

Finland's National Forest Strategy 2025

Ministry of Agriculture and Forestry
Forests and Bioenergy Unit
25.2.2015



 **mmm.fi**
ruokaa ja luonnonvaroja



Background: Forestry in Finland

- Forest land 20.3 million ha
- Growing stock 2.3 billion m³
- Annual increment 104 million m³/a

- **Forest ownership:**

- Private 60%: 630 000 forest owners
- State 26%
- Others, companies, jointly-owned forests 14%

- **Share in GDP:**

- Forestry 1.7%
- Forest-based industry 2.4%
- Forest sector in total 4.1%

- **Gross stumpage earnings around 1.5 – 2.0 billion €/a (for forest owners)**

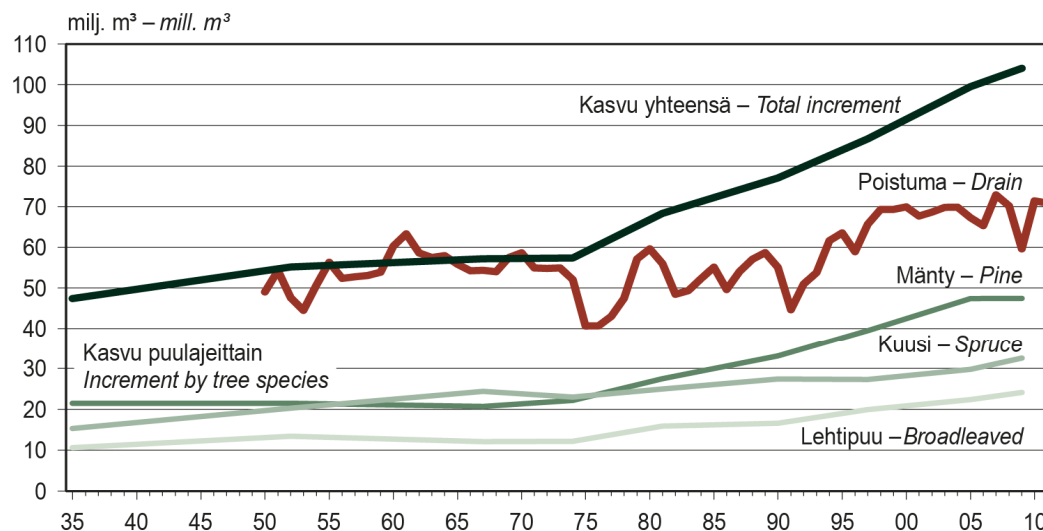
- Costs of silvicultural and forest improvement work around € 300 million /a

- Gross value of the production of forest industries € 20 billion /a



Active forest policy since the 1960s

Annual growth and harvesting of forests



Lähde: Metsäntutkimuslaitos – Source: Finnish Forest Research Institute

Puuston kasvu ja poistuma

Annual increment of growing stock and growing stock drain

- Increased investments in silviculture since the 1960s
- There is still potential to increase harvesting

