

EFI Policy Brief 1

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(eds.)

# Making European Forests Work for People and Nature



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2007



## Foreword

World Forests, Society and Environment (WFSE) – a Special Project of the International Union of Forest Research Organizations – produced in 2005, together with nine partners across the world, the policy brief *Forests for the New Millennium – Making Forests Work for People and Nature*. In that publication, key global policy issues were highlighted and policy recommendations provided. IUFRO-WFSE is currently producing regional policy briefs.

This policy brief is the result of scientific collaboration between IUFRO-WFSE and three of its European partners: European Forest Institute (EFI), Finnish Forest Research Institute (Metla), and the Institute for World Forestry (BFH-HU). The main purpose of this publication is to identify critical forest policy issues in Europe and to present research-based opinions on possible solutions. Its focus is on a few specific topics relevant to forest governance that the authors believe to be crucial for a more efficient and responsive policy-making in relation to present increasing societal, economic and environmental pressures on the sustainable use and conservation of forest resources in Europe.

We hope that this work will serve as an impetus for policy actions.

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We acknowledge the long, creative debate of numerous researchers in providing views on the policy directions which are required if forested land is to be used and managed for the benefit of both people and nature. Our special thanks go to the authors who provided significant scientific input. Our special gratitude is extended to the reviewers, whose valuable comments greatly improved the quality of this policy brief: Fergal Mulloy, Risto Päivinen, Anssi Niskanen, Hubert Hasenauer, David Humphreys, Americo Carvalho Mendes, Roman Michalak and John Innes.

We acknowledge the contribution of EFI for producing this publication in their 'Policy Briefs' series and extend our thanks to Jo Van Brusselen and especially to EFI's Managing Editor, Minna Korhonen.

*Editors*



European forests provide promising opportunities for people and for nature. Forests help to mitigate the impacts of climate change, add to energy security, and provide economic welfare and diverse goods and services for European citizens.

Even though the forest area in Europe is expanding, our forests are under increasing pressures due to economic competition and increased demands for diverse ecosystem services. The opportunities and risks cannot be efficiently addressed under the existing sector-based administrative institutions alone. To achieve effective governance, we need to involve both public and private sector organisations, enterprises, the science community and civil society, who all have an interest and stake in forests.

Our key message:

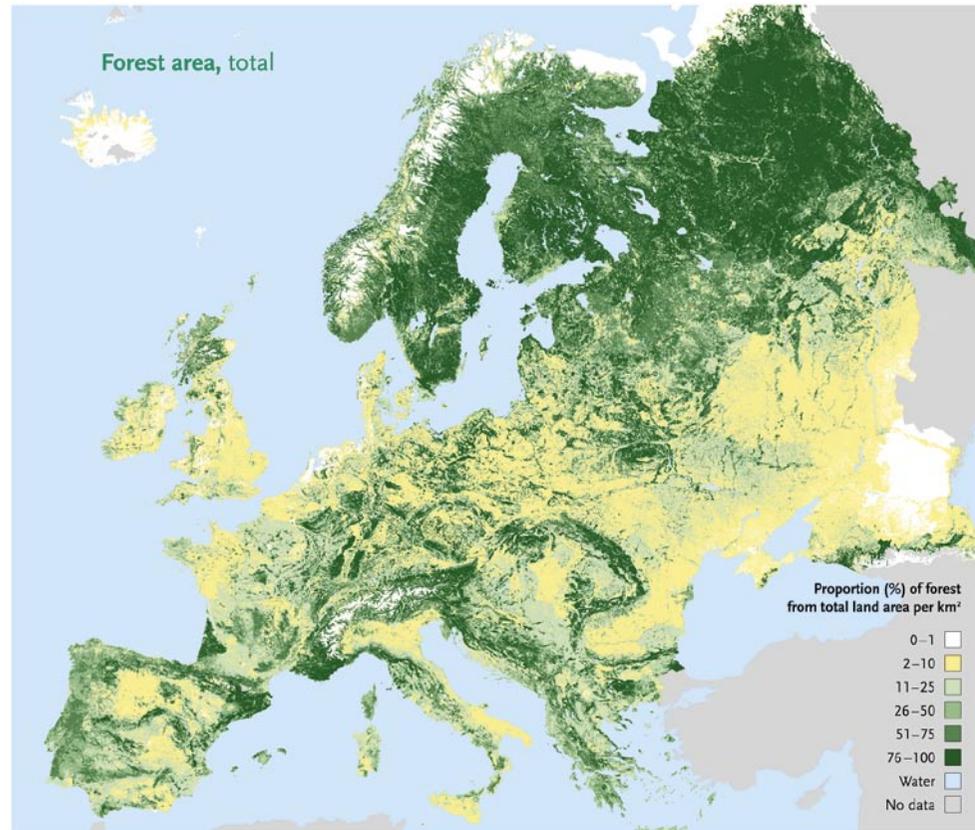
## Towards more responsive forest governance

### Changing society, new challenges

To meet the present and future demands of a changing society, we must look for more innovative approaches. We must be

- more responsive to the future needs of society at large,
- more flexible to cross-sectoral cooperation, and
- more result-oriented in policy implementation on the ground.

