

Advisory group on Forestry and Cork
5 December 2012, Brussels
Draft Minutes

1. Approval of the Agenda and the minutes of the last meeting of 3 July 2012

Juha Hakkarainen, Chairman, opened the meeting. The agenda and the minutes of the last meeting were approved. Point 8 on the agenda LULUCF proposal was not to be discussed as the representative of the Commission was not able to be come to the meeting.

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

2. Elections of the Chairman and the two Vice-Chairmen of Advisory Group

The Commission explained the election procedure. The Chairman thanked AG for the support for the past two years and presented his views on the agenda for the next two year period if being re-elected. Mr Hakkarainen (producers), the current Chairman was the sole candidate for the post of the Chairman of the AG. Voting was held and he received more than 2/3 of the votes, thus being re-elected for his second term. Mr Döry (industry) the current first Vice-Chairman of the AG did not run for the second term. Industry presented Mr Bernard de Galembert as their candidate for the post of first Vice-Chairman of the AG. Mr de Galembert presented himself. Voting was held and he received more than 2/3 of the votes thus being elected for the post of Vice-Chairman of the AG. The current second Vice-Chairman of the AG Ms Veerle Dossche (NGO) presented herself and her interest to run for the second term. Voting was held and she received more than 2/3 or the votes thus being re-elected for her second term. The AG members congratulated the candidates.

Agreed: Mr Juha Hakkarainen was re-elected as the Chairman of the AG. Mr Bernard de Galembert was elected for his first term as Vice-Chairman of the AG and Ms Veerle Dossche was re-elected for her second term as Vice-Chairman of the AG.

3. State of play with the Rural Development proposal post 2013 discussions at the EP and Council. Followed by discussion on the future rural development forestry measures and their implementation

The Commission gave a presentation on the implementation of the forest measures under current RDP. Furthermore the Commission presented the new proposal for future RDP post 2013 and the forest measures under it. The Chairman opened the discussion. NGOs were concerned on the Natura 2000, lack of qualitative methods in evaluation, connection of EU 2020 strategy and the CAP measures, possible competition between agriculture and forestry measures and asked for clarification on the timing regarding the implementation acts and guidance documents. USSE (from producers) asked for possibility to earmark funds for forestry measures and especially for forest fires under RDP. Producers in general were concerned of the budget discussions on going and risks on RDP budget cut asking for defending strong CAP and RDP budget with co-financing. They were also concerned of beneficiaries under art 27, bureaucracy, low payments levels for environmental measures in forestry, lack of recognition of economic aspects of forestry in the new proposal and asked for evaluation on the reasons for low uptake of forestry measures. They recognised

the importance of the support to forest fires however implementation of the art 25 measures should be left to the member states. Eustafor raised the issue of beneficiary under art 35 regarding state own forests and were concerned of definition change of beneficiary currently in the council discussions. Workers were concerned of competition distortion if finances under RDP for investment support to new machinery are given only to forest owners and not contractors. Industry was concerned on the lack up uptake of wood mobilization measures and asked for clarification how the short rotation croppies and energy crops would be included in the new policy. FECOF were concerned of access to funding for Natura 2000 and forest areas for municipal owners and beneficiaries of support under art 31 as local public owner forests are excluded. Cork producers asked for study to be done on what challenges producers have. Chairman concluded that this is broad and complex dossier where the natural characteristics of forests in different MSs have important role regarding the necessary measures for implementation. Adequate budget need to be defended for RDP. It is important that members try to influence the MS in the current EU budget discussions to raise the concerns also at the national level. There is competition between the different beneficiaries under the RDP for funding. Industry proposed for the AG to prepare a resolution asking for evaluation why RDP funds didn't meet the expectations of the sector.

Agreed: Chairman concluded that the AG will prepare a draft for resolution on asking for the Commission to evaluate why rural development funds didn't meet the expectations.

