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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

A new EU Forest Strategy: for forests and the forest-based sector

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1 EUROPE NEEDS ITS FORESTS

Forests and other wooded land cover over 40 % of the EU's land area, with a great diversity of character across regions. Afforestation and natural succession have increased the EU's forest area by around 0.4 % per year over recent decades. Globally, however, forest area continues to decrease. Currently in the EU, only 60-70 % of the annual increment is being cut, therefore the growing stock of wood is rising. However, according to Member States' projections under Land Use, Land-Use Change and Forestry (LULUCF), harvest rates are expected to increase by around 30% by 2020 as compared to 2010.¹ Some 60% of forests are owned by several millions of private owners,² with numbers set to rise as restitution of forest ownership in some Member States continues. The remainder belongs to the state and other public owners.

Forests are multifunctional, serving economic, social and environmental purposes. They offer habitats for animals and plants and play a major role in mitigating climate change and other environmental services. Nearly a quarter of the EU's forest area is protected under Natura 2000, and much of the rest is home to species protected under EU nature legislation. Forests also offer wide societal benefits, including for human health, recreation and tourism.³

The socio-economic importance of forests is high, but often underestimated. Forests contribute to rural development and provide around three million jobs. Wood is still the main source of financial revenue from forests. So the strategy also looks at the EU forest-based industries, subject to EU industrial policy. Wood is also considered an important source of raw material for emerging bio-based industries.

Forest biomass is currently the most important source of renewable energy and now accounts for around half of the EU's total renewable energy consumption. According to the National Renewable Energy Action Plans, biomass used for heating, cooling and electricity would supply about 42% of the 20% renewable energy target for 2020. If this is achieved, the amount of wood used for energy purposes in the EU would be equivalent to today's total wood harvest. Forests also provide a large range of other products, such as cork, resins, mushrooms, nuts, game and berries.

Ensuring sustainable forest management is essential if these benefits are to be delivered in a balanced way.

¹ Based on the EU's projected forest management reference levels submitted to UNFCCC CMP.6.

² 16 million, according to owners' estimates. While the number of private forest owners is rather high, their share of forest land is comparably small and often fragmented.

³ Further details are in the Green Paper on Forest Protection and Information COM(2010) 66.

Sustainable forest management means using forests and forest land in a way, and at a rate, that maintains their biodiversity, productivity, regeneration capacity, vitality and their potential to fulfil, now and in the future, relevant ecological, economic and social functions, at local, national, and global levels, and that does not cause damage to other ecosystems.⁴

While the Treaty on the Functioning the EU makes no reference to specific provisions for an EU forest policy, the EU has a long history of contributing through its policies to implementing sustainable forest management and to Member States' decisions on forests. Important developments include the Europe 2020 strategy for growth and jobs, the Resource Efficiency Roadmap, Rural Development Policy, Industrial Policy, the EU Climate and Energy Package with its 2020 targets, the Plant Health and Reproductive Materials Strategy and the Biodiversity and Bioeconomy Strategies.⁵

Based on subsidiarity and shared responsibility, the 1998 EU Forestry Strategy⁶ established a framework for forest-related actions that support sustainable forest management and are based on cooperative, beneficial links between EU and Member State policies and initiatives. The Forest Action Plan⁷ 2007-2011 was an important instrument for implementing the strategy and addressed four objectives: competitiveness, environment, quality of life and coordination and communication. Co-financing of forestry measures under the Rural Development Regulation has been and will remain the main means of EU-level funding.

An ex-post evaluation of the Forest Action Plan underlined the need for a new forest strategy that: develops and implements a common vision of multifunctional and sustainable forest management in Europe; defines action priorities and targets; links EU and Member State funding strategies and plans; strengthens coherent cross-sectorial activity planning, funding and implementation; establishes clear mechanisms for monitoring, evaluating and reporting; and revises stakeholder involvement. This Communication supports these recommendations by providing strategic orientations.

