Sustainable Diversified Use of Forest: Legislation and Governance, Challenges and Solutions

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Forests are important for Finland

**ECONOMIC ASPECTS**

- 20.3 mill. ha of forests
- Roundwood harvesting 65 mill. m$^3$/a (incl. 9 mill. m$^3$ of energy wood)
- Stumpage earnings 2 billion €/a (30 €/m$^3$)
- Average net income 100 €/ha/a
- 20% of exports from forest products
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**SOCIAL ASPECTS**

- Forest sector employment 65 000
- Multiple use, common right of access

**ECOLOGICAL ASPECTS**

- 76% of land area covered by forests (forest land and poorly productive forest land, incl. peatlands)
- 36% of threatened species in mineral soil forests
- 13% of forests for biodiversity conservation
- Forests as a net sink: 20 - 40 million tn CO$_2$-ekv
Multi-purpose forestry

- Several ways to use forests
- While forests produce timber
Promoting sustainable and diversified Use of Forest

- Finnish forest policy promote an economically, ecologically an socially sustainable management and use of the forests.

- The aim is for Finland’s forests to be productive, while at the same time ensuring their biodiversity.

- Approximately 60% of the Finnish forests are privately owned. Forest owners are willing to take care of their forests and transfer them to the next generation.

- Policy aims that forest owners look after their forest property and make active choices concerning it, whether they choose timber production, other commercial use, protection or landscape conservation.
Forest policy tools

Legislation e.g. Forest Act
- Statutory forest regeneration
- Conservation of small ecologically valuable habitats

Strategies & programmes
- Bioeconomy strategy
- National Forest Strategy

Financial incentives
- Forest improvement, 80 mill. €/a. (forest road construction, ditch maintenance tending of young stands..)
- Biodiversity conservation, 6 mill. €/a

Information and advice
- Publicly funded forest resource database
- Forest management plans
- Communication and education

Ministry of Agriculture and Forestry

Finnish Forestry Centre

New technology: aerial laser image to measure forest stands
Case, The Forest Act

- In Finland the use of forest has been regulated by the state authorities already for centuries.
- The current Forest Act came into force in 1997. The main aim is to ensure economically, ecologically and socially sustainable use and management of forests.
- The Forest Act defines the minimum obligations of forest owners in the care of their forests and the minimum restrictions on forest use.
Case, The Forest Act

- The renewed Forest Act gives forest owners a more diverse selection of forestry methods and alternatives for growing forests.
- Freedom of choice is needed so that the varied goals of forest owners can be better reconciled with each other.
- The Forest Act now permits uneven-age forest management.
- Rules on tree size and stand age are no longer applicable to allow regeneration fellings.
- A number of habitats of special importance were added whose characteristics need to be preserved.
Finnish Forest Centre

- Promotes forest-based livelihoods

**Public Service**
- Implementation of forest policy
- Enforcement of forest legislation
- Distribution of financial incentives (80 M€/a)
- Training, promotion & information on sustainable forest management
- Data collection for forest resource database (1.5 mill. ha/a)
- Head quarters in Lahti, 5 service areas
- Personnel 600

**Forest Services (OTSO)**
- Formally part of Finnish Forest Centre
- Aim at incorporate during 2016
- Market based actor
- 6 regional areas, 38 regional service teams, 100 offices around the country
- Personnel 300
- Business activities (forest improvement projects, forest management planning, nurseries)
Metsähallitus (State Forests)

- Manages state-owned lands and waters

- Public administration tasks
  - Management of nature conservation areas (national parks, others), wilderness and recreational areas
  - Game and fisheries services, control of hunting and fishing rights

- Market-driven business
  - Forestry was incorporated in April 2016
  - Real Estate (Laatumaa)
  - Subsidiaries for seedling and seed production

- How sustainable and diversified use of forest is secured? Natural Resource Planning:
  - Different forms of use of state lands (e.g. nature conservation, forestry, recreation, eco-tourism, real estate development and the sale of soil resources) are taking into account in operational planning
Lands and Waters Administered by Metsähallitus (State Forests)

