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FOREST POLICY DEVELOPMENT CHALLENGES IN EUROPE – WHERE TO FOCUS ON ?

INTERNATIONAL FOREST POLICY PROCESSES AS A DRIVING FORCE

Since 1990's national forest policies in Europe have been shaped and influenced increasingly within evolving international forest regime, i.e., the interaction and inter-linkages between global, regional and national forest policy development processes. The overall aim of both United Nations' international arrangements on forests (IAF) and Ministerial Conference on the Protection of Forests in Europe (MCPFE) as well as the Forest Strategy of the European Union has been the promotion of sustainable forest management and forest-based sustainable development at large. The global UN processes since UNCED in 1992 and subsequent Intergovernmental Panel on Forests (IPF), Intergovernmental Forum on Forests (IFF) and the ongoing UNFF (United Nations Forum of Forests) have produced close to three hundred policy outputs in terms of recommendations, initiatives, principles, other types of soft laws as well as legally-binding international instruments, such as global conventions.

UNFF-5 meeting in May this year failed to make any significant progress towards legally binding instruments. It adjourned even without any agreement on strengthening international arrangements on forests and could not produce either a ministerial statement or a negotiated outcome. (cf .International Institute for Sustainable Development. 2005. Earth Negotiations Bulletin, vol.13 no. 133). During the deliberations, however, a crucial and notable prerequisite towards the implementation of the numerous proposals for action inherited from IPF/IFF and preceding UNFF Sessions was addressed, i.e., whether a consensus could be reached about quantified and time-bound global goals and targets for IAF in support of SFM. These discussions revealed the fact that the political will and commitment to take further steps towards implementation of IAF are still lacking, which was noted e.g. by EU with disappointment. Several underlying reasons have been identified, such as bringing new and not well-specified elements on the agenda. The dialogue, however, will continue at UNFF-6 in February 13-24, 2006, in New York.

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Despite these recent failures to achieve significant progress international policy processes have acted as major driving force for national forest policy development during the last 15 years.

MINISTERIAL CONFERENCES IN EUROPE – EVOLVING PAN-EUROPEAN FOREST POLICY PROCESS AND RELATED RESEARCH CHALLENGES

During the last 15 years the Ministerial Conferences on the Protection of Forests in Europe (MCPFE) have identified the main forest policy issues in the region. Since 1990, they have been specified in seventeen Resolutions as political commitments of the European countries to support sustainable forest management. Whereas Strasbourg (1990) and Helsinki Resolutions (1993) for the main part focussed on policy issues related to ecological sustainability and environment one can notice, in turn, a shift towards socio-economic aspects in Lisbon Resolutions (1998). Further evolvement can be seen in Vienna Declaration (2003) where 44 signatory countries and EC set as an overall forest policy aim to achieve a balance between the economic, ecological, social and cultural roles of forests in the context of sustainable development. In addition to political commitments as expressed in Vienna Resolutions some noteworthy strategic items and tools were identified:

- Forest policies to contribute to sustainable development and subject to cross-sectoral impacts
- Implementation phase in policy-making process (MCPFE – and IPF/IFF/UNFF commitments and proposals for action) was emphasised
- Call for improved partnership arrangements and better co-ordination of policies influencing forests.

The message here is that forest policies should be seen in a broader political and societal context, and that the focus of actions should be laid in policy implementation.

Vienna Resolutions reflect the recent political priorities agreed at ministerial level in Europe, but also imply directions and overall framework for future policy formulation at national level. From the point of view of knowledge-based sustainable development strategies – as expressed by EU – they also convey a message about policy relevant research topics to the scientific community. But has the science community allocated its resources and capacities to address relevant issues in Europe?

Vienna Resolution 1 (V1) emphasises the need to strengthen synergies for SFM through cross-sectoral co-operation and especially national forest programmes. Based on the consensus reached by Inter-governmental Panel on Forests (IPF) the MCPFE approach to national forest programmes is characterised by the following principles (cf. MCPFE Work Programme, 2005):

- Participation of relevant stake-holders and interest groups in formulation, implementation and evaluation
- Holistic and inter-sectoral approach to consider the impacts of forest sector on other sectors and the impacts of other sectors and sectoral policies outside forest sector on forests
- Iterative process with long-term commitment, including the use of criteria and indicators for monitoring, assessment and reporting on the progress of implementation towards SFM
- Capacity building in terms of intellectual, human and institutional capacity development. In this context V1 stresses the importance of building new capacities by means of training, education and research in particular with regard to Central and Eastern European countries
- Consistency with national legislation and policies in order to reflect national priorities and needs
- Integration with national sustainable development strategies
- Consistency with international commitments recognising synergies between international forest related initiatives and legally binding conventions
- Institutional and policy reform may be needed to create policy change for developing suitable conditions for SFM
- Ecosystem approach
- Partnership arrangements between governments, business and civil society for implementation
- Raising awareness through improved communication mechanisms.