2 WHY A NEW FRAMEWORK IS NEEDED

Over the last 15 years, significant societal and political changes have influenced the way EU society looks at forests and forestry. The overall situation is characterised by growing demands on and threats to forests. At the same time, the increasing number of forest-related

⁴ Ministerial Conference on the Protection of Forests in Europe. Helsinki, 1993

⁵ COM(2011) 244 and COM(2012)60

⁶ Council Resolution of 15 December 1998 on a forestry strategy for the EU

⁷ COM(2006) 302

policies creates a complex and fragmented forest-policy environment. The increasing links between international food, feed, fibre and fuel markets are also causing unexpected market disturbances.

A new framework is needed to:

- Ensure that the multifunctional potential of EU forests is managed in a sustainable and balanced way, enabling our forests' vital ecosystem services to function correctly.
- Satisfy the growing demand for raw material for existing and new products (e.g. green chemicals or textile fibres) and for renewable energy. This demand is an opportunity to diversify markets, but poses a significant challenge for sustainable management and for balancing demands. Demand for new uses in the bioeconomy and in bioenergy should be coordinated with traditional demands, and respect sustainable boundaries.
- Respond to the challenges and opportunities that forest-based industries face in resource and energy efficiency, raw materials, logistics, structural adaptation, innovation, education, training and skills, international competition, climate policy beyond 2020 and information and communication, to stimulate growth.
- Protect forests and biodiversity from the significant effects of storms and fires, increasingly scarce water resources, and pests. These threats do not respect national borders and are exacerbated by climate change.
- Acknowledge that the EU does not only rely on its own production, and that its consumption has implications for forests worldwide.
- Develop an adequate information system to follow-up on all of the above.

The EU needs a policy framework that coordinates and ensures coherence of forest-related policies and allows synergies with other sectors that influence forest management. It needs a new forest strategy that is a key reference in forest-related policy development. EU forests and forest sector need to be positioned in a way that ensures their contribution to the EU's objectives and targets.

3 THE WAY FORWARD: A NEW EU STRATEGY FOR FORESTS AND THE FOREST-BASED SECTOR

This proposal promotes a coherent, holistic view of forest management, covers the multiple benefits of forests, integrates internal and external forest-policy issues, and addresses the whole forest value-chain.

It identifies the key principles needed to strengthen sustainable forest management and improve competitiveness and job creation, in particular in rural areas, while ensuring forest

protection and delivery of ecosystem services. It also specifies how the EU wishes to implement forest-related policies.

For this strategy to be meaningful to those policies that require or might require evidence of sustainable forest management and to reach its goals, objective, ambitious and demonstrable sustainable forest management criteria that could be applied to all uses of forest biomass are needed. The strategy, and its implementation, should build on existing legislation and international initiatives, including work carried out under FOREST EUROPE,⁸ consider the special situation of small forest owners, and address market-based private-sector tools such as certification.

To deliver on common objectives and improve coherence and synergies, coordination with and between Member States is important. Member States are asked to consider the principles and goals of this strategy when setting up and implementing their action plans and national forest programmes. Networking opportunities and ways of exchanging information and best practices should be developed.

3.1 Guiding principles

- Sustainable forest management and the multifunctional role of forests, delivering multiple goods and services in a balanced way and ensuring forest protection;
- Resource efficiency, optimising the contribution of forests and the forest sector to rural development, growth and job creation.
- Global forest responsibility, promoting sustainable production and consumption of forest products.

Europe has a long tradition of sustainable forest management, which is reflected in the FOREST EUROPE principles applied by Member States' policies and supported by the EU, in particular through rural development policy. It is a dynamic concept with international, regional and local layers that need to be implemented by forest managers on the ground.

Member States are bound by FOREST EUROPE commitments to manage their forests sustainably, according to their national forest policies and legislation. When implementing this strategy, they should address sustainable forest management baselines, improve information exchange and disseminate good practice.

In the forest sector, resource efficiency means using forest resources in a way that minimises impact on the environment and climate, and prioritising the forest outputs that have higher added-value, create more jobs and contribute to a better carbon balance. The cascade use of

⁸ Pan-European political process for the sustainable management of the continent's forests.

wood⁹ fulfils these criteria. In some cases, different approaches may be necessary, for example in cases of changing demand or environmental protection.