Finnish Forest Research Institute
National Forest Inventory since the 1920s



 **mmm.fi**
ruokaa ja luonnonvaroja

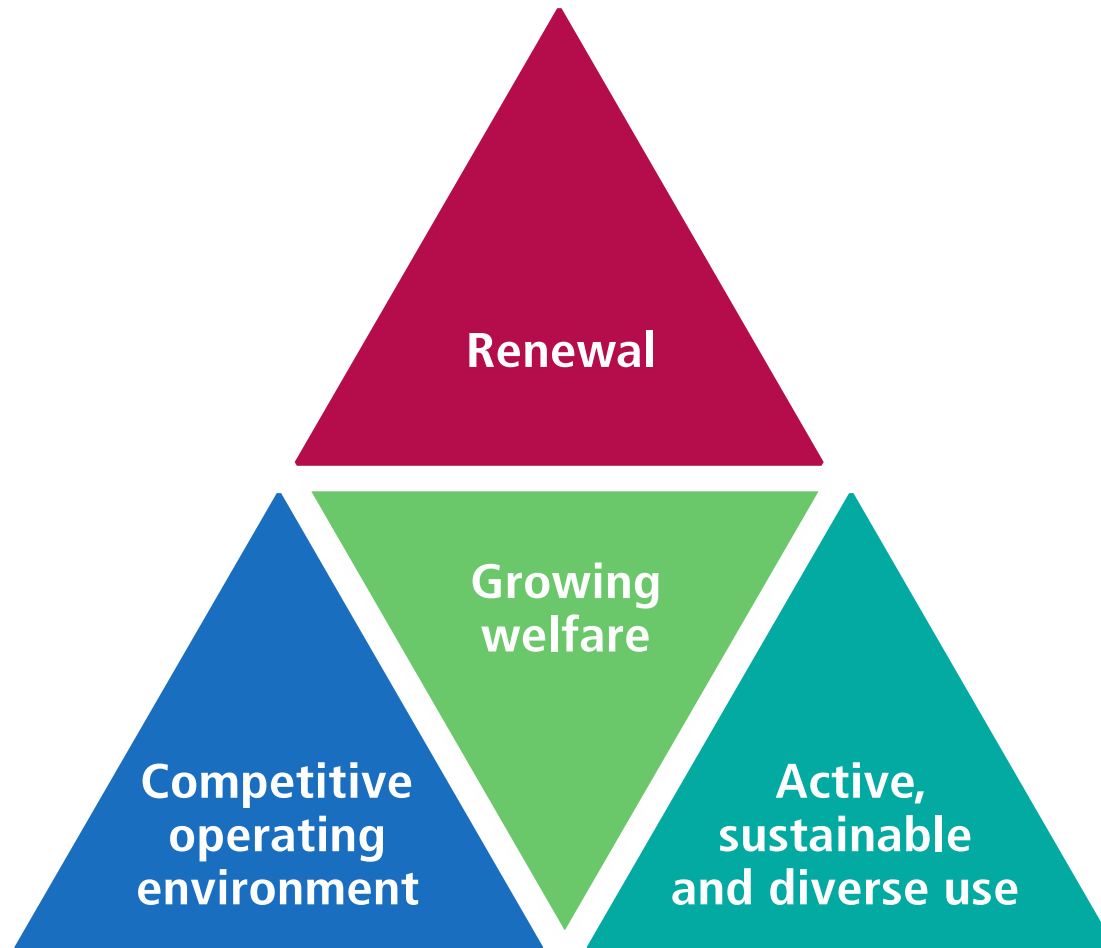


National Forest Strategy 2025 (NFP) - background

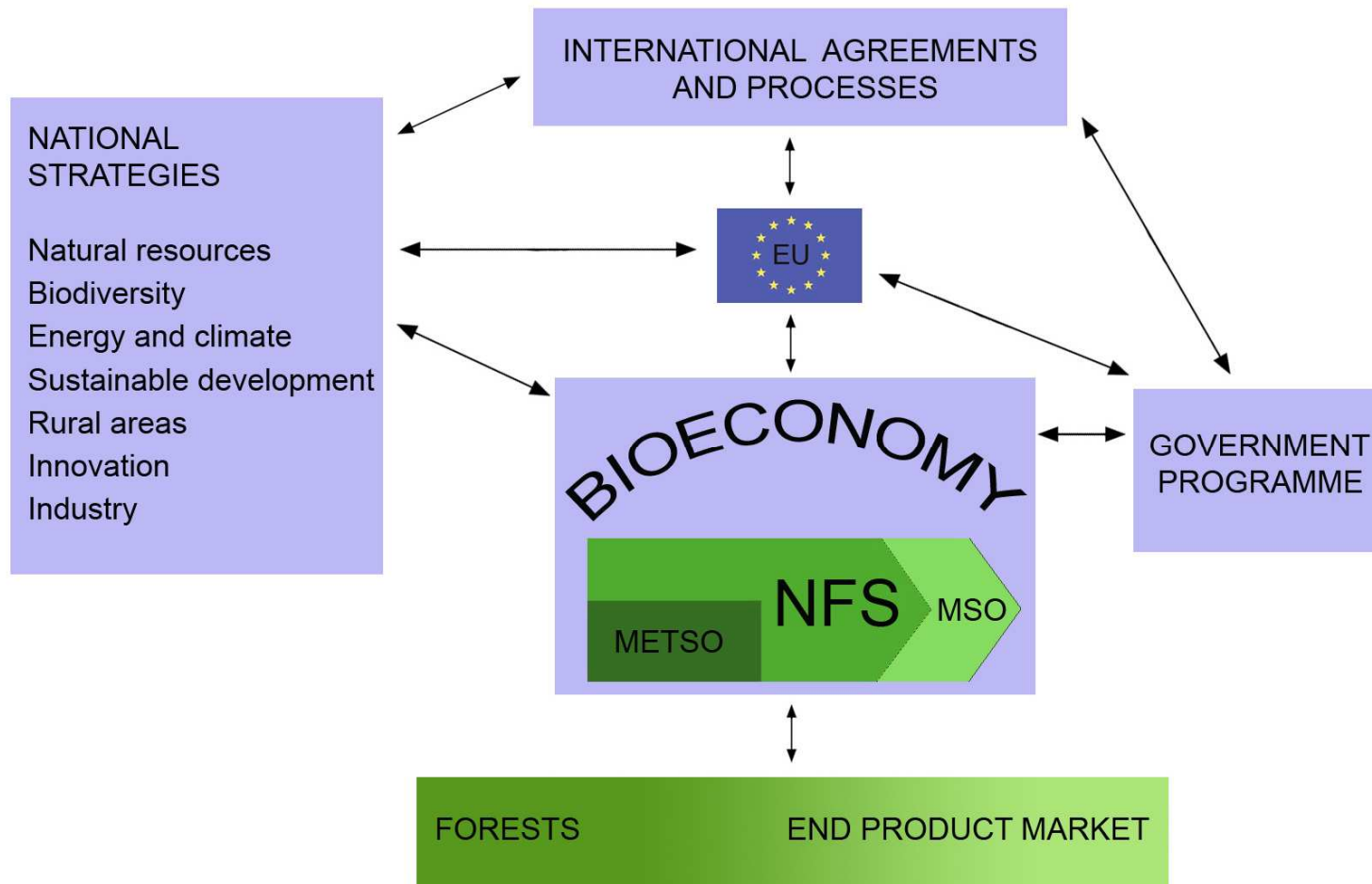
- Government Report on Forest Policy 2050 (2014) – long-term vision and strategic objectives
 - NFP: prioritisation of objectives, specification of more detailed activities/projects
- National Bioeconomy Strategy (2014)
 - The goal is to create new economic growth and jobs through new bio-based business (production and services) while securing ecosystem services.
 - Diverse role of forests in bioeconomy: substitution of fossil raw materials in products and energy, maintaining productive and healthy forest resources, carbon sequestration in wood.
- In the NFP 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