- Forest land for commercial forestry, 3.5 million ha
- Poorly productive and non-productive land, 1.4 million ha (excluded from forestry)
- Protected areas, wilderness reserves and other areas, 4.2 million ha
- Water areas, 3.4 million ha
- Public water areas
  - In total 12.5 million ha

- Timber production 6.0 mill. m³/a
- Turnover 370 mill. €/a
- Net profit 127 mill. €/a
- Personnel about 1900
Luke – Natural Resources Institute Finland

- Luke emerged from 1 January 2015:
  - MTT Agrifood Research Finland
  - Finnish Forest Research Institute
  - Finnish Game and Fisheries Research Institute
  - The statistical services of the Information Centre of the Ministry of Agriculture and Forestry

- 4 regional units, altogether 38 offices
- Personnel 1700
- Turnover 140 M€/a (institute turnover together)
A lot of potential exists

Investments in silviculture since 1965

Result: annual growth of forests has increased from 58 to 104 million m$^3$

Potential: total harvesting can be increased by 15 million m$^3$/a. (The target of the Government Program)
The Finnish forest sector in 2016; Investments and investment plans
If the total harvesting increase by 15 million, will the focus of the forest policy change again?
Government’s Programme

Vision: Finland 2025 - built up together

Current Situation

Secure Finland
Renewing Finland
Sustainable economy in Finland
Finland as part of Europe
Bioeconomy and clean solutions

Stimulating the supply of wood and new products from forests

- The use of wood will be diversified and increased by 15 million cubic metres a year, and its value added will be raised.
- The size of forest holdings will be increased with entrepreneurial forestry and good forest management as the targets.
Bioeconomy and clean solutions

Nature policy based on trust and fair means

- The level of nature protection will be secured and the acceptance of nature protection actions by the local people and communities will be improved through open cooperation and participatory decision-making.

- National and international recreation and nature tourism will be increased.
National Forest Strategy 2025 (NFS)

- The main elements of Finnish forest policy are defined in the National Forest Strategy 2025.
- A large number of NGOs and other stakeholders have been closely involved in the preparation and further development of the strategy.
- The regional objectives are written down in the Regional Forest Programmes.
- NFS: prioritisation of objectives, specification of more detailed activities/projects
- In the NFS the forest sector is considered broadly, including forestry, wood processing (both chemical and mechanical), non-timber forest products and immaterial services as well as ecosystem services provided by forests.
Vision and strategic goals of NFS 2025

- Renewal
- Growing welfare
- Competitive operating environment
- Active, sustainable and diverse use
Strategic projects of NFS

1. **Forest information and e-services of the future**
2. Land use, planning and zoning in support of the forest sector
3. Statistics on the renewing forest sector
4. **Taxation and legislation in support of active forest management, entry of timber to the market and development of forest ownership structure.**
5. New incentive schemes and resource-efficient forest management
6. Research strategy for the forest sector
7. Transport infrastructure in support of the forest sector
8. New cooperation models between of working life and training and education
9. **Nature management in commercial forests**
10. **Securing ecosystem services other than wood production and developing their markets**
11. Appreciation of Finnish forests
RELATIONSHIP TO OTHER PROGRAMMES AND STRATEGIES

INTERNATIONAL AGREEMENTS AND PROCESSES

EUROPEAN UNION

FINNISH BIOECONOMY STRATEGY

NATIONAL STRATEGIES

Natural resources
Biodiversity
Energy and climate
Rural areas

Sustainable development
Industry
Innovation

GOVERNMENT PROGRAMME

REGIONAL FOREST PROGRAMMES

Finland's National Forest Strategy
Forest Biodiversity Programme METSO

ruokaa ja luonnonvaroja
Endangered species in different habitats

- The situation and development of endangered Forest species has been more favourable than species in other categories.
Conclusions; Challenges of the forest policy

- **The growth of bioeconomy**: How will the forest sector manage to achieve the targets (including stimulating the supply of wood)?

- **Maintaining the ecological sustainability**: If the total harvesting increased by 15 million m3/a, How will the forest sector implement successfully the nature management in commercial forests?

- **The global warming**: The possible impacts of climate change on biodiversity and wood productions (including the risk of mass proliferation of forest pests).

- **The development of other ecosystem services**: How will the forest sector manage to commercialize and productize these ecosystem services.
Thank you!