

**Advisory group on Forestry and Cork**  
**5 October 2011, Brussels**  
**Draft Minutes**

**1. Approval of the Agenda and the minutes of the last meeting of 25th February 2011**

Juha Hakkarainen, Chairman, opened the meeting. The agenda and the minutes of the last meeting were approved. The Chairman reiterated the decisions of the last meeting and thanked Mrs Hilikka Summa for her excellent work in the AG and good collaboration prior to her retirement.

***Agreed: The agenda and the minutes of the last meeting were approved.***

**2. Strategic Agenda of the Chairman of the Advisory Group**

The Chairman presented the changes made into the Strategic Agenda based on the discussion in the previous AG meeting. Topics such as revision of EU forest strategy, discussion on biomass strategy, mobilization of biomass and bio-based economy were integrated into the document. The AG approved the document.

***Agreed: The strategic agenda was approved.***

**3. Update on timber regulation**

The Commission informed that the regulation has been in force since 2010 and has to be applied from 3 March 2013. The delegated acts and implementing measures foreseen in the regulation will have to be adopted by the Commission. At this stage the Commission is working on rules for laying down the regulation, recognition of monitoring organisations as well as requirements for the monitoring organisations. The Member States will also have to take some steps e.g. decide who will be the competent authority; what will be the penalties and sanctions. The regulation also calls for Member States to provide information to operators to facilitate implementation of the regulation. Regarding the delegated acts, the Commission has consulted the stakeholders by organising two meetings on 21 March and 28 April 2011. The Commission has also consulted Member States expert group. This expert group has had two meetings and is expected to read and comment the final text in following days after which the European Parliament and Council have the possibility to comment the draft. For delegated acts the deadline is 3 March 2012 and work is in advanced stage at the moment. Flegt committee assists the Commission in adopting the implementation acts. Consultation process is still ongoing. Detailed rules are developed for due diligence systems and for monitoring organisations. These should be adopted by 3 June 2012 by old Comitology procedure. First draft has been discussed in September 2011 and next meeting is expected in December 2011. At this stage the Commission is waiting for written comments from MS. NGO's wanted to know on risk assessment if operator needs to minimise risk as far as possible. The Commission explained that the regulation stated the process of risk assessment and measures need to be taken to minimize the risk. The Commission is preparing guidelines for the this.

***Agreed: The due diligence regulation should remain on the agenda of the advisory group.***

#### **4. Update on the Renewable Energy Action Plans and biomass sustainability report**

The Commission presented the preliminary results of the evaluation of NREAPs and EU's renewable energy projections by 2020. Based on the NREAPs majority of Member States plan to exceed their national RES targets. Over 10 % of EU total final energy consumption is evaluated to come from biomass. NGO's asked for clarifications on GHG emission calculations, timeframe for finalising the report and whether legislative proposal is excepted. Producers highlighted the underuse of the EU forest potential and questioned the Commission expectations on increased imports of wood to EU. They asked for better instruments to utilise the EU forest biomass that would also provide jobs in rural areas, recognition of positive contribution of wood in renewable energy production compared to fossil fuels, recognition of social aspects and improvement of efficiency of energy plants using wood for renewable energy as well as development of sustainability criteria along with MCPFE criteria and LBA negotiations. Measures for mobilizing wood are needed under Rural Development Policy. Industry raised their worries on availability of wood from 3<sup>rd</sup> world countries as estimates are not available, impact on wood working industry, sustainability criteria only for 5 MW plants and no other as well as the hierarchical use of wood. The Commission responded to take note on the doubts on the forecasts and that the technical report deadline is by the end of the year 2011. However the follow up of the report is not yet decided, small scale level impacts need to be analysed including the social and environmental aspects. Data on wood availability has been provided by MS and the Commission will insist more information on the supply for demand. Wood availability need to be addressed when developing the energy policy. The Commission has recommended MS to support efficient use of biomass in its report 2010.

***Agreed: The Chairman stated the topic will be further debated in the AG after the Commission report on biomass sustainability criteria is finished.***

#### **5. Implementation of the EU Forest Action Plan**

The Commission distributed a paper on the state of the implementation of the Forest Action Plan and informed that in 2011 the FAP is coming to an end. All actions have been covered and implementation is completed except for WG on forest information and monitoring is still ongoing. Post evaluation of FAP is expected in March-April 2012. Call for tenders for the ex-post evaluation has been just concluded. Evaluation results will be taken into consideration for the new EU forest strategy.