3.2 2020 forest objectives

To ensure and demonstrate that all forests in the EU are managed according to sustainable forest management principles and that the EU's contribution to promoting sustainable forest management and reducing deforestation at global level is strengthened, thus:

- contributing to balancing various forest functions, meeting demands, and delivering vital ecosystem services;
- providing a basis for forestry and the whole forest-based value chain to be competitive and viable contributors to the bio-based economy.

The objectives developed together with Member State authorities and stakeholders address the three dimensions of sustainable development in an integrated way, providing a holistic approach to forest management and policy.

3.3 Eight linked priority areas: value for everyone

Sustainable forest management contributes to major societal objectives

3.3.1 Supporting our rural and urban communities

Society has a growing need for forests. Covering large parts of rural areas, forests are also vital for the rural population because they support economic welfare and jobs.

A sustainable, trained and safe workforce is one of the pillars of a more competitive forest sector. Well-managed forests with qualified forest managers, workers and entrepreneurs pave the way for a sustainable and competitive forest sector that plays an important role in rural development and in the whole economy while providing societal benefits.

The Commission considers that rural development funds should be used to support the implementation of sustainable forest management. Member States should use the opportunities given in the new Rural Development Regulation and prioritise investments in: modernising forestry technologies; optimising the sector's contribution to the bio-economy; improving the resilience, environmental value and mitigation potential of forest ecosystems;

⁹ Under the cascade principle, wood is used in the following order of priorities: wood-based products, extending their service life, re-use, recycling, bio-energy and disposal.

achieving nature and biodiversity objectives; adapting to climate change; conserving genetic resources; forest protection and information; and creating new woodland and agro-forestry systems.

Strategic orientations:

- Member States should make use of rural development funds to improve competitiveness, promote the diversification of economic activity and quality-of-life, and deliver specific environmental public goods,¹⁰ to contribute to promoting the social functions of sustainable forest management;
- The Commission and the Member States should assess and improve the effect of forestry measures under rural development policy;
- As part of the simplification objective of the state aid modernisation package, the Commission proposes to consider including large companies in the block exemption system and is revising the conditions for block exemptions in the forestry sector;¹¹
- With the help of rural development funding, Member States are encouraged to support: Forest Advisory Systems for awareness-raising; training; and communication between local forest holders and authorities;
- The Commission and the Member States should improve their valuing of the benefits that forests give to society and, through sustainable forest management, should find the right balance between delivering the various goods and services.

3.3.2 *Fostering the competitiveness and sustainability of the EU's Forest-based Industries, bio-energy and the wider green economy*

Wood is a natural, renewable, reusable and recyclable raw material. If it is sourced from sustainably-managed forests, is processed and used to minimise negative effects on climate and the environment while providing livelihoods, its role can be sustainable.

Overall, 58% of harvested EU wood biomass is processed by EU Forest-based Industries,¹² representing about 7% of EU manufacturing GDP and nearly 3.5 million jobs, and contributing to achieving the goals of EU Industrial Policy.¹³ However, its future competitiveness requires new resource- and energy-efficient, and environmentally-sound, processes and products. Advanced wood-based materials and chemicals are expected to play a major role in the EU bio-economy. A Staff Working Document describes the EU Forest-based Industries' sub-sectors, their economic and technological outlooks, and identifies their major challenges and remedial actions (2013-20) to help improve their global competitiveness.

¹⁰ Conclusions of the European Council of 7-8/2/2013 on the Multiannual Financial Framework.

¹¹ Since the forest sector falls outside of Annex I and Article 42 of the Treaty on the Functioning of the EU, all competition rules fully apply to it.

¹² Woodworking, furniture, pulp and paper manufacturing and converting, printing (NACE Ch.s 16, 31, 17, 18.1). Relevant wood harvesting aspects (NACE 02.2) are also covered.

¹³ "A Stronger European Industry for Growth and Economic Recovery", (COM (2012) 582 final) and "Integrated Industrial Policy for the Globalisation Era" (COM (2010) 614).

