some less strict. 26% of EU land is under some regime of protection, either Natura 2000 or a national regime. There is a big component of national protection under national rules included.

Academia perspective

Mr Tomas Lundmark, Professor, Department of Forest Ecology and Management at Umeå University, thanked the BSC for the opportunity to participate in this interesting meeting and noted that it is an important for the whole forest sector to follow this closely. He gave a presentation on the academic view of the future of forest management needs and challenges. He explained the importance of forest management, as the forest is a very dynamic resource, and it is the land owners and management plans that define to a large extent what the future will be. He also addressed the potential to mitigate climate change, as the forest has been talked about as a tool to do this and different ways this can be done, and also the potential to contribute to the bio-economy. He highlighted the importance of remembering that forest-based products are part of a circular bio-economy as forest products are both renewable and recyclable. He also stressed the importance of forest growth and considering how the current level of forest growth can be safeguarded, as this is what determines the potential to mitigate climate change and reduce fossil dependence. He acknowledged that it is necessary to have a holistic approach when addressing the benefit of the forest sector.

He used a graph to demonstrate how much forest there is per person on a global scale since 1990, including a projection up to 2050. In order to support needs from consumption, we will need more from less land. He mentioned the challenge raised by the need to stop adding new carbon to the atmospheric carbon cycle. He stressed that the forest has two ways of dealing with climate change, which he called the forest's dual climate benefit, in that it can buffer for emissions in other sectors by absorbing and storing carbon dioxide and the growth of the forest can be harvested to be used instead of oil and concrete. He addressed the question of whether it is possible to continue, or increase, the harvest of sustainable timber at the same time as the forest acts as a carbon sink. He used measured figures from Sweden, Finland and Norway to explain that yes, this is a possible combination.

He concluded by looking at the challenges of the future, and the need to find a balance between how much land should be actively managed and how much should be protected. Perhaps the protected land should also be actively managed to increase nature conservation values. If silviculture is improved, it will be possible to increase growth and yield and well as natural conservation values on set aside areas. He stressed the importance for the future to prioritise both benefits that the forests can provide. He recommended that the future EU Strategy addresses how to safeguard the capacity of forest trees to grow, as it is the growth that is important for the carbon balance.

Finland's position and experience regarding Forest Policy

Ms Elina Warsta, Ministerial Adviser, Finnish Ministry of Agriculture and Forestry gave a presentation on Finland's view and experience of Forest Policy. She highlighted the importance of forests for Finland and explained they are close to the heart of the Finns. She noted that the industries in Finland bring large amounts of jobs and economic welfare to society. There are also a lot of private forest owners, so outside of larger industries there are also a lot of economic benefits and job prospects created by forests.

Recreation is another important aspect connected to forests. Regarding biodiversity protection, Finland has the largest share of strictly protected forests in EU countries. She presents key figures relating to Finland's forests, including that the majority of forests are privately owned (60%). She pointed out that as mentioned by previous speakers, safeguarding the forest growth for the future is very important in Finland and she demonstrated that growing stock has steadily increased over the last 50 years, which is due to investment in research and silviculture since 1965.

Ms Warsta emphasised that bioeconomy is one of the important aspects of the forest sector. More specific details with figures were included in her presentation available here. She noted that Finland considers the circular bioeconomy to be part of the solution for targeting a climate neutral society. The Finnish forest sector can provide new solutions for packaging, material combinations, medicines, and well-being, and also for biofuels in transportation. There are lots of new innovations, lots of possibilities and it is important to keep possibilities open for innovation. She then provided information on forest policy tools in Finland, including legislation, strategies and programmes, financial incentives, information, and advice.

She provided further details on the national Forest Strategy which is the most important tool for Forest Policy in Finland. It is targeted to bind together international agreements and initiatives, with a big focus on climate initiatives. National tools and policies help with the implementation. She explained the importance of coherence with different national policies. She briefly explained the importance participatory preparation, especially in Finland where there are so many forests and different stakeholder groups, including industries, NGOs, youth organisations, people who do not necessarily own a forest but who use it for recreation, etc., so it is important to have wide stakeholder consultation process.

Ms Warsta explained the important elements for forest policy, including the need for statistically sound forest information for evidence-based policy making, and coordination, at national, EU and worldwide levels. She then mentioned the EU Forest Strategy preparation, which has both challenges and opportunities. She noted that it was a shame that the EU Forest Strategy preparation is delayed as there is already so much work related to biodiversity already going on. She concluded by looking at the focus of the new EU Forest Strategy, including from the Commission and Member States and Parliament, who have both highlighted the holistic view of forests and the forest sector with all aspects of sustainability including national competence on forests and forestry.