#### **6. State of play in SFC ad hoc working groups**

The Commission gave a presentation on work done in the SFC ad hoc working groups. WG on "Forest Information and monitoring" has had three meetings in 2011. WG is expected to advice on requirements for EU policy reporting, present capacities, gaps, financing issues and resources as well as precision level and integration of existing information systems in order to bring all these things together. Interim report to SFC was given in September 2011 and final report is expected to be drafted in 4<sup>th</sup> meeting in December 2011. The AG presented questions to the Commission. NGOs asked information of the expectations after

2011. The Commission answered final report will be discussed by the SFC and possibly be distributed wider. Outcomes would be used for developing the EU forestry strategy (later FS).

A working group on “New Forest Strategy” has been created. A workshop was organised in April 2011 with MS and stakeholders on the new forest strategy. The Commission presented the outcomes of the workshop: main principles of the 1998 strategy are still valid but there are problems with the implementation and coordination with other policies affecting forests. EU FS should be for the forest sector as whole and balance between complementing and influencing national forest policies should be found. Priorities need to be set to find areas where value can be added with common actions at EU level. The Commission informed that the outcomes of the workshop will be fed into the development of new EU FS as well as to the work of the WG. WG will contribute to the discussion on the future EU forestry strategy by making recommendations on how the Strategy can ensure coherence with other policies or instruments and add value at EU level. What a future FS should include and/or what kind of alternative might replace it as well as which mechanisms could be put in place to achieve an effective and efficient instrument to support and underpin the implementation of forest related policies on EU, national and regional levels and joint EU actions relevant to forestry. WG is co-chaired by the Commission and co-chair appointed by the WG Mr Heikki Granholm from Finland. WG consists of 22 MS and 6 stakeholders appointed by the AG.

## **7. Discussion on the new EU forest strategy**

Key note speakers of the AG representatives in the SFC ad hoc working group on revision of EU FS gave presentations on their views on the future EU forest strategy. Mr Näräkkä (producers) highlighted: to succeed EU FS needs to have strategic approach, clear visions, limited objectives, include implementation actions, cover the whole forest sector, support multiple use of forests in line with MS subsidiarity, illustrate forest sectors role as solution provider to e.g. climate challenges, communicate this positive role to society as whole and be in line with the EU 2020 strategy, highlighting economical and social potential of forests in bio-economy, renewability, provision of employment and ecosystem services, tackle contradicting targets set by different policies related to forests and help EU forest sector to lead the EU forest related policy making. Mr Ilpo Tikkanen (research) pointed out following questions: what should be objectives for research and innovation, how can research contribute to reach the EU FS objectives as knowledge transfer is important base of “knowledge based economy”? Mrs Anke Schulmeister (NGOs) highlighted the need of coherence between forest related policies, effects of growing wood demand to carbon storage, forest resilience, criteria for sustainable forest management and biodiversity as important parts of the new FS. She asked for more transparency for the process as well as good stakeholder participation. Mr Diemer (workers) called for social aspects to be included into the FS and gave support to the other points presented before. Industry did not present their views.

AG members discussed on the new EU forest strategy. Producers stated competitiveness is important driver and measures under Rural Development Policy should also be in line with the FS, small scale producers need special attention and advise. Workers called for protection and development of rural areas.