These principles include challenges for forest, and especially for forest economics and policy research. In the context of Multi-stakeholder Dialogue at Vienna Summit in 2003, the scientific community with European Forest Institute as focal point stated that forest research should be an integral part of every phase of NFP-process from policy formulation and implementation through evaluation of implemented policies and programs. Especially challenging area of research is the empirical analysis and evaluation of the impacts of various policy instruments on sustainable forest management, including the impacts caused by policies outside of the traditional forest policy. Most of the European countries are currently formulating or implementing their national forest programmes. Integrating the latest results of forest science into policy formulation processes is a real challenge, but also a potentially concrete mechanism to strengthen science-policy interface in practise. At the moment inadequate and insufficient use of scientific knowledge can be considered as one of the weak points of NFPS.

Vienna Resolution V2 raises the enhancement of economic viability of sustainable forest management as one of the key policy issues in Europe. It has been noted that economic viability of forest management is of crucial importance to provide the multiple benefits of forests for the society, and to contribute to forest-based sustainable development, especially in rural areas. Therefore, in the view of MCPFE, it is vital to incorporate economic viability of SFM into rural development policies and strategies. (Michalak 2005). This view is strongly shared by UNECE (cf. United Nations Economic Commission for Europe 2005, p.

221-222). Development of markets and marketing of forest products and services as well as the valuation and promotion of full range of forest good and services forest are providing would also presuppose increased resources for forest economics and policy research. Because economic viability is inter-linked to and influenced by ecological and social dimensions of sustainability, inter-disciplinary socio-economic and policy research is of vital importance. Especially challenging with rather small research capacities this is in new EU member countries and countries in transition in particular.

Vienna Resolution 3 (V3) encompasses the aim for preserving and enhancing the social and cultural dimensions of sustainable forest management in Europe. In today's Europe this is a policy issue, which is tightly linked, as noted above, to economic viability, and which relates to both rural livelihoods and emerging needs of urban societies. Social sustainability in terms of e.g. rural income generation, employment and sustainable communities as well as urban recreation values of forests would deserve a Pan-European comparative analysis and evaluation of implemented policies and programmes and their contribution – or failures – in enhancing social sustainability.

Resolutions 4 (V4) and 5 (V5) address ecological and environmental policy issues related to the conservation of biological diversity and climate change and sustainable forest management. Both of them are raising two fundamental and inter-disciplinary research tasks:

- What are the socio-economic consequences and impacts, in terms of costs and benefits, of enhancing and preserving biological diversity and mitigating global climate change through forest management options;
- What are the impacts/policy failures of various policy instruments/programmes on preserving biological diversity of forests; what are the policy impacts of different policy sectors/programmes in mitigating global climate change.

Has forest science community then directed and allocated its resources and research projects into emerging and policy relevant issues as described above? In the context of MCPFE-process European Forest Institute (EFI) conducted recently a review and analysis of policy relevant research done in Europe. (Bouriaud 2005). The aim of this study was to make a survey of ongoing projects in Europe and recent literature published, related to the issues identified in Lisbon and Vienna Declarations, Resolutions and Work Programmes, and to map significant and relevant research results and needs in the context of MCPFE-process. The grouping of the research areas was based on the respective Resolutions, i.e., policy area, socio-economics, biodiversity conservation and climate change. As regards the allocation of and directing the research resources in European countries a significant conclusion was drawn: while about 2/3 of the issues identified by MCPFE would presuppose socio-economic and policy scientific approaches and tools, only 10%, on average, of the European forest research staff is specialised in these research fields. In Central and Eastern European countries the share is even smaller. – This fact deserves a serious consideration in revising forest science policies to improve the knowledge basis of sustainable development strategies and supporting forest policies both at Pan-European and national levels.