The remaining 42% is used for energy, accounting for about 5% of total EU energy consumption. According to the National Renewable Energy Action Plans, biomass will still be the main source of renewable energy in 2020. The Commission is currently assessing whether additional measures, including harmonised sustainability criteria, should be proposed to address sustainability issues related to using solid and gaseous biomass for heating, cooling and electricity.

Thus, forest-based biomass, together with non-wood forest products, which are gaining market interest, provide opportunities to maintain or create jobs and diversify income in a low-carbon, green economy.

Strategic orientations:

The Commission will, together with Member States and stakeholders:

- Explore and promote the use of wood as a sustainable, renewable, climate and environment-friendly raw material more fully without damaging the forests and their ecosystem services; assess the climate benefits of material and energy substitution by forest biomass and harvested wood products and the effect of incentives for using forest biomass in creating market distortions;
- Develop objective, ambitious and demonstrable EU sustainable forest management criteria that can be applied in different policy contexts regardless of the end use of forest biomass, by the end of 2014. Appropriate measures will be presented by the Commission;
- Assess potential wood supply and facilitating increased sustainable wood mobilisation; develop good-practice guidance for this and for the “cascade” principle, as well as on resource- and energy-efficient manufacturing processes, especially for Forest-based Industries, SMEs and micro-firms;
- Stimulate market growth and internationalisation of EU Forest-based Industry products and improve sectorial knowledge, including on sustainable construction and consumer information on furniture;
- Facilitate access to third markets for EU Forest-based Industry products and raw materials via bilateral trade agreements, and by improving information on import conditions and raw material exports;
- Support the Forest-based Sector Technology Platform and encourage new initiatives, such as private-public partnerships, e.g. in the bio-based sector, which foster research and innovation for various resource- and energy-efficient products and processes;
- Launch a cumulative cost assessment of EU legislation affecting Forest-based Industry value chains, in 2014. The results could contribute to a wider analysis of impacts, including costs, benefits, and coherence, of policies and legislation.

3.3.3 *Forests in a changing climate*

Forests are vulnerable to climate change. It is therefore important to maintain and enhance their resilience and adaptive capacity, including through fire prevention and other adaptive solutions (e.g. appropriate species, plant varieties, etc.).

At the same time, forest management can mitigate climate change if forests' role as sinks in the carbon cycle is maintained or enhanced and by providing bio-materials that can act as temporary carbon stores or as 'carbon substitutes', replacing carbon-intensive materials and fuels. The EU recently adopted rules for accounting, monitoring and reporting on LULUCF¹⁴ under which Member States will, for example, provide information on their plans for enhancing sinks and reducing forest-related emissions. The EU and Member States have also made LULUCF-related commitments to be achieved by 2020, the 2nd Commitment Period under the Kyoto Protocol.

Forests also mitigate the impact of extreme weather events by moderating temperatures, and reducing wind speed and water run-off.

Strategic orientations:

Member States should demonstrate:

- how they intend to increase their forests' mitigation potential through increased removals and reduced emissions, including by cascading use of wood, taking into account that the new LIFE+ subprogram for Climate action and Rural Development funding can promote and support new or existing forest management practices that limit emissions or increase net biological productivity (i.e. CO₂ removal). They should do this by mid-2014 and in the context of their information on LULUCF actions;

- how they enhance their forests' adaptive capacities and resilience, building on the actions proposed in the EU Strategy on Adaptation to Climate Change¹⁵ and the Green Paper on Forest Protection and information, such as bridging knowledge gaps and mainstreaming adaptation action in forest policies.

3.3.4 *Protecting forests and enhancing ecosystem services*

Forests provide ecosystem services on which rural and urban communities depend, and host an enormous variety of biodiversity. Pressures on forests, such as habitat fragmentation, spread of invasive alien species, climate change, water scarcity, fires, storms and pests call for enhanced protection. EU rules cover the movement and trade of certain plants, plant products and objects that can threaten plant health.

Protection efforts should aim to maintain, enhance and restore forest ecosystems' resilience and multi-functionality as a core part of the EU's green infrastructure, providing key environmental services as well as raw materials.

Further emphasis should be put on preventing negative impacts on forests rather than on damage mitigation and restoration. For forests to be able to react to future threats and trends, genetic diversity must be enhanced and endangered genetic resources protected.