4. Discussion on the functioning of AG and development needs and role, scope and objectives of the possible working groups under AG

The Chairman asked the AG ideas on how to improve the functioning of the AG and their interest to create WGs under AG. The Chairman concluded the outcome of the previous AG meeting that WGs could bring added value however, they need to have clear objectives, agenda and mandate from the AG to be able do so. The Commission presented the idea behind the WGs. Discussion was held. Industry was concerned of the reduction of the AG meetings and were interested in WGs if they include right topic, people and processes to deliver in the end added value. Furthermore the groups should not be permanent but on ad hoc basis and topics need to be decided in the AG, recommending to focus on topics on the strategic agenda of the AG. Researchers proposed better interlink age between AG and SFC work to improve policy coordination, bigger role for AG in the forest related policy making and present AG agenda well in advance for research community to be able to provide latest research information for the AG on timely manner to decision making. NGOs asked for WGs not to take place at the same time due to concern of not having enough participants to each one, they favoured the idea to try with one WG and see how it can deliver. USSE asked for clarification on Copa-Cogeca position on forestry measures. Copa-Cogeca representative explained the Copa-Cogeca view and procedures for adoption positions. Producers wished to promote the EU forest production and supported the researchers on linking AG and SFC work, asked for stronger coordination between the Chairmanship of the AG and the Commission and were of view WGs could be created to help the AG and to bring added value. However they need to be timely in view of policy making and on right topics to contribute to it. To do this clear agenda and objectives need to be set for the WG and the outcomes have to be channelled through AG. They supported the industry to focus on the topics on the strategic agenda.

Agreed: The Chairman concluded the AG is willing to try new working methods, and the Chairmanship of the AG will discuss further how this could be done to come forward with a proposal to the AG. The development of the AG methods through WGs will be included in the Strategic Agenda of the Chairmanship.

5. Information on Legally Binding Agreement on Forests in Europe process and negotiations

The Commission gave presentation on the LBA process and outcomes of INC1 and INC2 meetings. Negotiations are well on their way. First INC1 meeting was held on 27 February – 2 March 2012 in Vienna and second INC 2 meeting in 3 - 7 September 2012 in Bonn. INC3 is expected in 28 January – 1 February 2013 and INC 4 in May-June 2013. INC is expected to conclude its negotiations by 30 June 2013 and by 31 December 2013 INC presents results to an extraordinary Forest Europe Ministerial Conference. Detailed consideration of the draft negotiating text has been done. Content was considerably clarified and agreed in principle in INC2 and there was agreement on some main legal aspects, including powers of the Conference of Parties and the inclusion of a compliance mechanism. INC3 is expected to further refine the legal aspects, including compliance, finalise content, terms and definition and discuss financing the LBA process and come to final agreement as well as discuss UN adoption and secretariat. More information can be found on the website: www.forestnegotations.org.

The Chairman opened the discussion. Producers supported the draft text that recognises the forest owners role and thanked the Commission for their support financing this process. Furthermore they asked for clarification how EU forest strategy and LBA will be interlinked and how the strategy takes LBA process into account. NGOs had concerns on the text.

6. State of play on the biomass sustainability criteria

The Commission gave a presentation on the state of play with EU policy on bioenergy and sustainability as well as on options for EU policy action on biomass sustainability criteria. The Commission is seeking ways to maximize cost-effectiveness and would exempt in case of biomass sustainability criteria would come in place small-scale forest owners to minimize administrative burden and build on ongoing experiences and lessons learned from implementation of biofuels criteria. Furthermore they would build on as much as possible on European and national forest requirements e.g. timber regulation, national forest laws and on voluntary SFM initiative e.g. FSC and PEFC. Key elements of possible policy option would be minimum GHG saving performance target compared to fossil fuels, land criteria excluding raw material from straight deforestation and forest areas with high biodiversity, requirement for a forest management plan in order to ensure sustainable harvesting levels and small-scale forest holding to be expected to avoid excessive administrative burden. Discussion took place. Producers highlighted that additional criteria is not needed as we have sustainable forest management criteria in place. They were concerned of proportionality and what criteria for sustainability would be created for industry production. They were concerned this only brings additional red tape and doesn't include any economical criteria taking into account the importance of the economic aspects to use of wood. Furthermore they asked for clarification on scale of exempted small forest owners as majority of forest owners in EU are small, forest management plans and clarification how to involve AG expertise in the drafting process. Producers were of view that existing tools such as timber regulation and LULUCF should be allowed to take place, after which analysis should be done if any additional criteria is needed. Industry were concerned of the increased imports of wood and asked for criteria for sustainability of this wood. NGOs

supported the sustainability criteria and asked for forest carbon stock to be maintained also in short term.

Agreed: The Chairman concluded the topic is of importance and members of the AG should be included into the drafting process.

7. State of play with revision of EU Forest Strategy

The Commission gave a presentation on the state of play with revision of EU forest strategy. The new EU forest strategy would address policy areas that have implications for forests in a coherent framework, would be integrated with key EU political strategies, address how the EU wishes to influence action on forests in areas of its competence and suggest guiding principles in possible areas of conflict. The Commission is currently preparing the communication and expects to adopt the news strategy in first quarter of 2013 after which possible debate in Council and Parliament is to be expected.