Links between the National Forest Programme and other strategies and programmes.



Structure of NFP 2025



Finland is a competitive operating environment for forest-based business

1.1 Forest sector grows, enterprises and business are renewed and new and growth enterprises are developed

- Objectives:
 - Political decisions and new legislation improve the conditions for renewal and growth for enterprises and business in the forest sector.
 - Value added grows and resources are used efficiently.
 - Production of domestic wood-based energy increases.
 - Growth in forest-based diverse service business and the natural product sector.
- Indicators derived from the objectives monitor e.g. trends in value added and turnover and use of wood for energy. Growth targets are set for the indicators.



Finland is a competitive operating environment for forest-based business

1.2 Supply of raw materials allows for increased use of forests and new investments

- Objectives:
 - Forest resources are abundant and healthy with good growth potential and respond to the growing needs of bioeconomy.
 - Wood and forest service markets are balanced and competitive.
 - Service capacity, efficiency and functioning of transport routes and communications are improved.
- Indicators derived from the objectives monitor e.g. growth in wood biomass, harvesting volumes, public investments in infrastructure and operators' investments in the use of wood.



Finland is a competitive operating environment for forest-based business

1.3 EU and international forest policy promote sustainable use, acceptability and competitiveness of forests and wood

- Objectives:
 - International agreements and work in various organisations promote sustainable forest management and bioeconomy.
 - EU Forest Strategy and forest-related initiatives reinforce business activities in the forest-based sector and secure the conditions for and acceptability of the sustainable use of forests and wood.
 - EU and international energy and climate policy reflect the real climate benefits of forests, sustainable forest management and wood-based product and wood-based fuels continue to be counted as zero-emission renewable energy sources in energy production.
 - Development cooperation in forest sector contributes to poverty reduction, good governance of forests and fair and just distribution of the benefits; other bilateral forest cooperation supports commercial activity and investments as well as export of Finnish know-how on natural resources.
- Indicators for qualitative evaluation