EU'S FOREST STRATEGY UNDER REVIEW

In addition to the ongoing implementation of the MCPFE Work Programme another significant European policy process is currently running. In 1998, the European Council adopted a Resolution on a Forest Strategy for the European Union. The Council Resolution also asked the Commission to report on the implementation of the Forest Strategy five years after its adoption. Based on this decision the Strategy has recently undergone a review process. In the evaluation of the implemented Strategy an extensive consultation during 2004-2005 with Member States and stakeholders in preparation of the Draft Commission Staff Working Document took place in the relevant Commission committees. (Report from the Stakeholder Consultation...2005).

Is there a need to revise the existing Forest Strategy for enlarged and still enlarging Union and within changing political environment? Has the implemented Strategy been effective in achieving its aims?

The Council Resolution in 1998 established a framework, not a common European forest policy, for forest-related actions in support of sustainable forest management. It emphasises the importance of multifunctional role of forests, and is based on subsidiarity principle with national forest programmes as main tools for national co-ordination as well as for implementation of international commitments, principles and recommendations. It has aimed at better co-ordination of the complex set of Community policies and Member State policies influencing forests and forest sector. It takes into account the commitments made at global forest policy processes, such as IPF/IFF/UNFF, and is also a Signatory party like Member States in MCPFE process.

National forest programmes and policies, as endorsed by MCPFE, together with Community actions form the basis and substance of EU Forest Strategy. Community actions carried out during the recent years cover several fields of activities, such as rural development, forest protection and monitoring, biodiversity and climate change, forest-based products, certification, research, forest information and communication, and forest reproductive material and plant health. (Commission of the European Communities, 2005).

Both the changing policy environment within the enlarged Community as well as the conclusions drawn from the implementation review are setting challenges to revise the existing Strategy. The most noteworthy emerged policy issues that should be addressed include the following (cf. also Draft Commission Work Document, 2005):

- Goals of the Strategy were vaguely specified, and therefore, tools and instruments to implement the Strategy were not well targeted; hence, the evaluation of effectiveness and efficiency can not be based on operational benchmarks;
- The main aims to co-ordinate within Commission policies affecting forests and forest sector and between the Community and Member States were not successfully met; within the Commission forest policy issues are still dealt with in 17 Directorate General;

- The forest sector within enlarged Union and integrating economic region has become a major economic sector, but the focus of forest policies has shifted towards nature conservation and preserving of biodiversity;
- Competitiveness and economic viability of forest management and the forestry are increasingly being challenged due to the simultaneously increasing demands for environmental, social and economic objectives, and in support of overall sustainable development strategies of the societies;
- EU has taken up a leading role in the implementation of the Kyoto Protocol, which is expected to have a significant impact on forest policies and the competitiveness of the forest sector; but major challenges lie in cross-sectoral policy co-ordination in this multi-faceted context.

EU Forest Strategy Review is at the moment in a phase where new Action Plan is under preparation. According to the Council Conclusions (Council of the European Union, 2005) the Commission should present it to the Council by mid 2006.

The report on the implementation of the existing Strategy gives a clear message on the expectations and challenges the revised strategy will be facing. As a starting point for the reformulation the report states: “Overall, the basic principles and elements identified in 1998 in the EU Forest Strategy are still valid. SMF and the multifunctional role of forests remain the overarching common principles; national forest programmes provide a suitable framework for implementing these principles; and there is widespread recognition of the increasing need to take global and cross-sectoral issues into account in forest policy.” (Commission of the European Communities. 2005, p. 7). Furthermore, the Action Plan should support the Lisbon objectives of sustainable economic growth and competitiveness, and the Gothenburg objectives of safeguarding the quantity and quality of the natural resource base.

From the point of view to make progress in implementation of forest policies in Europe it would be vital that the revised Forest Strategy would specify the policy objectives in more concrete terms than in the 1998 Council Resolution. Without setting clear policy objectives the design of Community policy instruments and mechanisms remains on a vague and non-targeted ground. The MCPFE Vienna Declaration emphasised the balance between economic, ecological, social and cultural functions of forests, and EC as a Signatory party has committed also to this overall aim. Therefore, this would be a natural basis for defining the objectives for Forest Strategy.

It is also, however, noteworthy that both the MCPFE Vienna Summit and the proposal for EU Action Plan to reformulate Forest Strategy emphasise the importance of competitiveness and economic viability of forest management in EU and Europe as a whole. Economic viability has been seen as a key pillar of sustainability but being increasingly challenged by the simultaneously increasing demand for environmental and social objectives. This pressure towards forest sector is increasing especially in countries with economies in transition.

