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FINAL MINUTES

Meeting of the Civil Dialogue Group Forestry and Cork Date: 12/07/2019

Chair: Mr Lennart Ackzell (COGECA)

All Organisations were present except the European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT) and International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group).

1. Approval of the agenda (and of the minutes of previous meeting¹)

The Chair asked the members to approve the minutes of the previous meeting and the agenda. The minutes were approved. The agenda was approved.

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

3.1. Outcome of the Conference "Our Forests, Our Future" of 25/26 April, feedback from CDG Members on the future of the EU Forest Strategy

First, the Commission made a short presentation on the conference. They have mentioned that this was a high level event hosted by three Commissioners and supported by a lot of European and international experts. They have stressed also that one of the objectives was to promote the EU Forest Strategy and to discuss the Romanian presidency Council conclusions on the evaluation of the strategy. They have mentioned that important topics were addressed in the various sessions linked to the multifunctional role of forest

Questions

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Eustafor mentioned that they have appreciated the organisation of the conference that created a good visibility for the sector and the fact that many important issues were addressed not only from the EU perspective but also at global level. They fully support

¹ If not adopted by written procedure (CIRCABC)

the organisation of such conference every two years. On the EU Forest Strategy, they support having a strategy in the future also. They have released a joint statement with other organisations. They have asked regarding the future work on the strategy, how the call from the Council is to be taken into account and how will the process strengthen the role of the Standing Forestry Committee – SFC.

EEB (**FERN**) mentioned that on behalf of Forest Movement Europe they have coordinated a response on the evaluation of the strategy. They consider that the decline on biodiversity and carbon loss was not included and the report was too positive on the forest and did not include an honest assessment. They stressed that Europe needs to prepare for the global biodiversity meeting in China next year. They said that more coordination is required taking into account the pressure on forests.

Copa agrees with the conclusions and results of the evaluation. Regarding the statement from EEB that forest are under pressure, they have stressed that climate change is the main challenge and the driver on the loss of biodiversity. In addition, regarding the assessment of the EU strategy, globally, problems are different within the EU regarding the management of forests. They have called for a new strategy that addresses the new challenges and reflects better that forests are a part of the answer to address bioeconomy. Concerning the conference, they have thanked the Commission for organising it. A number of initiatives were announced such as the "Trees for kids"-initiative that they particularly welcome. Regarding financing, CAP is the main source and they are afraid that resources in the future will be insufficient. They have asked to have targeted funds for forestry to mitigate climate change.

CEPF welcomed the organisation of the event that was a first of this kind. Involvement of different stakeholders was important. They support Eustafor as regards the organisation of such a conference every 2-3 years.

On the strategy, they underlined the need to ensure policy coherence. The update of the strategy is also important for the international and PanEurope agenda. They have mentioned that there are several calls for a new strategy in the future, including from the Committee of the regions and that the European Economic and Social Committee is also working on its opinion.

They have also highlighted that EU needs to send a clear message on what needs to be done in Europe and for this we need a strong political commitment.

On the two initiatives presented by Commissioner Hogan, the expert from Portugal mentioned that "The one hectare initiative" is very important for them taking into account the scale of the forest owners and also the impact on forest fires. The "Trees for kids" could help to destroy the huge wall between society and our forests mainly on what is happening in rural areas and how land is managed. They said that forest farmers are part of the solution and not of the problem.

CEETTAR stated regarding the conference that it is a good idea to repeat it every twothree years. On the strategy they said that there is not enough ambition for the ones working in forest and that it is the time to see how we can attract people working in the sector. We need to work more on training, knowledge, skills, lack of knowledge in the public opinion when cutting a tree. **EURAF** underlined that in the current CAP the funds spent for agro-forestry measures are very limited as MS did not advertise the measures. They have asked that these measures need to be more attractive in the future. They have stressed that we need to look at other sources such as woody land. They have asked how we better evaluate that. They said that we need to encourage PEFC and FSC to certify trees outside the forest. This is attractive for small scale farmers.

