

EU market incentive programmes for forest ecosystem services

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- Speaking points -

EU policies and forests

- Forest policy is primarily a responsibility of EU Member States and/or their regions.
- The circumstances are very different depending on whether you manage your forest in Germany, Ireland, Finland, Slovak Republic or Portugal to give but a few examples
- Forest types, biogeographic conditions, land use traditions, land ownership, forest related rules, institutions, and policy vary a lot.
- But it is also a fact that a growing number of EU policies and laws has – or will have - practical, material consequences for forests and their management
- There are the ‘traditional’ European policies such as rural development under the CAP, nature conservation with N2000, or biodiversity and plant health policies.
- And there are a number of more recent or emerging EU policies e.g. on forests as GHG sinks and sources, on bioenergy, on the ‘new’ bioeconomy, or on forest fires.
- We can’t simply get ‘more of everything’ from our forests as if they were an unlimited resource area: more wood, more carbon sinks, more bioenergy, more ecosystem services, more leisure, more raw materials, more non-material benefits, more nature...
- But it should be possible to manage forests in a way which keeps a balance between all these functions, integrating and reconciling as much as possible the different demands as advocated in the EU Forest Strategy.

Close to nature forest management

- Against this need for integration, close to nature forest management appears an interesting proposition and a promising approach to ensure multifunctionality and the balance between various forest functions.
- It has been traditionally strong in a number of countries, but there is also growing interest in its methods and principles elsewhere.
- The environmental, social and economic benefits of close to nature forest management are well documented. What I’d like to highlight is its integrative power i.e. it allows ticking many boxes at the same time and for the same forest area.
- From a long-term perspective, forests managed under a close to nature system tend to be vital and rather resilient to disturbances - which is increasingly important in a climate change context.
- Close to nature forest management can be profitable. But there are also occasions where using this system, or moving to it, can imply additional costs and lower income for forest owners – whilst the value for society of the forests may be high or may increase (water cleaning, carbon sequestration, nature conservation, recreation and tourism).
- Market incentives – i.e. financial support – can help compensate these costs and can encourage forest owners to keep their good practices or switch to them.

- At the European level, two policies seem particularly relevant in this context: Rural Development under the Common Agricultural Policy (CAP), and to some extent the LIFE programme
- For both of them the European Commission has just recently published its proposals for the 2021-27 period.

The Common Agricultural Policy 2021-27

- Total budget of 356 billion, and bold ambitions on climate change and environment.
- Shift of responsibility back to MS: EU would set framework of specific objectives, indicators, broad intervention types; MS would have to define a CAP Strategic Plan, tailor interventions to it, and monitor progress towards target.
- Forests and forest managers may not be as visible in these documents as farmland and farmers. But some parts are specifically dedicated to forests, and there are hooks that may indicate potential future support to close to nature forestry:
 - EU Objectives: one of the 9 specific objectives is ‘protection of biodiversity, enhance ecosystem services and preserve habitats and landscapes’
 - EU Indicators: include ‘share of forest land under management commitments’ in support of ‘forest protection and management’ and ‘landscape, biodiversity and ecosystem services’
 - Intervention types for RD: include ‘Environment, climate and other management commitments’ and ‘area-specific disadvantages from certain mandatory commitments’ (Habitat and Birds Directives, WFD).
 - Member States have to develop CAP Strategic Plans: Subject to a specific regulation and they will be essential. Environmental authorities to be fully involved. Must take into account objectives, programs and measures under Habitats, Birds, Water Framework Directives etc. Commission to approve pillar 1 choices. MS to fix targets for their expected results.

The LIFE programme 2021-27

- (The LIFE 2018-20 Multi Annual Work Plan has already a topic on ‘Efficient close-to-nature or similar silvicultural approaches , in support of biodiversity and resilience’)
- LIFE 2021-27 proposals: a 60% budget increase to just under €5.5 billion (Nature and Biodiversity 2.2 billion, climate change mitigation and adaptation €1 billion).
- Overall objective includes ‘contribute to the application of best practice in relation to nature and biodiversity’
- Traditional best practice projects & new ‘Strategic Nature Projects’ to help mainstream nature and biodiversity into other policies.
- Interesting connection between CAP and LIFE: Member States or regions could choose to use some of the Rural Development monies to top up LIFE strategic projects.
- EFTA, accession and neighborhood countries would be associated to LIFE, as before.

Final remark

- These policies will only start on time in 2021 – subject to agreement on the 2021-27 overall EU budget framework.
- The Commission proposals and hence the future CAP and LIFE programme may still change considerably, depending on the political debates and agreements between Member States and within the European Parliament.
- Without you and many others this will not work. We need organisations such as Pro Silva to help develop good policies and put them into practice - managing forests in a truly integrated way, improving their biodiversity and ecosystem services.