UN forest policy processes, including IPF/IFF/UNFF proposals for action, MCPFE political commitments related to forests and forest sector in Europe as

well as the ongoing review and reformulation of EU Forest Strategy through developing an EU Action Plan for sustainable forest management have identified the main forest policy issues since 1990's. The main problem is not to identify, or reidentify new forest policy issues, but where to focus on in the policy implementation,

Which could be the way forward, how to proceed and where could be the recommended focus of forest policy development?

TOWARDS ENHANCED CO-OPERATION, SUSTAINABLE CAPACITY BUILDING AND IMPROVED POLICY CO-ORDINATION

Despite of the slow progress in the context of global forest policy processes towards policy implementation a conclusion can be drawn that international dialogue has been an important driving force for forest policy development and reformulation at national level, especially in many European countries. Impacts of international processes have been manifested in national policy-making e.g. in the following features (cf. Tikkanen et al 2003):

- Forest policies have been reformulated or are in formulation phase following generally accepted principles and recommendations, such as participatory approaches;
- National legislation and related regulatory instruments have been renewed with the aim of promoting sustainable forest management to take into account ecological, economic, social and cultural aspects;
- National forest programmes or equivalent approaches have been designed, implemented or are in planning stage following the MCPFE approach;
- International collaboration and networking have increased in general.

Most of the policy issues linked to forest-based sustainable development aims as listed above have also been clearly identified and recognised in Central and South-Eastern European countries with economies in transition. In this region the core of the problems, also related to forest and natural resources, is simultaneously social, political, economic and cultural by its very nature. The major problems e.g. from the perspective of rural development and poverty alleviation strategies are rising from two inter-linked, but often controversial transition processes: 1) transition towards market-based economies in competitive global markets; and 2) need for reforms of the foundations of public forest policies to respond to the EU and international commitments. A key question in this respect may be summarised as follows:

- How to induce and provide, by means of supporting policies, favourable conditions for functioning and evolving markets, entrepreneurship and innovative investments on a competitive and profitable basis in forestry and forest sector, under simultaneously increasing environmental and societal demands and re-

restrictions set on forest management as well as international commitments – and with inadequate resources, capacities, infrastructure and institutions?

In concrete terms this means a challenge on how to integrate and operationalise Lisbon and Gothenburg objectives into feasible policies and action plans.

What would, however, be a recommended avenue to proceed on? Where to focus on when reformulating public forest policies, and what could be the role of forest research institutions in this policy development process? Deliberations at various international forest policy platforms have raised some fundamental institutional and structural factors such as policy co-ordination, collaborative partnerships and capacity building, which can be considered as necessary conditions for policy change and major issues in policy development processes to be addressed first. In these processes national research institutes and universities have a vital role. International collaborative networks, in turn, can provide a catalytic input at initial phase of the process.

Within this international forest policy framework European Forest Institute (EFI), in collaboration with Faculty of Forestry, University of Zagreb, Forest Research Institute, Jastrebarsko here in Croatia and 7 other Forestry Faculties and Research Institutes in Bosnia and Herzegovina, Serbia and Montenegro, Former Yugoslav Republic of Macedonia, and Albania, as well as United Nations University (UNU), University of Joensuu, Finland and Finnish Ministry for Foreign Affairs, has launched in 2005 a four year capacity building project on forest policy and economics education and research (FOPER). The underlying idea for this collaborative effort is that through FOPER EFI and its partners are indeed contributing to the implementation of MCPFE political commitments on capacity building for a long-term forest policy development in this part of Europe. EFI with its members is also fulfilling its mission and vision of creating a true pan-European forest research network in enhancing scientific partnership.

FOPER aims also at strengthening science-policy interface in concrete and practical terms in the spirit of MCPFE Work Programme. Based on the review of policy relevant research in Europe, as referred above, as well as the recent training needs assessment in these five countries the focus of FOPER will be in emerging socio-economic and forest policy issues. Therefore, one joint task for FOPER partners could be the formulation and specification of policy relevant research programme for the coming years. This programme could also be linked to the ongoing preparation of policy-relevant research programme as part of the MCPFE activities on science-policy interface. The programme could function as a tool to direct scarce research resources to serve forest policy development at large, and also to attract external funding from European sources. We hope that even though FOPER's mandate is mainly restricted and focusing on building capacities and networks for education and research in forest economics and policy, the long-term aim is to support forest-based sustainable development in general in these countries. In a broader pan-European forest policy context FOPER could also serve, if successfully implemented, enhancing co-operation in strengthening together European forest sector in our modern societies.

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