***Agreed: The revision of EU forest strategy should remain on the agenda of the advisory group.***

## **8. Information on Legally Binding Agreement on Forests in Europe process and negotiations**

The Commission gave information on the negotiation mandate of the Commission and the Member States in LBA process and on what is planned to be brought forward related to LBA on Forest in Europe process and negotiations. Work in the LBA negotiation process is expected to start in the end of 2011 and negotiations to be completed by June 2013. Mr Jan Heino is the elected Chairman of the intergovernmental negotiation committee (INC). Bureau consists of 8 countries and Liaison Unit Madrid is expected to take over its work in November 2011. First meeting of the bureau has been held. Currently preparations for the first INC meeting are undergoing. EU needs to be prepared for participation. The Council has authorized the Commission to negotiate on behalf of the EU on matter under the EU competence and the Presidency will represent the Council. The Commission and the Council are working on the documents for the first INC meeting. The AG discussed the matter. The Chairman highlighted the importance to clarify the differences between mandates of the Commission and the Council as well as roles of LBA and FS and link between them. Research informed that the Secretariat has been set up and has had its meeting and preparations are undergoing for bureau meeting in Joensuu, Finland. Producers expressed their support to Oslo result. However, they highlighted their concerns on how stakeholders can contribute and influence the process. NGOs asked clarification on what is EU discussing on forests. The Commission answered that the LBA and FS processes go parallel and no positions are taken by the Commission that would be contradictory to each other. There needs to be consistency between FS and LBA. However, there is no expectations that LBA commitments would go beyond what is already EU commitments in matters related to forestry. What the EU discusses in the process is based on the treaty and practical issues are decided in the Council WP.

***Agreed: The Chairman concluded the importance of including AG in this process and this role has to be discussed in the upcoming meetings when LBA process proceeds. The AG agreed stakeholders have to have observer status in the LBA process.***

## **9. Discussion on the development of the AG work methods**

The Chairman presented the AG idea to improve the working methods within the AG to increase the efficiency of the work. He gave the floor to the Commission to present its possibilities how to do this in practice. The Commission explained the possibility to create working groups that would work under the Advisory Group focusing in more detail on pre-selected relevant topics. Proposal would be to have WGs with one working language (English) only. If interpretation would be needed then option would be to start with ½ day meeting with the Commission presentations and discussion with the AG members (AG meeting) followed by ½ day session in the afternoon in 3 separate rooms with 1 language per room. Different methods could be considered and ideas are welcomed. The AG discussed the idea and stated following: The Chairman highlighted it is paramount importance that these WGs would work under the AG thus reporting to the AG and not to overrule the AG role. Research presented their concern on how this would work in practice. If these small groups would come up with concrete proposals to the AG and AG maintains its decision making role on the proposals it could be positive. They also reiterated the need for the Chairman of the AG to maintain his role as the head of the AG. Workers presented their interest in possibility to hear the other stakeholders views in smaller groups, however they also were cautious how this would work in practice so each group would be represented in each WG in balanced manner. Industry was also concerned of the added value and saw this approach positive if it brings really well prepared concrete outcomes for the AG to decide upon in its next meetings. NGO was of view that creating groups might help to draft

positions for the AG decision making, however groups should not be created just in sake of having WGs. Producers supported looking into options that would lead into better functioning of the AG in coming up with conclusions. Using only one language was found hindering the participation of such WGs. NGOs raised the issue of having agreement on the AG meetings dates well in advance to improve the working within the AG. Producers supported this statement and added agenda should be prepared well in advance as well as all the documents provided for the meeting should be sent at least two weeks in advance. Questions was also raised on how to have adequate representation of each interest group in the WGs. Workers asked for improved dialogue between AG and the Commission on topics while they are still ongoing rather than reporting on finished projects. This two way process would improve the AG work.

***Agreed: The Chairman concluded the AG is willing to try new working methods, however creation of these WGs should be based on the need of developing certain topic areas and where this working method is appropriate. Good preparation is needed before proceeding. Agendas for the AG meeting should be prepared well in advance. WG method should be investigated if advisable to be used in developing draft positions for the AG decision making. The Chairmanship will prepare together with the Commission list of topics that would be possible for the WG.***

#### **10. State of play on forestry in EU biodiversity strategy**

The Commission informed the members of the AG on the state of play with the EU biodiversity strategy. Strategy was adopted on 4 May 2011. Target to halt biodiversity loss 2010 was not reached. EU and global mandate of restoring ecosystems when possible was a step up with EU commitments in March 2010. By 2020 forest management plans or equivalent (in line with Sustainable Forest Management) are expected to be in place for all forests that are publicly owned and for forest holdings above a certain size. This is to encourage forest holders to protect and enhance forest biodiversity and integrate biodiversity measures into the Forest Management plans. Next steps are “Green infrastructure strategy”, aligning this with invasive species strategy, Natura 2000 as well as common implementation framework. The AG discussed on the matter. Producers wished to know in what extent contributions of renewable energy production targets (EU2020) are fed into this work, how this would be financed and would not FS bring consistency to the approach and how the stakeholders and contribute to this work? Industry asked clarity on what extent forest management plans are existing and if research is available on what caused the biodiversity loss, competitiveness needs to be included in the strategy as well as impact assessment of this to forest sector. The Commission responded: they would need to investigate closer the strategies on bioenergy and make sure there is coherence between these. Funding could come from different sources and still under consideration, innovative funding would be needed, perhaps from private sources. 23 MS have more than 60% of their forest area under forest management plan which is a good start. Politically inclusion of forests into biodiversity protection is challenging. The impact assessment made was general.

