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NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
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Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a monitoring framework for resilient European forests - Progress report

I. INTRODUCTION

- On 22 November 2023, the European Commission published a proposal for a Regulation on a 1. Monitoring Framework for Resilient European Forests. This proposal constitutes the main legislative initiative announced in the "New EU Forest Strategy for 2030" published in 2021.
- 2. The proposal aims to establish a high-quality forest monitoring system, managed by the European Commission in cooperation with the Member States, that would be based on standardised or harmonised data to track progress on achieving EU targets and policy objectives concerning forests (including on biodiversity, climate and crisis response), to improve risk assessment and preparedness, and to support evidence-based decision-making.

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- 3. The forest monitoring system would build on existing data sets and the good practices within Member States, as well as the technological advancement of remote sensing, and consist of three main elements:
 - a geographically explicit identification system for the mapping and localisation of forest units;
 - a forest data collection framework, specifying timing and data collection requirements;
 and
 - a forest data sharing framework that would enable the sharing of data and make such data publicly available.
- 4. The European Economic and Social Committee was consulted and delivered its opinion on 20 March 2024¹. The Committee of the Regions has decided not to issue an opinion.
- 5. In the European Parliament, the file is handled by the Committee on the Environment, Public Health and Food Safety (ENVI) and the Committee on Agriculture and Rural Development (AGRI) under the joint committee procedure. The rapporteurs designated for the file are Emma Wiesner (Renew, SE) from the ENVI Committee and Eric Sar Giacomo (S&D, FR) from the AGRI Committee. The Committee proceedings have just started.

II. WORK WITHIN THE COUNCIL

6. The Spanish Presidency organised an exchange of views on the proposal in the 'Environment' Council on 18 December 2023. The Belgian Presidency provided for a similar exchange of views in the 'Agriculture and Fisheries' Council on 23 January 2024.

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- 7. In order to allow the Council to effectively address the cross-sectoral issues covered by this legislative proposal, the Permanent Representatives Committee established an ad hoc working party on forest monitoring (AHWP FM) on 17 January 2024. The AHWP FM reports to the 'Agriculture and Fisheries' configuration of the Council and, on a regular basis, to the 'Environment' configuration of the Council.
- 8. The Commission presented the proposal and its impact assessment in the AHWP FM meeting on 5 February 2024, when delegations exchanged views on the basis of four specific questions addressed to the Commission. To facilitate the examination of the proposal, the Belgian Presidency opted for a clustering approach² allowing for a step-by-step analysis of the proposal, starting from principles and generalities, progressing through the details and ending with the implications in terms of implementation.
- 9. The discussions covered a large part of the proposal and a progress report was presented to the Agriculture and Fisheries Council in June 2024³. At the Environment Council on 25 March 2024, the Belgian Presidency also informed ministers on the progress made in the examination of the proposal.
- 10. Building on the comprehensive work carried out previously, the Hungarian Presidency has taken the technical discussions forward in the AHWP FM. The focus is on seeking a better understanding of the proposal and addressing the questions and concerns raised by delegations. So far, the Hungarian Presidency has organised seven Working Party meetings and one technical workshop. The discussions among the Member States' experts and with the Commission representatives have been intense. The main issues and questions raised by delegations can be summarised as follows:

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Extent and purpose of forest data collection and reporting

- 11. Most delegations agree that, given the cross-border character of many forests and forestry aspects, the collection of high quality and comparable forest data is important in order to contribute to increasing the resilience of European forests and their biodiversity. However, delegations are concerned that their existing national systems for forest data monitoring and reporting, used for both national purposes and to fulfil international obligations, would have to undergo significant change, involving additional administrative burden and financial costs in order to adapt to the new set of forest data requirements foreseen by the proposal. They question the level of detail and the quantity of data to be collected, monitored, and reported, as well as the frequency of data collection and reporting imposed by the proposal. The Commission representatives have explained on several occasions that the lack of quality and comparable forest data and of integrated long-term forest planning jeopardises the achievement of the Union objectives related to climate, biodiversity and sustainable and circular bioeconomy. The Commission has further indicated that the current fragmented forest monitoring in the Member States prevents the Union and national authorities from acting coherently and in a timely way in response to cross-border threats and stressors.
- 12. From the outset, a major concern for the large majority of delegations has also been the exact purpose of collecting various forest data on the basis of the indicators contained in annexes I to III. In response, the Commission representatives have explained that Table 21⁴ of the Impact Assessment provides an overview of the indicators and parameters included in the proposal, linked with the foreseen policy objectives. However, these delegations have not so far been convinced by the clarifications provided by the Commission representatives and stress that monitoring trends at national level should be enough for policy-making at EU level.

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13. In addition, a large number of delegations consider that some **indicators** have not been sufficiently developed (in terms of methodology, precision, accuracy, frequency and especially the expected additional costs), even if there would be further refinement by means of delegated or implementing at a later stage. They also consider that some indicators seem to be more research-oriented and should thus not be made mandatory at this stage. Furthermore, a large number of delegations would like the voluntary indicators included in Annex III to be deleted, as their added value has not been adequately demonstrated. While acknowledging that most indicators are currently covered by the Member States, the Commission representatives have explained that Member States do not necessarily use the same indicators and/parameters, and that the data collected is not comparable.