¹⁴ Decision No 529/2013/EU.

¹⁵ COM(2013)216.

Both the nature and the effects of certain threats are trans-boundary and therefore action at EU level is needed.

Forest Management Plans (FMPs) or equivalent instruments based on the principles of sustainable forest management are key instruments in delivering multiple goods and services in a balanced way. FMPs are at the core of both the EU 2020 Biodiversity Strategy and EU Rural Development funding. The strategy encompasses them and promotes and supports their use.

Strategic orientations:

Member States:

- will, with the Commission's assistance, develop a conceptual framework for valuing ecosystem services, promoting their integration in accounting systems at EU and national levels by 2020. They will build on the Mapping and Assessment of the state of Ecosystems and of their Services;
- should maintain and enhance forest cover to ensure soil protection, water quality and quantity regulation by integrating sustainable forestry practices in the Programme of Measures of River Basin Management Plans under the Water Framework Directive and in the Rural Development Programmes;
- should achieve a significant and measurable improvement in the conservation status of forest species and habitats by fully implementing EU nature legislation and ensuring that national forest plans contribute to the adequate management of the Natura 2000 network by 2020. They should build on the upcoming guide on Natura 2000 and forests;
- will implement the Strategic Plan for Biodiversity 2011-2020 and reach its Aichi targets adopted in the context of the Convention on Biological Diversity, building on the upcoming common Restoration Prioritisation Framework;
- should strengthen forest genetics conservation (tree species diversity) and diversity within species and within populations. The Commission may support them in particular via the Rural Development Programme.

The Commission:

- will monitor Member States' progress as regards the uptake of forest management plans or equivalent instruments and the integration of biodiversity considerations in them, including Natura 2000 conservation objectives;
- should, together with the Member States, strengthen the mechanisms for protecting forests against pests, building on increased cooperation with neighbouring countries, enhanced research and the ongoing review of the Plant Health Regime;
- will assess the impacts and consider a possible extension of the obligation to apply within the EU the International Standard for Phytosanitary Measures n° 15 on wood packaging materials;
- will provide relevant information and data at its disposal to the Parties to the United Nations Convention to Combat Desertification to support the implementation of their Plans of Action for protecting forests and soil in areas most threatened by land degradation and desertification. It will do this especially through the European Forest Data Centre and the European Soil Data Centre.

Improving the knowledge base

3.3.5 What forests do we have and how are they changing?

Strengthening the forest knowledge base is needed to better understand the complex environmental and societal challenges facing the forest sector. Mapping and assessing the state of forest ecosystems and their services requires better EU forest information. Relevant variables and parameters will be harmonised at EU level, based on cooperation between international, pan-European and national data acquisition systems, and on a detailed analysis of EU challenges. EU programmes such as LIFE+ could help mobilise the resources needed.

The Commission and Member States have developed a modular system for forest information, and work on biomass and biodiversity is ongoing.

Strategic orientations:

The Commission and the Member States will:

- set up of the Forest Information System of Europe by collecting harmonised Europe-wide information on the multifunctional role of forests and forest resources and integrating diverse information systems (e.g. EFFIS¹⁶) and data platforms (e.g. EFDAC¹⁷) into a dynamic modular system that combines data and models into applications;
- align EU forest information so that it is primarily based on data collected by Member States with EU data architecture requirements such as INSPIRE,¹⁸ SEIS¹⁹ and Copernicus,²⁰ and follow international and regional processes;
- promote the further development of the EU database of forest reproductive material, including hyperlinks to national registers and maps;
- improve, make comparable and share forest information and monitoring, building on successful experiences such as EFFIS, forest health, EU forestry statistics and the EFDAC.

In close consultation with stakeholders, the Commission will:

- develop several modules, e.g. on forests and natural disturbances like fires and pests, forest and the bio-economy, forests and climate change and forest and ecosystem services that could contribute to the EU's forestry statistics and Integrated Environmental and Economic Accounting for Forests.

¹⁶ EU Forest Fire Information System

¹⁷ European Forest Data Centre

¹⁸ Infrastructure for Spatial Information in the European Community (INSPIRE).