The Chairman opened the discussion and asked how the stakeholders and AG specifically would be able to take part into the process in the future. Producers were asking clarification how the strategy would be made familiar with the citizens in EU, how the strategy objectives would be reflected in the CAP, implementation of the strategy as well as depth of the objectives and asked the strategy to include forest industry. They asked for strong position on forestry for EU through the strategy to avoid the contradicting targets on forests in EU policies and to raise the competitiveness and forest sector's contribution to green economy and employment on the strategic agenda. Proposal was made to discuss possibility to make a resolution on this matter. NGOs were concerned of the timing of ex-post evaluation of FAP and how its conclusions would be taken onboard as well as how to get involved into the process, definition of SFM, lack of coherence between policies at national level. Workers were concerned that previous strategy didn't take into account social benefits and asked for inclusion of these in the new strategy. They also shared the concern on how to be involved in the process also in the future. Cork producers highlighted the importance of productivity and need to include industry into the strategy. The Commission responded ex-post evaluation can be on the next AG agenda and the possibility to organise SFC and AG joint meetings or workshop on this topic can be evaluated.

Agreed: The Chairman concluded the AG members should be included in the EU Forest Strategy drafting process.

8. Biodiversity strategy and Natura 2000 forest guidance. Overview of the progress in the implementation of the biodiversity strategy

The Commission gave a presentation on the work done related to Natura 2000 forest guidance document. The aim is to contribute to improvements of conservation status of habitats and species sensitive to /dependent on forests, bring clarity on implementation and contribute to better understanding between stakeholders. Scoping document was presented to the AG in the previous meeting and many comments were received on it. Technical workshop is expected on 13 December 2012 to gather views, questions and experiences in order to develop the draft guidance document. Case studies will be identified to highlight good practices. Document is expected to be delivered by end of 2013 or early 2014.

The Chairman opened the discussion. Producers were concerned of the separation of agriculture and forestry as often the owner managing the land is the same. They had also concerns on creating new instruments and tools that can hinder the management of forests and lead to unmanaged forest areas that e.g. then are threatened and destroyed by forest

fires. They were also concerned of climate change, expenses of the measures, what obstacles for forest management this would bring and on the lack of recourses to implement the measures and called for bottom up approach when developing the measures. NGOs were in favour of this process. Cork producers were asking for dialogue with stakeholders to find the proper measures for the management.

Followed by this discussion the Commission gave a progress updated on the ongoing activities related to the implementation of the biodiversity strategy. The Chairman opened the discussion. NGOs supported the strategy, but were concerned of biographical instruments not including birds. They asked for SFC WG on forest information outcomes to be included into the work. Producers were concerned that different strategies give different relevance to same issues and asked for assessment to be done on the prioritization. They were concerned of forest management plans to include any other information that currently needed for forest owners of too much room for interpretation that leads to stricter interpretation in some MS, unbalanced priorities and of how to implement the measures when financing is not available at MS level. They asked for inclusion of all stakeholders in the decision making to receive acceptance for the measures and this should be done national/regional/community level.

9. Any other business

The Chairman thanked Ms Nella Mikkola for her work done in the past two years in the AG and keeping the minutes. He wished her well for her future life and career. The Chairman continued by saying that in order to influence the policy making on timely manner the next AG meeting has to take place in April/May 2013.

Agreed items:

- **The agenda and the minutes of the last meeting were approved.**
- **Mr Juha Hakkarainen was re-elected as the Chairman of the AG. Mr Bernard de Galembert was elected for his first term as Vice-Chairman of the AG and Ms Veerle Dossche was re-elected for her second term as Vice-Chairman of the AG.**
- **The Chairman concluded the AG is willing to try new working methods, and the Chairmanship of the AG will discuss further how this could be done to come forward with a proposal to the AG. The development of the AG methods through WGs will be included in the Strategic Agenda of the Chairmanship.**
- **Chairman concluded that the AG will prepare a draft for resolution on asking for the Commission to evaluate why rural development funds didn't meet the expectations.**
- **The Chairman concluded the topic of sustainability criteria for solid biomass is of importance and members of the AG should be included into the drafting process.**
- ***The Chairman concluded the AG members should be included in the EU Forest Strategy drafting process.***

Disclaimer

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