ELO proposed that an event could be organised by forest organisations together with the Commission and could be something similar with FFA that is organised by ELO.

Answers from the Commission:

The Commission stressed that the evaluation of the strategy looked mainly at the review of the implementation and not on what will happen in the future. They stated that they cannot pre-empt the future Commission..

Regarding the role of MS and SFC, the latter will discuss on how MS could play a more active role in this process and how coordination among all actors can be improved.

Concerning the comment from EEB, the Commission stressed that all DGs have been involved and that they consider that the report is balanced.

They agree that wooden land is also important. In the evaluation of the current strategy the Commission did not have the space to go into details but for them it is a point that deserves more attention.

The Commission mentioned that for them was important that they have prepared the conference with other Commissioners and that they have included the most relevant aspects. The purpose of the conference was also to inform the society on the benefits of forestry. They have concluded that any review of the strategy will be done in close collaboration with the SFC and CDG.

The chair concluded that a high level conference is welcomed and could be well repeated every two years. In addition, the two initiatives were also appreciated. On the evaluation of the strategy and next steps, he stressed that new aspects were mentioned that needs to be taken into account in the future strategy.

3.2. Evaluation of the EU Biodiversity Strategy

The Commission made a presentation that is available on CIRCABC.

Questions

Eustafor asked explanations on the questions on "How to evaluate the counterfactual?". They support the discussion on the revision of the methodology used. They have mentioned that at the conference organised by the Commission at the end of May the headline was the global report. They have stated that the context in Europe is slightly different than in other parts of the world when discussing what needs to be done.

Concerning the role of forest management plans, this is now mentioned in various EU policies including Sustainable finance. They said that they are committed to implement it in a holistic manner (using different tools). They have stressed also that setting land aside is not a solution to address biodiversity.

They have asked about the discussion on old growth forest that took place in Romania in June at the EU Forest directors meeting. They mentioned that there is a need to discuss in advance and to understand what will be done. They stated that on old growth protection strategies they have been contacted by different organising.

Forest fires are now in other parts of EU, insects the same and all MS are being hardly affected by climate change. These problems affect also CO2 absorption (answering to the EEB point). They said that they are not able to say to forest owners what to plant as no solutions are available for all the problems.

ELO stressed that the deadlines to react at EU and national level were too short in the past. In addition, they underlined there are some mistakes in the methodology and that these needs to be revised. For example, the methodology in the identification of species in Lithuania, have addressed protected species and habitats that cannot be found in their country.

Copa highlighted that the starting point of the discussion is the promotion of an active management of land and of coherence between various EU policies. On the policy coherence, a major issue that we have is the large carnivores that have an negative impact not only on the farming sector but also on biodiversity. SFM includes always the environmental and biodiversity aspects. In EU more than 50% of forests are under N2000. We need an early involvement of farmers and forest owners at EU and national level on the work on the future strategy that we come up with realistic targets. As regards the use for the evaluation and future discussion of results of various research projects, we need to make sure that the multi-actor approach was implemented and that farmers were involved in these projects.

It is important to make the link between climate change and biodiversity. The segregation that we have in EU is an integral part of nature protection of SFM.

CEPF stressed that the methodology needs to be very careful evaluated. They have provided an example from LV when in the previous report on species and habitats the collection of data was done by NGOs and the conclusions were extrapolated.

Southern EU countries are already affected strongly by climate change and there are a lot of examples on what is the impact on biodiversity. Hands-off management is not a solution as they can see where forest are not managed this has a huge negative impact in the forest fires. SFM is what they have promoted and it is important to continue to promote it. There are nature conservation projects with forest owners involvement which are successful to create or maintain habitats, giving the example of the success of the reintroduction of the Iberian Lynx back in nature, and the creation of habitats for endangered eagles that are being possible thanks to hands on management of landowners, forest owners and farmers.