Regional experiences and comments from BSC Members

Experience from Region Helsinki-Uusimaa

Pia Tynys introduced the regional experiences and comments from Helsinki-Uusimaa Region with key figures demonstrating the important role that forests play in the BSC area. She highlighted the significance of latitudes within climate change and the fact that Fennoscandia is warming up more and faster. She provided statistics relating to Helsinki-Uusimaa region compared to the rest of Finland. She then addressed the role of forests in mitigating climate change and protecting biodiversity. She explained that in Finland, there are 2 types of forests, primeval forests (needs of nature) and tree plantation (needs of livelihood), and there are plenty of interests and needs regarding forests in Helsinki-Uusimaa region, including carbon sinks, biodiversity, recreation, health and tourism etc, which all interlink in various ways. She noted that there is also need for wood construction which is one of the Region's targets. She briefly addressed forest resources, explain what they are consumed by (urban sprawl, wood construction, as a source for bioenergy etc.) and saved by and for (biodiversity, human health, recreation, tourism, carbon sink and storage). She then looked at how to reconcile these conflicting interests.

Ms Tynys informed participants of the Helsinki-Uusimaa Regions 2035 roadmap, which has ambitious targets and described the important role that forests play in the roadmap. She introduced the six focus

areas of the roadmap and explained that there are connections to forests in each of the six areas. Other policy tools and programmes were also presented, including the regional land use plan, smart specialisation strategy and a Regional Forest Programme. Although there are initiatives like the Climate Smart Forest Owner project, and sharing of good practices in municipal forest ownership, there is a huge need for cooperation and participatory preparation.

She presented a list of regional experiences and comments from Helsinki-Uusimaa Region and noted that discussions are on-going on these areas.

Kaarin Taipale thanked the BSC Secretariat for the interesting background paper and wondered how to interpret the place-based approach mentioned in it. She noted that although it is easy to say we have to focus on what we have in our Region and take the best out of that, there are maybe other aspects to it. She discussed the concept of imported deforestation and highlighted that forests equivalent to the size of Portugal are lost every year, and the EU is responsible for 10% of the world's forest destruction. She pointed out that the climate change challenge is a global responsibility, and the EU is committed to leadership internationally and it is committed to action to protect and restore the world's forests. She wondered if the Regions should look at their role in the global context and stressed that although forests are considered as a renewable resource, they should be treated as a rare commodity. She called on regions to think globally, and act regionally, amongst regions, to learn from each other and save the forests of the whole world.

Experience from Region Norrbotten

Nils-Olov Lindfors gave some details on the region of Norrbotten and highlighted some important issues. He noted that Region Norrbotten has been working on the role of forests in tackling climate change for around 15 years. The region has developed a proposed system to make carbon credits from forest management. He noted that the pick-up of CO₂ from the atmosphere is directly proportionate to the productivity of the forest, and the productivity of the forest is directly linked to the total area of needles and leaves in the forests. It is often believed that the productivity of the forest is something given by nature, yet this is something that humans can change to a great extent. He pointed out that Finland and Sweden are part of a storage ecosystem and reiterated that some of the CO₂ picked up by trees and the growth of trees is stored in the soil. The level of carbon in the soil is like an equilibrium, so the forests are picking up by productivity and also storing for a long time in the soil. He welcomed the CPMR Position paper that highlights these issues. He concluded by noting that Norrbotten has lots of experience regarding forestry and climate and we have to make an incentive for forest owners to do whatever they can to increase their productivity in the forest.

Experience from Region Gävleborg

Ebba Bjerkander took the floor to present Gävleborg's regional experience on forestry. She introduced the key figures for the region relating to forestry which is an important economic sector for the region. In particular, bio-economy is one of the five identified smart specialisation areas. The terrible forest fires that hit the region in the summer of 2018 were addressed, and the help received from fire brigades from several countries highlighted the need for and strength in cooperation. These fires demonstrated the urgency in addressing climate impact and cooperation and resilience are crucial to tackling climate change. She introduced Sweden's national Forest Programme, explaining the vision and the five focus areas of the Strategy. Region Gävleborg also has a proposed regional Forest Strategy and Ms Bjerkander explained the 4 proposed priorities of this Strategy:

1. Breaking out of silos;
2. Sustainability in the forest;
3. Transition, competitiveness and skills;
4. Multi-use in the forest.

Ms Bjerkander then gave Region Gävleborg's view of the EU Forest Strategy stressing that a regional place-based approach is needed, but it also needs to be flexible to take into account the different kinds

of forests and soils. She noted that skills and digitalisation are crucial to make it work, as well as the need to include tourism and hospitality in discussions on forestry. The importance of bio-based energy was mentioned, as biofuels are needed in the short, and medium long term to achieve the green transition. Innovation is also needed to manage conflicts that arise in terms of goals.