These policy development challenges deserve special attention in policy fora, such as the Ministerial Conference on the Protection of Forests in Europe (MCPFE). Equally, the message from Europe needs to be conveyed to international fora, as well as duly considered within nations.



The map shows the forest area of Europe in the late 1990s, then equivalent to 323 million hectares and covering 35% of the land area (EFI 2002). The estimated net forest area increase in Europe between 2000 and 2005 was approximately 3 million hectares (data by FAO).



Traditionally, in most parts of Europe forestry has been combined with other rural activities in highly fragmented landscapes. While environmental and landscape functions are more valued, rural areas in Europe are becoming increasingly differentiated and complex – not only in relation to production potential, but also in relation to social structures and their future prospects.



## Increasing pressures on European forests

Key policy challenges arise from maintaining simultaneously the competitiveness of the European forest sector and the sustainable management of forests. They include mitigation and adaptation to climate change and concerns related to biodiversity and energy security. In addition, the ongoing socioeconomic, demographic and life-style changes pose profound challenges.



Capitalising on renewable and low carbon products by substituting other materials, for example in new construction system solutions could be further developed into a genuine European brand.

## Risks and opportunities in maintaining competitiveness

### A globalising world

As a result of slower growth in traditional forest industry production in Europe and the increasing role of fast-growing plantations in industrial timber supply, global production growth is in motion from North to South and from West to East. The pulp and paper industry increasingly invests in Asia and South America, in order to lower costs and to cater for high market growth regions.

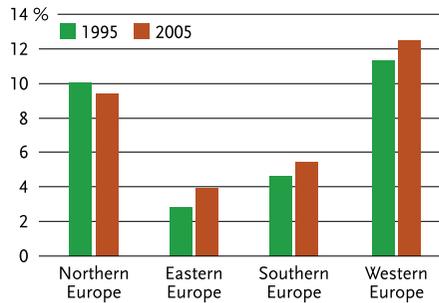
### Innovation and profitability

Maturing forest product markets in Europe will place pressure on the forest sector to structurally renew through development and adoption of technical and social innovations. The generation of increased value added and new innovative products and business models will move forestry and forest-based industry towards higher profitability with less emphasis on volume growth.

### Bioenergy and forests

Development of forest-based bioenergy and bio-fuel innovations and markets can make the forest sector more diversified and competitive. Yet, it is possible that forestry loses what the energy sector gains.

# Challenges in securing forest ecosystems' goods and services



Global share of Europe in production of paper and paperboard has increased, although very slightly, between 1995 and 2005 (areal division by UN; data by FAO). The share of the forest sector in manufacturing value added in Europe is 8% and Europe has a significant share of the world's industrial forest production and consumption. The bulk of international trade in forest products is within Europe, with large differences in economic importance and export earnings between the European nations.

## Products and services other than timber

Non-wood forest products and provision and use of various ecosystem services including nature tourism provide opportunities for entrepreneurship in European rural economies that are not yet fully used. Enhanced multifunctional use of forests and the market creation for these products and services will help to increase the visibility and social acceptance of forestry, especially in Northern and Western Europe.

## Carbon balance and adaptation

Today the forests in Europe are net carbon sinks. However, their further sequestration potential is primarily dependent on the intensity and objective of forest management. Even now, alterations in disturbance regimes of forests due to fires and pests can already be observed as an effect of temperature increases. Adaptation strategies are needed in order to reduce current risks and keep future management options open.

## Biodiversity and conservation

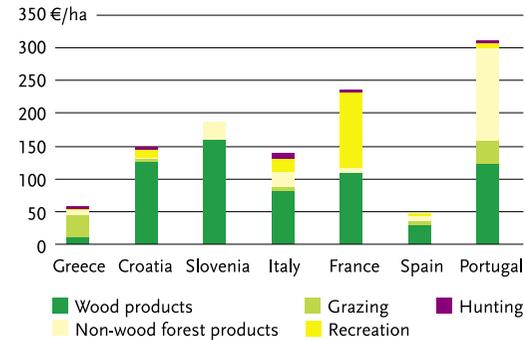
There are some signs of progress in relation to the reduction of threats to biological diversity of Europe's forests. Yet, the need continues for conservation of threatened species, the control of invasive alien species, more efficient control of forest fires, and for addressing forest fragmentation that results from changes in land-use.