¹⁹ Shared Environmental Information System.

²⁰ European Commission's Earth Observation Programme.

3.3.6 *New and innovative forestry and added-value products*

A coherent and ambitious EU forest-based research area is required to stimulate innovation across the forest sector. It should take into account forest specificities such as long timeframes.

EU framework programmes for research and development support the forest sector. The forest sector is more present in the 7th Research Framework Programme and in Horizon 2020, in line with the Bioeconomy Strategy for Europe²¹. The goal is to enhance the sector's sustainability and its contribution to the rural economy through sustainable forest management, improve its capacity to face biotic and abiotic stresses, and develop better forestry production systems and products.

Strategic orientations:

- The Commission will assist Member States and stakeholders in transferring technological and scientific knowledge to forest practice and the market, in particular through Horizon 2020 and the European Innovation Partnership on Agricultural Productivity and Sustainability, supporting the development of new products with higher added-value;
- The Commission and the Member States should cooperate on advanced research and modelling tools to fill data and knowledge gaps to better understand the complex issues around social, economic and environmental changes related to forests (e.g. identifying environmental thresholds);
- The Standing Committee on Agricultural Research (SCAR) will be used to strengthen coordination of research and innovation work between the EU, Member States and stakeholders;
- The Commission will ensure that results and good practices are disseminated through the EU forest governance structure and other relevant fora.

Fostering coordination and communication

3.3.7 *Working together to coherently manage and better understand our forests*

Various crosscutting policy issues address forests, and their objectives sometimes differ. Coordination, cooperation and communication are therefore essential to achieving policy coherence and consistency.

Various options to improve coordination and implementation were discussed with Member States, including a framework directive on sustainable forest management. However, no consensus on going beyond a voluntary approach was found. In any case, links with forest-related policies must be improved.

²¹ COM (2012) 60

The current EU forest governance structure²² relies on the Standing Forestry Committee²³ (SFC). The SFC should remain the forum for discussing all forest-related issues, ensuring coordination and coherence of forest-related policies. However, improvements are needed to ensure that the SFC responds to inputs from other policies. The SFC worked with the Advisory Group on Forestry and Cork, the Habitat Committee and the Expert Group on Natura 2000 management to jointly prepare the guide on Natura 2000 and forests – this could be used as best practice. Also, more emphasis could be put on the SFC's role of keeping forests multi-functional.

The Advisory Committee on Forestry and Cork²⁴ will remain the main multi-stakeholder platform for discussing issues related to forestry and sustainable forest management, and the Advisory Committee on Forest-based Industries²⁵ will remain the main platform for issues related to industrial value chains.

These three fora should be the cornerstones for developing and following up on the new strategy.

Communication is a particular challenge for the sector, as the public is generally not aware of how significant sustainable forest management is, or of the various ways in which the forest sector contributes to the green economy.

Strategic orientations:

- The Commission will ensure that the Standing Forestry Committee's work builds on other EU policies relevant for forests and the forest sector, ensuring that managing EU forests remains multifunctional;
- The Commission and the Member States will explore various options for better coordination of sustainable forest management, harmonised forest information and cooperation between and with Member States;
- The Commission will create a European Forest Bureau Network (National Forest Inventories – NFI) to develop harmonised criteria for NFI data. Complementary work is planned through COST actions and research projects;
- Member States should improve public information about forests and wood, and build on the EU Forest Communication Strategy developed by the SFC²⁶;
- The Commission will further assess public perception of forests (via a Eurobarometer survey by 2015).

²² Described in the Staff Working Document

²³ Council Decision 89/367/EEC

²⁴ Commission Decision 2004/391/EC

²⁵ Commission Decision 97/837/EC

²⁶ <http://ec.europa.eu/agriculture/fore/publi/>

3.3.8 *Forests from a global perspective*

At pan-European level, the focus is on the ongoing negotiations on establishing a legally-binding agreement on forests, with the EU as a key actor. Through this agreement, the EU aims to improve sustainable forest management across the region. The new strategy forms a suitable vehicle for the implementation of the agreement..