Experience from Region Kymenlaakso

Anna-Riikka Karhunen thanked all speakers for their views on this subject and she noted that her region's key messages are very similar to that of Finland and other regions. She presented the key figures relating to forests for Kymenlaakso region, including that 61% of the area is forest, and 96% of these forests are managed. She explained that forests are the basis of economics and enable carbon neutral growth in the region. Europe's largest wood and pulp industry cluster is located in South West Finland and so the forest sector is extremely important for the regional economy. The forest sector is also the basis for the region's high-level, bio-based circular economy, innovation, research and know-how.

She highlighted that forests have an essential role in the transition to a carbon neutral society, with Finland, and Region Kymenlaakso aiming to be carbon neutral by 2035. The forests are a part of everyday life and the mindset of the people. She addressed the important question of how to secure biodiversity and explained that one of the main things in Kymenlaakso is to focus on sustainable forestry management, and many forest issues have been included in the Regional Spatial Plan. She concluded by presenting Region Kymenlaakso's key messages for the EU Strategy, it is essential to take into account sustainable multi-use of the forests – forests need to be climate-smart and sustainable. She reminded participants that EU Member States and Regions are different, therefore different measures are needed. Cooperation with stakeholders and forest owners is very important.

Reactions from guest speakers and concluding remarks.

Lucile Ehrhart, BSC Executive Secretary, thanked all speakers and invited any other regions to take the floor if they so wished. She also urged the BSC member regions to complete the online questionnaire which is open for feedback. She noted that Ms Warsta had mentioned the importance of coherence in the different policies, and this was demonstrated in almost all the presentations from the regions.

Ms Olazabal thanked all the regions for their informative and useful presentations. She felt there was convergence on a number of points that have been raised and there are other issues such as whether growth is where the most carbon storage comes, which is a more disputed point in academia, and which cannot be discussed today. She expressed her hope to continue these discussions with the Baltic Sea Commission Working group and the Regions.

Elina Warsta thanked the speakers for the interesting details provided, as it was useful to see how this all fits together. She stressed the importance of these kinds of discussions, which are crucial for everyone to understand the different views. It was especially interesting to hear the Regions who put emphasis on different issues, as everyone is aiming to be carbon neutral, but when thinking about coherence we need to think about the forest sector and the strategies as part of the bigger picture of the whole strategy, such as transportation, energy consumption etc. there are a lot of things to consider to bind all this together. She acknowledged that whilst the EU Forest Strategy cannot cover everything, it is hoped there would be a dimension covering the bioeconomy, understanding the livelihood part, so that all the people and regions that will be involved in the implementation in their own respective countries are able to understand and commit to this joint effort.

Pontus Lindberg also thanked all speakers for the very interesting presentations, and he noted that Skåne shares most of these views. He underlined the importance of involving all the private owners of forests

in the regions. He noted that there are a lot of private owners, some of them use the forest as their livelihood, and others as an investment, and it is important to find a way to reach out to them to avoid conflicts as although everyone needs the forests, we also need to respect that people are actually owning or have inherited the forests from their forefathers.

Nils-Olov Lindfors noted one of the key elements from this meeting is growth, rather stock and storage as it is photosynthesis that is doing the job for us.

Richard Sjolund stated that this meeting had provided an opportunity to listen to many different views, there has been a lot of input, lots of information, and he thanked the guest speakers and representatives from the regions, as well as the participants for their pertinent questions. He noted that all the presentations given will soon be available on the event webpage. He concluded that in spite of all conflicting interests that might exist, forests and the management of forests, and the safeguarding and preserving of the forests in all aspects, is of crucial importance for our future, not only at EU level but globally, it is our shared responsibility to look after forest lands and to mitigate climate change.

Organisational matters (for BSC Member Regions only)

Lucille Ehrhart, Executive Secretary of the CPMR Baltic Sea Commission gave a quick debriefing of the meeting and noted this was the last meeting of this Working Group's mandate period. She noted that the Chair and Vice-Chairs will be nominated during the Executive Committee meeting the following week and took the opportunity to thank the Chair and Vice-Chairs for their work over recent years.

Kaarin Taipale took the opportunity to congratulate Richard Sjolund, who will now be a Vice-President of the CPMR, and she thanked Lucille Ehrhart, the CPMR Secretariat, Pia Tynys respectively for their hard work and commitment.

Pontus Lindberg congratulated Richard and wished him all the very best in his new role within the CPMR.

Nils-Olov Lindfors thanked Richard Sjolund and the Vice-Chairs for their work. These issues of energy and climate are 2 of the most important issues for the future of nations, of Europe and of the world. There is potential in the Baltic countries that is unique in the world, and it is necessary for Brussels to understand the conditions that exist.

Richard Sjolund thanked all participants for their kind words and closed the meeting.