According to nationwide recreation demand surveys, 40–96% of the populations in different European countries visit forest areas for recreation purposes annually. For example, each year some 40% of all Italians walk or hike in forests and 56% of all Danes study and enjoy forest nature (data by Bell, Tyrväinen, Sievänen, Pröbstl and Simpson 2007). In areas with high population densities and low forest cover, forests represent one of the main accessible land uses for recreational purposes.



A forest is a symbol of nature in the European culture. With economic, social and demographic changes, people's perceptions of forests are changing. Both private and public forest owners' objectives for their forests are becoming increasingly diverse. Although, in some countries, the emphasis on forest use is on income and employment, there is growing interest in amenity services and multiple use.



The direct use values of non-wood forest products (NWFPs) and ecosystem services often rival and sometimes exceed timber values in European countries. The contribution of NWFPs, such as cork, mushrooms and berries, is considerable, especially at the local and regional level in south and east Europe, while hunting is a major non-wood forest benefit in north and central Europe (data by Merlo and Croitoru 2005).

### Tools for protection

It is essential to support further protection of forest biodiversity through various means, including laws. However, enacting more protection laws without forest owners being able to comply with them is unlikely to be effective. Good results have been achieved through voluntary conservation measures in the past, and these can be effective tools for the future.

### Ecosystem services and human well-being

More than 7 out of every 10 Europeans now live in urban areas. This urban population will continue to grow. In addition to sustainably produced wood-based products, especially paper, they will demand more ecosystem services to provide for their physical and social well-being, recreation and leisure and clean air and water.

### Multifunctionality for diversity

Due to the great variety of forest uses for the economy, environment and social welfare, the multifunctionality of forests needs to be respected in balancing economic viability, environmental sustainability and social acceptance.



## Policy-making for people and nature

Today, many sectoral policies and recommendations are agreed to in global processes and applied to national and local decision-making. However, applicability to local conditions may need more than just the translation of these policies. Realities at the local level are often very different, also as many issues arise from sectors other than forest. The increasing interdependencies, complexity and internal dynamics between and within sectors are creating a considerable challenge for policy implementation and especially for inter-sectoral coordination.



Technology and human capital availability in the European forest sector are the key factors in development towards a knowledge-based bio-economy. In the broad range of forest-related activities the need for appropriately qualified people requires more emphasis on education and training – especially for youth and women.

## Sectoral policies need to work together

- Key forest-related issues such as economic welfare, human well-being, climate change, energy security and biodiversity conservation are all pressing issues on the agenda of international, regional and national policy processes, not least for their links to the growing demand on natural resources.
- These key issues are addressed thematically in different political arenas and at different policy-making levels. This has led to an increasing need for inter-sectoral coordination of traditional sectoral policies – and hence to a higher complexity in forest-related policy making.
- The challenge for policy integration is perhaps most acute at local levels, where concrete decisions need to be made to implement multifunctional and sustainable forest and land management. The existing governance structures face more and more difficulties in effectively contributing to and facilitating practical decision-making at local levels.
- **Successful policy formulation needs to**
  - deal with numerous, sometimes conflicting or even antagonistic demands from society,
  - foresee long-term trends in the environment and society and address the challenges involved,
  - translate complex policy decisions into messages that can be understood and accepted by civil society and stakeholders, and
  - deal with policy commitments made at various levels and in different policy fields, and secure their implementation in practice.

As reported by IPCC, approximately 20% of CO<sub>2</sub> released into the atmosphere is caused by deforestation and degradation. Avoiding deforestation has to be an important global mitigation strategy and the European society has to better share the responsibility for preventing worldwide deforestation.



## Reconsidering current governance

- The current institutional setup of European forest-related policies is a complex structure of organisations and processes working at different levels, such as sub-national, national, EU, MCPFE, and global levels. At each level, an increasing number of stakeholders are active.
- To achieve improved legitimacy in the public administration, there is a perceptible move from a more hierarchical structure at the government level towards governance involving stakeholders in policy making, examples of which are the national forest program processes. Market-based tools, such as certification, are replacing, to some extent, traditional command and control instruments.
- Stakeholders demand policies and administrations that are legitimate, follow the rule of the law, are accountable and transparent and participative, as well as efficient and effective.
- **In particular, governance needs to become**
  - more anticipatory and responsive to existing and foreseeable future societal needs and demands for human welfare and well-being,
  - more flexible in adapting policies to reality on the ground
    - by incorporating all relevant sectoral actors and stakeholders for decision-making and implementation,
    - by applying issue-specific policies and programmes targeted at emerging social, economic or environmental key problems, and
  - more result-based to enhance effectiveness in policy implementation.