Basis for forest data collection; the concept of "forest unit"

14. Discussions have focused on the concept of "forest unit", its definition and its "geographically explicit identification", as the basis for collecting forest data. The Commission proposal seeks to identify and localise forest units as the basis for achieving coherence for the forest data collected, such that changes in forest cover and characteristics could be tracked over time. The technical workshop dedicated to forest units held by the Hungarian Presidency on 8 October 2024 showed that several Member States already use such area-based units (compartments, and sub-compartments) for forest management, but not necessarily for forest monitoring. The definition and specific use of these units differ from one Member State to another. Delegations therefore consider that agreeing on a common definition would be both challenging and not essential for the purpose of forest data collection. Furthermore, the majority of delegations are against the precise geographical identification of forest units, owing to data protection concerns.

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Use of integrated long-term national forest plans and mapping

- 15. The large majority of delegations do not agree with the proposed **integrated long-term national forest plans**, even on a voluntary basis (Article 13 and Annex IV). They consider that the objectives of such national plans are not clear and that, in application of the principle of subsidiarity, national forest plans and/or strategies should remain under the competence of the Member States.
- 16. Many delegations question the requirements proposed for **mapping**, whose purposes are not always clear in their views and whose fulfilment entail a significant workload and high costs not entirely reflected in the Impact Assessment accompanying the proposal. They indicate that, even if remote sensing is used as the default first solution, the mapping resulting from remote sensing still needs to be checked and corrected by means of ground surveys. Furthermore, they point out that remote sensing can only map 'land cover' but not 'land use', i.e. without distinguishing among real forests, other wooded lands or trees growing on agricultural or urban areas. Additionally, they indicate that the FAO forest definition is partially based on land use, which is determined by each Member State. These delegations consider that, in line with the principle of subsidiarity, **mapping should remain the responsibility of Member States** which would be better placed to develop cost-effective solutions best suited to their own specific needs and situations.

Consistency of reporting requirements

17. Delegations understand that the intention of the proposal is to streamline the forest-related reporting requirements, to bring them all into one legislative act and to facilitate single reporting. They are, however, concerned about the discrepancies between some of the reporting requirements in the proposal and similar reporting requirements in other existing Union legislative acts (e.g. the mapping of forest habitats in Natura 2000 sites in the proposal and in Directive 92/43/EEC). They also question some new obligations such as the mandatory mapping of 'primary and old growth forests', which has initially been defined and developed by means of guidelines.

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- 18. Following the finalisation of the examination of the proposal, on the basis of the interventions and written contributions of the Member States, the Hungarian Presidency prepared a first Presidency compromise text⁵ which was put on the agenda of the AHWP FM on 22-23 October 2024. In that meeting, a group of ten delegations proposed that before engaging in the detailed discussion of the Presidency text, a strategic discussion on the proposal should take place in order to: clarify fundamental questions related to the objectives and scope of the proposal; its added value; and the type of instrument that would be most appropriate to achieve those objectives. In the following AHWP FM on 11 November 2024, the same request was made and was supported by a large majority of delegations.
- 19. In the light of the above, the Presidency decided to take the file to the Permanent Representatives Committee for guidance for further work. In the 27 November 2024 meeting of the Committee, the Commission explained that the proposal builds on the existing forest monitoring of the Member States without introducing duplications. Furthermore, the Commission pointed out that the added value of the proposal would be in the accuracy and comparability of forest data at EU level, which would facilitate the monitoring of trends over time and help to ensure that climate targets and the nationally determined contributions (NDCs) to halt deforestation are met collectively. Quality and comparable forest data would also help inform policy-making including in economic areas related to forests such as the bioeconomy and provide a better understanding of the needs for collective action in response to forest-related challenges, especially those triggered by climate change.

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⁵ 13702/24 and 13119/24 ADD 1

- 20. The large majority of delegations agreed that there is value in the harmonisation and standardisation of forest data at EU level. However, most delegations stressed that the proposal should be simplified. They explained that its scope should be narrowed down in line with the principle of subsidiarity and thus focus on a number of key indicators for forest data collection with clear added value. This should provide enough flexibility to adapt to the diverse types of European forests, while avoiding an excessive administrative burden and high costs. Many delegations also stated that they would favour a bottom-up approach, building on the harmonisation of data already collected by the national forest inventories (NFIs) and a better alignment with the already existing forest data reporting obligations.
- 21. A majority of delegations further confirmed that a regulation would be an appropriate instrument to reach the established objectives. There was overall agreement that work should continue in the working party.

III. CONCLUSION

In the light of the above, the Council (Agriculture and Fisheries), at its meeting on 9-10 December 2024, is invited to take note of the progress made on the examination of the proposal and to exchange views.

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