Positive examples need to be provided and highlighted. . It is also important to keep in mind is that for forests, time perspective is different than for policy.

UEF stressed that there is a fundamental question – biodiversity is to keep as it is? Ecosystems are changing due to climate change and the idea of keeping the ecosystems will not work anymore. They have asked how this will be addressed in the discussions on the future strategy;

CEPI highlighted that a lot of measures were taken by industry and forest owners that are recognised at international level. Market driven certification schemes are used and this is a valuable tool that needs to be taken into account.

Concerning how climate change changes our ecosystems, we could look at the example of Canada were bark beetle destroyed an important part of their forests. They have stressed that this could affect Europe.

Birdlife replied to CEPF that in LV habitats and species report was prepared by scientists.

EEB mentioned that they a good network on biodiversity in France. One of the topics is the link between climate change and the impact on biodiversity. They have stressed that it should be kept in mind that biodiversity plays also an important role in fighting against climate change (carbon storage). They said that they are not against management and that we need different types of forest and there are areas that need to be left alone and not managed. They can provide information, inventories. They have carried out evaluation in protected areas. They said that it is difficult to compare different areas. They underlined that it is important to work together that indicators and objectives can be established and that we know what is happening.

Answers from the Commission

On the questions on counterfactual, the Commission said that they will come back to this point in writing.

On the integration of biodiversity or segregation, they would like to know how we can deal with this in the context of multifunctional role of forests

The Commission stressed that they look forward to work with farmers and forest owners.

They have underlined that inputs on targets and indicators are important that they fit in the political indicators and it is linked to the ground. They have stressed that it is important to look at what can we measure.

On Article 15 reporting, the Commission is not evaluating birds and habitats directive. This is up to the MS to decide on the reporting and they have suggested bringing the discussion back home.

They have recognised that climate change will have an impact on biodiversity and DG Envi is discussing on this with DG Clima. They have stressed that they are aware but they do not have a ready reply yet.

On the point global versus EU, they stated that EU biodiversity is also linked to the implementation of the global strategy. Both needs to be addressed and the actions should be different.

They have asked the members to present examples, voluntary measures and successful actions and to tell them also what does not work.

They mentioned that they are not against the management of land but that we need to focus on different types of area to address the integration and segregation.

On the methodology, the contractors will contact the members of the CDG and MS. The EU biodiversity will happen after 2020.

They have concluded by saying that they look forward for an open dialogue in the next period.

3.3. State of play of Commission work on Sustainable Finance

The Commission made a presentation that is available on CIRCABC.

Questions:

Eustafor have been involved in the technical expert group in a limited number of activities (mainly on DNSH) and they have confirmed that there is a massive hard work behind.

They welcomed that forest role is recognised to be central in climate mitigation and that the discussion was built on the existing definition of SFM.

They have mentioned that there is some remaining work that will help to be more understandable and applicable for investors.

They think it is important to be more closely align with existing systems.

The challenges that they saw are the GHG balance and the accounting. Forest provides a lot on sequestration but substitution must be taken into account in a broader sense.

The focus should be on broader regional scale and not at individual level.

They are happy to discuss (reacting to WWF) on SFM as they consider that we are on strong grounds in EU.

ECVC asked about the social aspects and if size was taken into account.

Copa stated that sustainable finance is a good idea. One aspect that they have stressed is that we have already a lot of legislation in EU dealing with SFM (we need to better understand how the existing legislation is taken into account).

We need to take into account the reality in our forest. Such a process without involving forest owners from the beginning is not acceptable. It is important that our comments will be taken into account. As it looks today, this cannot be applied in practice.

They have mentioned that we are talking a lot about bioeconomy today. There will be a lot of investments in various products with environmental benefits.

Companies can demonstrate the chain of custody. Why we do not use what we have and we need to discuss about new approaches?

Certification it is part in some countries of the national legislation. All tenders are linked to certified materials.

