

Summary of Round Table Discussions**Challenge 5: Supporting the Provision of Ecosystem Services****Short description of the Challenge**

Forests provide society with a multitude of ecosystem services, essential for our survival, wealth, health and well-being. In most cases, forest owners get no compensation for related costs or no incentive to improve supply of services. Given the growing demand on them and climate change impacts, the challenge is to maintain or further enhance the provision of such services. Innovative approaches are needed to raise the social and political acceptance of valuing ecosystem services and to establish payment schemes. This also comprises better integration of wood production and generation of ecosystem services in forest management and an improved fundamental understanding of ecological processes in relation to them.

From the actions to manage this innovation challenge presented in Session 3, the following 4 were selected by the workshop participants for the Table Discussion:

Action 5: Forest owners coordination

Action 3: Manual for main forest habitats & main ecosystem services

Action 4: Cost of provision versus ecosystem services valuation

Action 1: Foster applied multidisciplinary studies for proxies creation

Main statements during the Table Discussion

- Ecosystem Services (ES) cannot be restricted to the forests only, but have to be understood and planned also at the landscape level.
- The perception on the relevance of ES differs in European regions. There is a growing awareness of consumers on the quality of landscapes. Business experiences show that urban people are willing to pay for apps and software on virtual farming, but are reluctant to pay for consuming ES in real forests.
- Subsidies are no long term solution. Pricing of services consumed is more promising, but markets have to recognize services. It has to be clarified which sources of revenues could be accepted by the society to enable financing of ES provision.
- The EU Water Framework Directive offers a legislative basis to charge money for services to sustain good natural conditions of water catchments. This approach is still rarely used.
- Research on several aspects of ES has been done or is ongoing, but there is a lack of practical implementation of new ideas and cross-border cooperation of regions. There are many local initiatives on forest related ES that are not known beyond their region.

Activities in Regions/Member States

- In Italy, a register of natural historical landscapes was established to inform the foresters and farmers that they are living and working in a valuable area that is acknowledged by the general public. Labelling could help to promote not only products from these regions, but also ES.
- In Hungary and Austria, school children spend some times in a forest school to improve a broad understanding of forests and their manifold uses.
- For the carbon market in the Aquitaine Region (France), an ad hoc fund was established with public money that buys ex-ante carbon credit rights generated by landowners involved. Such an approach with initial funds could be used also for other ES.
- In Finland, the METSO-project used auctions to value biodiversity.
- In some regions of France, the water administration pays annually for forest management to prevent forest fires that would decrease water quality. In a catchment area around Paris the establishment of agro-forestry is financed by water money. In Vienna (Austria), the water administration transfers a share of the water consumption fee income to the forest administration that manages the water protection forests.

Key messages for EU Policy Making

- Land managers should be in the center of innovative approaches to establish market opportunities for them. Market prices would help to motivate people to improve the supply of ES for which cooperation of forest owners should be facilitated.
- Forest education programmes in schools explaining the multifunctional role of forests and the reasons for forest management would help to raise the understanding in the general public on payments for ES.
- A database on ES could help to disseminate information on local or regional good practices.
- The development of indicators to quantify ES provided by forests is needed. Indicators should be sensitive to forest management to monitor effects on the provision of ES. Analysis of the cost for the provision of ES is needed.