At global level, the EU is at the frontline of work on combating deforestation and forest degradation. It promotes sustainable forest management as a way of protecting biodiversity, fighting desertification and responding to climate change, whilst ensuring that forest ecosystems deliver goods and services. In this way it contributes to sustainable development and to eradicating poverty. REDD+, FLEGT²⁷ and the EU Timber Regulation²⁸ aim towards these goals. By 2015, the Commission will review the functioning and effectiveness of the EU Timber Regulation.

This strategy aims to ensure consistency between EU and Member State policies, objectives and commitments on forest-related issues at international level. It supports the EU and Member States by formulating clear and coherent objectives.

Strategic orientations:

The Commission and the Member States will:

- ensure consistency between EU and Member State policies and commitments on forest-related issues at international level;
- promote sustainable forest management across Europe and globally, and the role of forests in the transition to a green economy in the context of EU development cooperation and external action;
- ensure continued support for global efforts to fight illegal logging through the FLEGT Action Plan;
- support developing countries in their efforts to improve forest policies and regulations, strengthen forest governance, value and monitor forest ecosystems, and address the drivers of deforestation and forest degradation through REDD+.

The Commission will:

- assess the environmental impact of EU consumption of products and raw materials likely to contribute to deforestation and forest degradation outside the EU. If appropriate, it will consider policy options for limiting such impacts, including the development of an EU action plan on deforestation and forest degradation. It will do this in line with the 7th EU Environment Action Programme.

²⁷ Regulation 2173/2005 on the establishment of a forest law-enforcement, governance and trade-licensing scheme for importing timber into the EU.

²⁸ Regulation (EU) No 995/2010

4 TURNING PRINCIPLES INTO ACTION: WORKING TOGETHER FOR OUR FORESTS AND FOREST SECTOR

The Commission and Member States, within their respective competences, will ensure the strategy's implementation and follow-up, paying particular attention to stakeholder involvement.

In order to set milestones for meeting the 2020 forest objectives and to address the strategic priorities of actions in forest policy and forest-related policies, the Commission will work with the Standing Forestry Committee to reinforce links with related EU policies. When necessary, it will work with other committees and fora. Given how important EU funds are for forests and the forest sector, there is a need to improve the quality of EU-level discussions.

Other areas in which Member States should advance further, such as preventing forest fires, combating pests and diseases, promoting sustainable wood and regional/cross-regional cooperation, will be identified.

Forests and the forest sector currently receive significant EU funding. Forestry measures under the Rural Development Regulation are the strategy's resource backbone (90% of total EU forestry funding). According to the updated plans, €5.4 billion from the European Agricultural Fund for Rural Development have been earmarked for forestry measures in 2007-2013. Although it will depend on Member States' Rural Development Plans, a similar level of spending to that in the current period could be expected for 2014-2020. This spending should be dedicated to contributing to the objectives of this strategy, and in particular to ensuring that EU forests are demonstrably managed according to sustainable forest management principles. LIFE+ supports nature conservation, climate change adaptation, information and protection needs, the structural funds support cohesion projects and Horizon 2020 supports research and innovation actions, including the public-private partnership on bio-based industries. Development and climate change policies also provide financing for third countries, in particular through EU development funds, REDD+ and FLEGT. Rationalising available resources and improving coordination between EU and national funding can contribute to the strategy's better implementation.

5 CONCLUSIONS

A strategy for forests and the forest sector is necessary since there is no common EU forest policy or guiding framework for forest-related issues. Since a growing number of EU policies are making increasing demands on forests, there is a need to coordinate sectorial policies. There is also a need for an agreed holistic strategic vision on forest issues, and for ensuring that linked EU policies are fully taken into account in national forest policies. This will strengthen the capacity of forests and the forest-based sector to respond to developments in various policy areas.

This strategy aims to put forests and the forest sector at the heart of the path towards a green economy and to value the benefits that forests can sustainably deliver, while ensuring their protection. Strong commitment and political support from all parties involved are needed for this.

A review will be carried out by 2018 to assess progress in implementing the strategy.

The European Parliament and the Council are invited to endorse this strategy and to express their views on its implementation.