CEPF stressed that there is no responsibility on forest policy at EU level. Forest management plans are a national legal competence (reporting). It is not clear why the criteria in the TEG report are different from the existing EU framework and how the existing legislation is taken into account.

CEI-Bois mentioned that they have for the moment only a preliminary assessment. For the construction sector, they welcome the focus on LCA and standards.

CEPI highlighted the importance of the 3S: sequestration, storage and substitution that need to be taken into account. They support also the comments on management plans. Country level should be addressed as MS have already legislation in place.

WWF see the sustainable finance as an opportunity. They also underlined that when we talk about SFM there is not an agreement on what this means.

Answers from the Commission

The Commission looked at what is considered environmental sustainable.

The Sustainable finance applies only when green products are putted on the market

The Commission stated that they see that there are conflicting views: supporting the sustainable finance but at the same time not agreeing on the criteria that were set.

The Commission recognised that the framework has limits by not having a holistic view as regards the substitution effect.

They have mentioned also that there are differences between large and small investments. The Sustainable finance does not include bank loans. They have called the members to provide their feedback on what TEG proposed.

Regarding the SFM, the model used is close to the RED II criteria to which a top up level was added as investments take place at project level.

They stated also that certification schemes would not be referred by the Commission.

On the question why we do not use what we already have, RED II and SFM criteria were clearly considered by but the context is different as we need to show substantial contribution to mitigate climate change.

The chair concluded that the expectations from the financial sector are quite high and at the same time they want a simple solution. However, it is not very easy to address them taking into account reality. This is a complex topic. We need to look at what the Council will do on this and to react at the call for feedback.

Points for information

- 3.4. RED II: Implementation of Bioenergy Sustainability Criteria This item was not dealt with.
- 3.5. Forestry Research and Innovation The vision for 2040 of the Forest-based sector Technology Platform (FTP)

The presentation was made by Johan Elvnert, director FTP. This is available on Circabc.

Questions

Copa asked about the position of FTP on the BBI and its future in the context of Horizon Europe and new partnerships.

CEPF asked if FTP is involved in the discussion on taxonomy as that there may be a link in the future between the projects developed under the FTP vision and the taxonomy indicators.

Answers from the expert

The expert stressed that the financial rules for sure will change. Other sectors will join the future partnership that are not included now – food, blue economy. The scope will be broader.

FTP this is not happy with the new approach as the money will be shared between different sectors.

There are some new ideas on partnerships such as a pure forest-based partnership supported by Finland.

Partnerships will not mean more money that is why we need to focus on the needs that we have for our sector. Taxonomy is not part of their objectives.

3.6. State of play of the implementation of the EU Bioeconomy Strategy

The Commission made a presentation that is available on CIRCABC.

Questions:

Copa stressed that in order to mitigate climate change we need bioeconomy. Actions about ecological boundaries are included in the strategy but these are already address by forest owners and the industry. Why we need to invent new systems or guidance documents? All is defined in the current regulations and rules. Trust in the legislation in the MS is too low or it is perceived not to be the case.

They have asked also about the definition of agroecology and about how the Commission will make sure that the MS will be ambitious enough on bioeconomy in the CAP strategic plans.

CEPI underlined that they very much welcome the work on the strategy. On the understanding ecological boundaries would be interesting about the definition of healthy ecosystems.

They have asked about the Bioeconomy Knowledge Centre and the need for cross sectorial statistics.

CEPF stressed that looking at the presentation from the Commission of the activities for implementing the strategy, and what the Commission intends to do on research and innovation, bioeconomy forestry sector is not very well visible and covered. They have stressed that it is important to insist on the role of forestry and that we need specific, targeted measures.

Birdlife mentioned there are plenty definition on agroecology.

EURAF asked about the initiative mentioned in the presentation on living labs and what is local? What is difference with community of practice?

Answers from the Commission

The Commission mentioned that there is no definition at EU level on agroecology.

