







Overview

ver the past three years we have worked intensively to set the strategic cornerstones to build the future EFI. In 2017, to bring our new Strategy successfully to action, we started developing a new EFI organisational ecosystem, containing Research Programmes, Research Networks and Facilities.

Research Programmes are the scientific pillars of EFI, producing new scientific knowledge within our strategic themes: bioeconomy, resilience and **governance**. The three Programmes are rooted in our Research Networks, which mobilise EFI member organisations to produce and share scientific knowledge in a coordinated manner within our thematic framework. Facilities, the canopy of our ecosystem, operate at the science-policy-practice interface and are key to connecting knowledge to action. They also identify information needs and knowledge gaps from decision makers, journalists and other actors. Programmes and Facilities are parts of the Secretariat while Research Networks are administered directly by EFI member organisations.

2017 also saw the renewal of our Policy Support trust fund, and was a turning point for the benefits that we will offer to our Associate and Affiliate

Members in the future. The establishment of an **EFI Network Fund** based on the membership fees of our member organisations will be instrumental in **supporting the transnational scientific cooperation of our network.** EFI's institutional basis also experienced an important development as three new Member Countries joined: **Belgium, Serbia and Lithuania**.

The opening of our new office in Bonn at the UN campus, which hosts the EFI Resilience Programme, will be instrumental in increasing our impact and visibility in Europe and beyond, as well as boosting our science capacities. Finally, our cooperation with IUFRO achieved a new level, with the launch of the IUFRO-EFI Young Scientists Initiative to support transcontinental mobility of young forest scientists. This new initiative complements our EFI short scientific visits that supported the European mobility of 10 young forest scientists in 2017.

Finally, let me give warm thanks to our staff, Member Countries, member organisations and other collaborators for their invaluable support and commitment in making yet another successful year happen.

Marc Palahí EFI Director





An ambitious European forest research and innovation area

nhancing transnational forest research cooperation within the EFI network was one of the main research-related objectives shaping EFI's activities in 2017.

The **EFI Network Fund** was launched during the 2017 Annual Conference. Focusing on EFI's three strategic themes, it aims to support networking activities such as joint research initiatives, knowledge networking and capacity building. The fund will provide €1m over the next four years exclusively for EFI Associate and Affiliate Mem-

bers. Two calls are planned, the first for 2018-2019 was launched in October 2017.

EFI Short Scientific Visit grants offer early stage researchers from EFI Associate Member organisations the opportunity to get involved in international-level forest research and research cooperation. In 2017, 10 young researchers were able to improve their knowledge and skills, and establish and strengthen their international networks in the fields of bioeconomy, resilience and governance.









Bioeconomy programme priority topics

- The future demand and supply of forest products, forest biomass and ecosystem services, and their implications for sustainable forest management as well as for afforestation and plantation forestry.
- Sustainability impact assessment and monitoring of forest-based products and services value chains.
- The future markets of increasingly diversified and cross-sectoral forest-based products and services as a result of socioeconomic and policy changes.
- The role of innovation and digitalization, and policies affecting sustainable bioeconomy development.

The Bioeconomy programme is located at the EFI HQ in Joensuu, Finland.



Resilience programme priority topics

- The impacts of global change and related risks on forest socio-ecological systems, and the strategies to enhance and restore their capacity to adapt and provide forest ecosystem services and products.
- Policies, strategies and management practices to enhance biodiversity in a rapidly changing environment, considering different regional and socio-economic settings.
- Strategies and management practices to enhance the role of forests and trees in increasing the resilience of rural areas to climate change, including a better understanding of agroforestry.
- The role of urban forestry, nature-based solutions and wood construction in developing climate smart cities, better rural-urban interfaces and enhancing health and wellbeing in urban areas.

The Resilience programme is located in the newly established EFI office in Bonn, Germany.