# Recommendations for improving governance

We need new policy approaches and institutional innovations in order to enhance policy responsiveness, coordination, collaboration and result-based effectiveness.

**Improving responsiveness** to emerging needs:

- Initiate national and international foresight and innovation policy oriented processes on forests and evolving societal needs amongst governments and stakeholders. The experiences from the research-oriented Forest-Based Sector Technology Platform and other foresight activities provide a useful starting point for future orientation in policy making.
- Boost innovation policy issues in multi-disciplinary research, technology and development (RTD) by specific inputs into cooperation and networking, as well as into education. Promotion of knowledge and technology transfer is necessary in order to transform the RTD investments into a competitive edge for forestry and forest-based industry.

**Enhancing policy coordination** across sectors and interaction and collaboration with stakeholders at all levels:

- Initiate consultative processes with administrators and stakeholders at district and municipal levels on the issues of local needs and requirements in order to enhance effective national forest policies. These processes should be built upon the experiences gained from national forest programmes.
- Develop policy approaches and institutional structures for joint policy making with different sectors and stakeholder groups. Such structures need to effectively counteract policy capture and allow openness for new developments.
- Design, for example, as part of the next Ministerial Conference on the Protection of Forests in Europe, an international high level cross-sectoral platform for different actors on natural resources, such as forest industry, agriculture, forest owners, energy, water,

environment and tourism, to address collaboratively and with shared responsibility the issues and commitments related to integrated land use.

Call for **result-based policy approaches**:

- Set clear regional and national priorities and measurable targets for key policy goals agreed to by different sectors or stakeholders, for example through national forest programmes.
- Develop improved indicators for sustainable forest management that enable a more effective evaluation and monitoring of policies and policy implementation.
- Initiate “bottom up” processes to learn from past experiences in the implementation of national and international forest policies and commitments at municipal and district levels.

In March, 2007, the European Commission established targets for increasing the share of renewable energy up to 20% of all energy consumed and bio-fuels up to 10% by the year 2020. The success of achieving such ambitious goals in diminishing the consumption of fossil fuels will require technological innovations and significant investments in R&D.



## Recommendations for science-policy interaction

- **To improve policy responsiveness to needs:**
  - Reallocate resources and reorient research agendas to include a stronger commitment towards addressing the future demands of the society. These would include foresight studies, socioeconomic, interdisciplinary and policy relevant research.
  - Support and nurture a culture that promotes more radical ideas and knowledge generation on key emerging problem areas.
- **For better policy coordination and collaboration:**
  - Develop and implement a more structured interaction between policy makers at all levels and research institutes.
  - Encourage true inter-disciplinary approaches to address cross-sectoral, socio-economic and policy relevant problem areas related to natural resources.
- **For result-based policy implementation:**
  - Strengthen links and enforce interaction in knowledge creation and sharing between policy, science and practice, as well as in business activities.
  - Develop monitoring and evaluation mechanisms to analyse and assess the progress and effectiveness of implemented policies in achieving the set aims.

# Working together towards better policies



The ideas and suggestions presented here are for us all to fulfil. Yet, without a common understanding of the challenges and the opportunities even the best of intentions may be lost. The process of change will not materialise by itself. Ministries, administrative bodies, private sector enterprises and organisations, civil society and the science community need to work together more closely, with a sense of shared responsibility, for better policies.

We invite all interested parties for critical deliberations and further discussions on these recommendations and proposed changes to policy approaches. For people and for nature.



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Photos: Saku Ruusila, dotshock / Fotolia.com, Puuinfo Oy, Erkki Oksanen / Metla, John Rattle / Fotolia.com, Sime Photo / SKOY, Lauri Mäenpää, Lauri Sikanen / Metla, Björn Svensson / SkogenBild

ISBN: 978-952-5453-20-1

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# EFI Policy Briefs



Unbiased scientific information is essential for sound decision-making. EFI Policy Briefs convey current forest policy questions and challenges and outline courses of action to resolve them with the help of research.



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EFI's mission is to

- promote, conduct and co-operate in research of forestry and forest products at the pan-European level; and to
  - make the results of the research known to all interested parties, notably in the areas of policy formulation and implementation,
- in order to promote the conservation and sustainable management of forests in Europe.