They have explained that agroecology is included as Bioeconomy includes all parts of the agriculture sector.

Regarding the assessment of inclusion of bioeconomy in the CAP strategic plan, there will be a validation process at the Commission level when this could be checked. The MS have the flexibility to include the measures that they consider important.

In this context, the biomass potential will be part of the baselines in the SWOT analyse in the CAP strategic plan. The geographical hubs created in DG Agri are there to facilitate and support MS and they will have to see how the EU priorities on bioeconomy are covered in the strategic plan.

On the concept of boundaries, this refers to what is sustainable to do, how our work evolves during the time including also competing uses. This is not so much on sustainability and legislation.

On the Bioeconomy Knowledge Centre, the Commission mentioned that a lot of information is available on their website. They are also working on a set of indicators and there will be an evaluation at the end of this year. They will look at involvement of young farmers, impact on jobs, new value chains created.

Regarding the link with forestry, most of the actions are relevant also for forestry. They said that they will try to influence the discussion in MS. They are also developing a monitoring system, to keep an eye on what is done in EU.

BBI is the an important initiative on bioeconomy and forestry is part of this partnership. On the question on the living labs, the Commission said that they have the intention to develop the concept by 2021 under a coordination and support action and they would look at what is the appropriate measure.

The chair concluded that bioeconomy is a very important topic for CDG and that they are happy to see that things are moving. It is important that we have national strategies and we need to make sure that forestry it is an important part of this.

- 3.7. State of play on trade agreements and forest-based sector the expert changed the unit. The point will be included in the next agenda
- 3.8. State of play of the work of the Commission on Deforestation This item was not dealt with.
- 3.9. State of play of the implementation of the LULUCF and the outcome of the work of FRL

Questions:

EURAF stressed that is important to focus on the availability of data of woody land and that would be interesting to make data available for farmers and forest owners.

CEPF mentioned that in the recent communication on 2050 long term strategy, the Commission underlined the importance of increasing forest productivity to enhance climate neutrality. The target under LULUCF and the methodology and guidelines turned in different direction – they have set limits. They have stressed that it will be interesting how we will achieve productivity if we limit the increase of productivity. If the reference

period is 2000-2009 in some countries is not possible to be more productive and they will never achieve the climate goals as we will not be able to be more productive. **ELO** supported the previous speakers on woody land. For counties such as LV and LT criteria A mentioned in the staff document on the FRL will mean that only 50% of the forest area will be taken into account. They stated that if they are limited by FRL in long term, they will limit CO2 and the economic potential for rural areas. In addition, they consider that forest owners will be punish for investments made a long time ago.

LULUCF has to improve climate and we feel that this is not the case. They have highlighted that they need support and not to pay penalties.

CEPI asked about the composition of the TEG as they had an expert from SE who applied and who was not accepted because he comes from the industry. Why only NGOs were accepted as members?

EEB underlined that there were investments in forests but every time we cut a tree there is carbon lost. They have stressed that it is important to have a clear accountancy system and transparency. If it is not forbidden to cut, the main objective is the carbon neutrality. They stated that we have to find solution to climate change and that both carbon sink and carbon substitution are important.

COPA underlined that mitigating climate change would be difficult to achieve if we do not achieve a serious reduction of the use of fossil-based fuels and materials. We need to decide between the green and brown CO2 if not we go in circle. We cannot continue this discussion if we do not agree on this.

Birdlife stated that forest do not have only an economic value.

Answers from the Commission

The long term vision includes an important role for forests and the bioeconomy to sequester carbon and substitute fossil-based emissions in other sectors to ensure that actions on the ground are reflected in the inventories, Copernicus can help, as well as if farmers use tools such as FAST (Farm Sustainability Tool). They said that the LULUCF Regulation requires improving the quality of the inventories. They also stated that LULUCF does not fix any limits on harvests and that the achievement of carbonneutrality by 2050 leverages on the bioeconomy. Bioeconomy can contribute to tackle climate change and both the increase of carbon sinks and the replacement of fossil-based emissions are part of the solution

They mentioned that there is a lot of flexibility to achieve the LULUCF "no-debit target" and the non-ETS emission reduction targets in general.