SSV grantees 2017-2018

Giuseppe Cardellini (KU Leuven)

Olalla Díaz-Yáñez (University of Eastern Finland) Jan Kaspar (Czech University of Life Sciences Prague) Tommaso Locatelli (Northern Research Station, Forest Research)

Aynur Mammadova (University of Padova) Iuliia Polevshchikova (Volga State University of Technology)

Martina Sterbova (National Forest Centre – Forest Research Institute Zvolen)

Todora Rogelja (Department of Land, Environment, Agriculture and Forestry, University of Padova) Željko Zgrablić (Croatian Forest Research Institute) In collaboration with IUFRO, the **Young Scientists Initiative (YSI)** grants for intercontinental mobility were launched in 2017. The grants enable early stage researchers to travel and gain international experience to better equip them to address future global challenges. They offer a unique opportunity for young scientists from Africa, Asia and Latin America to visit and collaborate with a European forest research organisation. In 2017 5 grants were offered.

Following the adoption of the new ambitious EFI Strategy 2025 and the corresponding Strategy Implementation Plan 2017-2021, the EFI ecosystem was redefined. In 2017, the Bioeconomy and Resilience programmes were established, and negotiations with Norway for the establishment and hosting of the new Governance programme started.





Research highlights

Sustainable, climate-neutral and resourceefficient forest-based bioeconomy

The FORBIO project funded by the Academy of Finland entered its second year in 2017. It aims to improve the resource efficiency and climate neutrality of forestry and to facilitate the adaptation of the forest-based sector to the changes in the operating environment. In 2017, a study by EFI for FORBIO concluded that wood has potential to reduce the environmental impact of construction, particularly in terms of reducing greenhouse gas emissions and material use. Funding was announced for phase 2 of the project (2018-2021).

Sustaining and enhancing resilience of European forests

European forests are affected by different disturbances. They range from pests and insect damage to megafires and storms, and can have profound impacts on forest ecosystem services and livelihoods. As disturbances have intensified in recent decades, making forests more resilient has gained in importance. Experiences from both practice and science on how to best cope with risk and respond to disturbance events are crucial for developing and improving response strategies in policymaking and practical management.

The SURE project will tackle these challenges by fostering cross-border exchange and highlighting best practices. One of its main objectives is establishing the European Forest Risk Facility, an unbiased platform of exchange and knowledge transfer between science, practice and policy. SURE is coordinated by EFI's Bonn office and funded by the German Federal Ministry for Food and Agriculture.

Innovation Networks of cork, resin and edibles in the Mediterranean basin

INCREDIBLE is a three-year H2020 Coordination and Support Action, funded by the European Commission and coordinated by EFI. It will address the gap between existing research and innovation knowledge on service systems for non-wood forest products (NWFP) in the Mediterranean.

INCREDIBLE will develop Innovation Networks (iNets) in five areas: cork; nuts and berries; resins; mushrooms and truffles; and aromatic and medicinal plants. Each iNet will gather and share best practices related to NWFP production, transformation and trade channels, from both practical and science-based perspectives. A Community of Practice will then bring together facilitators from each of the five iNets to exchange experiences and knowledge, for maximum cross-sectoral, inter-regional learning.



Science-informed policies to address societal challenges and opportunities

017 was the third year of operations for the EFI Policy Support Multi-Donor Trust Fund (MDTF), which continued its activities to inform and bring new science-based insights to decision makers and stakeholders. By the end of the year, the MDTF had ten contributing Member Countries (Austria, Czech Republic, Finland, France, Germany, Ireland, Italy, Norway, Spain and Sweden). An external evaluation recommended the continuation of the MDTF Programme for a new 3-year period.

Four science-policy reports were published in 2017, and were widely distributed in print and digital forms at associated ThinkForest events, to policymakers in Brussels, and to EFI's network.

The From Science to Policy report on "Leading the way to a European circular bioeconomy strategy" in particular received good response and created an important impact. For example, the European Commission informed that it will use it for the updating of its Bioeconomy Strategy in 2018.









Two What Science Can Tell Us studies were published, the first of which looked at Natura 2000 and forests; the second assessing the economic, social and environmental sustainability of a forest-based bioeconomy. A white paper focused on Climate-Smart Forestry and mitigation. In total, authors from 20 of our member organisations contributed to the reports.