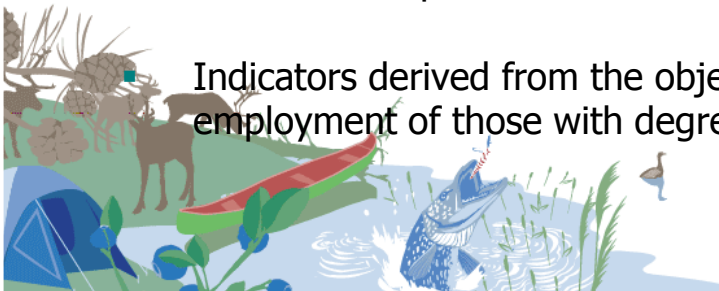


Forest-based business and activities and their structures are renewed and diversified

2.1 Know-how on forest-based business and activities is diverse and responds to changing needs

- Objectives:
 - R&D activities by means of public funding supports, in particular, development of business in forest bioeconomy, commercialisation of products and services, demonstration projects and anticipating changes on the markets and other operating environment.
 - Cooperation between education and training and working life is reinforced.
 - Number of those completing education at different levels corresponds to needs relating to recruitment and know-how in the field.
 - Research strategy in the forest-based business and activities steers research in line with the needs of the field.
 - The competence of the staff is up-to-date and occupational welfare improves.

- Indicators derived from the objectives monitor e.g. public R&D funding, numbers of students and employment of those with degree in forestry.



Forest-based business and activities and their structures are renewed and diversified

2.2 Administration is flexible, effective and customer-oriented

- Objectives:
 - Administration, its cooperation and services support the competitiveness of the field and respond to customer needs.
 - Forest-related information and statistics are open, comprehensive and up-to-date, which supports their broad utilisation.
 - Permit procedures in the environmental administration are quick and flexible and they support the implementation of investment projects and maintain a high standard of environmental protection.
 - Planning and zoning support the opportunities for forestry and diverse business.
- Indicators derived from the objectives monitor e.g. Customer satisfaction of public organisations and utilisation of forest resource data.



Forests are in active, economically, ecologically and socially sustainable and diverse use

3.1 Forestry is active and business-like

- Objectives:
 - Active and business-like forestry increase, the size of holdings grows and forest ownership structure supports active utilisation of forests.
 - Incentive schemes for forestry are effective and activate forest owners.
 - Opportunities of forest owners to engage in gainful activities increase through commercialisation of ecosystem services.
- Indicators derived from the objectives monitor e.g. the share of holdings with over 50 hectares, profitability of forestry and management of seedling stands.



Forests are in active, economically, ecologically and socially sustainable and diverse use

3.2 Forest biodiversity and ecological and social sustainability are reinforced

- Objectives:
 - Impoverishment of forest biodiversity is halted by 2020 and a favourable status of forest biodiversity has been secured by 2050.
 - Damages to waters caused by forestry have been minimised by using best available practices.
 - Increasingly diverse sustainable forest management supports climate change mitigation and adaptation.
 - Recreational use and health-promoting impacts of forests increase and forests are accessible to all.
 - Appreciation of the use of forests and the forest environment is reinforced.
- Indicators derived from the objectives monitor e.g. genuine changes of threat categories of forest species, implementation of Forest Biodiversity Programme METSO.



Strategic projects

1. Forest-related information and e-services of the future
2. Land use, planning and zoning in support of the forest-based business and activities
3. Statistics on the renewing forest-based business and activities
4. Development of active forest management, entry of timber to the market and forest ownership structure
5. New incentive schemes and resource-efficient forest management
6. Research strategy for the forest-based business and activities
7. Transport infrastructure in support of the forest-based business and activities
8. New cooperation models between 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



NFP 2025, forest sector and climate change

- Climate change is one of the main cross-cutting themes of the NFP 2025.
- Today Finnish forests grow more than ever in the past hundred years, which enables higher sustainable harvesting potential as well as meeting the goals related to biodiversity and carbon stock.
- Risks related to storms, pests, fires, etc. in forests are likely to increase in the future.
- Sustainable forest management and active use of forest resources are in a key role in climate change mitigation and adaptation.
- Forest sink has been one of the keys in climate change mitigation in Finland. Forest management reference level for 2013-2020 will be 17-18 million t CO₂. Forest sink *de facto* accounted for 30 – 60 % of the total emissions in 1990-2012.
- The use of wood is likely to increase from the current level in Finland. The aim of the NFP 2025 is also to achieve an increase in harvesting volumes. Emphasis is on the substitution effect – replacing fossil raw materials by renewable ones, mainly wood-based products and energy.



Thank you!



 **mmm.fi**
ruokaa ja luonnonvaroja