They could not provide an answer on why the industry expert was not selected to be part of the LULUCF Expert Group.

Regarding the reference periods defined in the accounting rules, these are now adopted and the discussion cannot be reopened at this stage. Bark beetle is an important threat that should be addressed with adequate adaptation measures.

The chair concluded that we will continue to have discussions on this important topic and we will see how we can go forward as we all want to stop climate change.

4. Next steps

The points for discussion that were on the agenda will continue to be debated in the next meetings.

5. Next meeting

The next meeting of the CDG for Forestry and cork will take place on 8 November 2019.

6. List of participants - Annex

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."

List of participants- Minutes

Civil Dialogue Group Forestry and Cork

of 12 July 2019

MEMBER ORGANISATION	Name	FIRST NAME
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Conféderation Européenne des Propriétaires Forestiers (CEPF)	LANGUE	Fanny-Pomme
Conféderation Européenne des Propriétaires Forestiers (CEPF)	OLIVIER	Bertrand
Conféderation Européenne des Propriétaires Forestiers (CEPF)	RODERICH	Freiherr von Loe
Conféderation Européenne des Propriétaires Forestiers (CEPF)	Paula Soares	António
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Confederation of European Paper Industries (CEPI)	LARSSON	Mårten
European agri-cooperatives (COGECA)	ACKZELL	Lennart
European agri-cooperatives (COGECA)	DÓSA	Ildikó
European agri-cooperatives (COGECA)	KOPRIVNIKAR	Mihael
European agri-cooperatives (COGECA)	JÕEÄÄR	Priit
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European Agroforestry Federation (EURAF)	SILVA	Pablo
European Confederation of Woodworking Industries (CEI-Bois)	BENEDETTI	Diego
European Confederation of Woodworking Industries (CEI-Bois)	MICELI	Margherita
European Coordination Via Campesina (ECVC)	MAMMANA	Ivan
European Council of Young farmers (CEJA)	AXELSSON	Filip
European Council of Young farmers (CEJA)	GERARDI	Chiara
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European Environmental Bureau (EEB)	MOWAT	Hannah
European farmers (COPA)	CALAIM	Luis
European farmers (COPA)	HAKKARAINEN	Juha
European farmers (COPA)	HOEBARTH	Martin
European farmers (COPA)	NEAGU	Oana
European farmers (COPA)	Pędziwiatr	Władysław
European farmers (COPA)	Piconcelli	Silvia
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European Landowners' Organization asbl (ELO asbl)	GAIZUTIS	Algis
European Landowners' Organization asbl (ELO asbl)	JANSKY	Stanislav
European Landowners' Organization asbl (ELO asbl)	PADOURKOVA	Adela
European Landowners' Organization asbl (ELO asbl)	SILVEIRA	Pedro
European Organisation of Agricultural, Rural and Forestry Contractors (CEETTAR)	HELOU	Tammouz eñaut
European State Forest Association (EUSTAFOR)	BORKOWSKI	Piotr
European State Forest Association (EUSTAFOR)	Johansson	Olof
Federation Europeenne des Communes Forestieres (FECOF)	Hauck	Maximilian
Stichting BirdLife Europe (BirdLife Europe)	KEISS	Oskars
UNION DE SELVICULTORES DEL SUR DE EUROPA, AEIE (USSE)	ALTUNA	Gorka
UNION DE SELVICULTORES DEL SUR DE EUROPA, AEIE (USSE)	SALABERRIA	Leire
Union of European Foresters (UEF)	DIEMER	Michael
WWF European Policy Programme (WWF EPO)	SCHULMEISTER- OLDENHOVE	Anke