More consumer markets are acting to control illegal timber imports. The EU's Action Plan on Forest Law Enforcement, Governance and Trade (FLEGT) has contributed to this change, supported by EFI's EU FLEGT Facility. The Facility has promoted awareness and dialogue through, among other things, sponsoring events and developing communication tools and products. In 2016, Indonesia became the first country to issue FLEGT licences to timber products it exports to the EU. Over the course of 2017, this experience provided important lessons for other countries on the path to licensing. Within one year, Indonesia issued more than 39,000 licences for exports to all 28 EU Member States with a total value of more than one billion euros. To raise visibility around the first anniversary of FLEGT licensing in 2017, EFI's EU FLEGT Facility generated news coverage that reached an estimated audience of 9,911,900 people across Indonesia.

Land-use finance mapping tools and approaches developed by EFI's EU REDD Facility are supporting REDD+

countries and their partners' efforts to align public and private investments to land-use related objectives in these countries' Nationally Determined Contributions under the Paris Agreement on climate change. In Côte d'Ivoire, the Facility continued to engage with the Government, private sector and smallholders to support deforestation-free agricultural production. In 2017, the Facility partnered with the National REDD+ Commission, two private sector chocolate manufacturers and their suppliers, to demonstrate how deforestation-free supply chains could work in practice in the cocoa industry. The negotiation of a zero-deforestation cooperation agreement between the Ministry of Agriculture and a major cocoa buyer was successfully concluded, bringing in private funds to support a territorial strategy towards zero-deforestation agriculture and forest regeneration, and piloting the use of payments for environmental services.

EFI continued building bridges with Russia through science-based cooperation in 2017. In collaboration with the Moscow School of Management SKOLKOVO, a high-level event was organised on forest-based bioeconomy and the socio-economic opportunities it offers. It was the first time that such a high-level discussion on bioeconomy took place in Russia, bringing together over 90 European and Russian representatives from public authorities, national and international business community, universities, NGOs and associations.





Awareness in society of the importance of forests

FI's communications efforts concentrated on the Institute's external visibility in 2017. Developing EFI into a global brand got off to a solid start, with EFI positioning itself strategically in the interface between science, media and society.

As forest fires dominated the news in the summer of 2017, EFI answered by producing an infographic video, "Fighting catastrophic forest fires: a new vision", which has since been viewed over 4,400 times on YouTube. The video looks at the key factors of increased forest fire risk in the Mediterranean region and advocates for a new vision

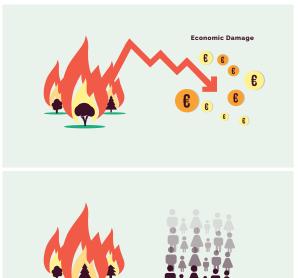
based on shifting the focus from reactive fire suppression to long-term proactive fire prevention and forest management at the landscape scale.

EFI's biggest event ever, the 2017 Bioeconomy Investment Summit, took place in Helsinki on 13-15 December 2017, gathering together some 400 policymakers, investors, scientists, journalists and industry from 40 countries. A further 280+ people followed the live-streaming of the event. The summit aimed to place sustainability at the heart of the investment agenda, asking what was needed to transform the bioeconomy from niche to norm. As well









as reflecting on the importance of the policy and investment environment, speakers looked at the opportunities and challenges which the bioeconomy provides for smart, sustainable and inclusive business.

The EFI Science Media Programme was developed in the summer of 2017, to increase EFI's capacities for effective science-media relationships, and also to support global media visibility goals. It is implemented via two main tools: joint science-media training for scientists and journalists, and the Lookout Station project. The Lookout Station quickly developed into EFI's flagship communi-

cations initiative, offering a much-needed space to connect journalism and science communities, and using cutting-edge digital innovation as the backbone.

As a pilot project, EFI, the Global Editors Network and MIT's Joint Programme for Global Change joined forces to launch Lookout360°, which focuses on 360° video storytelling on climate change. Twelve journalists were chosen for a 360 bootcamp in Lapland in February 2018.