#### **11. Development of new guidelines on Natura 2000 and forestry**

The Commission presented its initiative on developing new guidelines on Natura 2000 and forestry with the aim to clarify the implementation of the provision of the Birds and habitats Directives and to help to address potential challenges and to identify synergies that forest management may have in Natura 2000 areas. The new guidelines will be developed through a bottom-up and participatory process involving key stakeholders. The overall objective is to contribute to enhance mutual understanding and cooperation between the forestry and nature conservation sectors on best practise for dealing with nature and

biodiversity conservation objectives in Natura 2000 forests while, at the same time, addressing the economic and social functions of forests. Work will be carried out in two phases. Phase 1 (to be completed by early 2012) has the objective of preparing all the background documents and necessary arrangements for facilitating the discussion among MS, experts, stakeholders and the Commission. During phase 2 (to be completed in 2012), a discussion process will lead to the drafting of a final guidance document on Natura 2000 and forestry. The members of the AG were invited to actively participate in this work. After the presentation the AG discussed the matter. Workers asked if this would jeopardize the current balance of wood harvesting and protection of forests. Producers asked if this could be one of the topics to be closer looked in the WGs and how the local government could be integrated into the process. They also asked for the role of these guidelines and if they would be mandatory. The Commission answered there would be no intention to change the balance and these would not be mandatory. They would be general guidance to MS.

***Agreed: Important topic that has to be further discussed in the AG. Stakeholders have to be integrated into the consultation process.***

## **12. Any other business**

The producers raised the question of plant health problem and pinewood nematode especially in Portugal and asked what actions the Commission is planning to take on this matter to help the forest owners. The producers asked to discuss matters related to forest health and forest measures in the Rural Development in the upcoming AG meetings 2012. The Commission stated they are aware of the problem and need to monitor the situation as well as find measures for the stopping the spreading of the pinewood nematode. Date of next meeting is yet unknown.

***Agreed: The Chairman reiterated that it is important to keep the agreed meeting dates and avoid any last minute changes as well as preparing agenda and documents for the meetings well in advance. The AG agreed to discuss on forest health and the Rural Development in 2012 meeting.***

### **Agreed items:**

- The agenda and the minutes of the last meeting were approved.
- The strategic agenda was approved
- The due diligence regulation should remain on the agenda of the advisory group.
- The Chairman stated the topic will be further debated in the AG after the Commission report on biomass sustainability criteria is finished.
- The revision of EU forest strategy should remain on the agenda of the advisory group.
- The Chairman concluded the importance of including AG in this process and this role has to be discussed in the upcoming meetings when LBA process proceeds. The AG agreed stakeholders have to have observer status in the LBA process.
- The Chairman concluded the AG is willing to try new working methods, however creation of these WGs should be based on the need of developing certain topic areas and where this working method is appropriate. Good preparation is needed before proceeding. Agendas for the AG meeting should be prepared well in advance. WG method should be investigated if advisable to be used in developing draft positions for the AG decision making. The

**Chairmanship will prepare together with the Commission list of topics that would be possible for the WG.**

- **The development of new guidelines on Natura 200 and forestry is an important topic that has to be further discussed in the AG. Stakeholders have to be integrated into the consultation process.**
- **The Chairman reiterated that it is important to keep the agreed meeting dates and avoid any last minute changes as well as preparing agenda and documents for the meetings well in advance. The AG agreed to discuss on forest health and the Rural Development in 2012 meeting.**

*Disclaimer*

*"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the European Commission nor any person acting on behalf of the Commission is responsible for the use which might be made of the here above information."*