

# Northern Sparsely Populated Areas' (NSPA) views on the EU's new forest strategy - the importance of a regional dimension that rewards already sustainable regions and industries

*The Northern Sparsely Populated Areas network, NSPA, represents the interests of the four northernmost regions of Sweden (Norrbotten, Västerbotten, Jämtland Härjedalen and Västernorrland), the seven eastern and northernmost of Finland (Central Ostrobothnia, Kainuu, Lapland, North Karelia, Northern Ostrobothnia, Pohjois-Savo and South Savo), as well as the two northernmost regions of Norway (Nordland, Troms & Finnmark).*

## THE NSPA POSITION IN BRIEF

- The NSPA welcomes the EU's new forest strategy but highlights the importance of considering the large regional variations within the EU when it comes to available forest, forestry and biodiversity.
- The NSPA emphasizes that in order to ensure sustainable forest management in the future, EU forestry related policy and decision making must stay on the member states level.
- The NSPA points out that the balance between environmental, economic and social needs should be acknowledged in the biodiversity objectives set by the Commission. So far, these objectives focus only on forest restoration, conservation and afforestation.
- The NSPA emphasizes that the forest sector in northern sparsely populated areas affects the lives of locals in many ways, being a source of prosperity and business. The forest also has other vital values in terms of human recreation and outdoor life. The biological, economic and social values of the forest are crucial for a thriving countryside in Nordic countries.
- The NSPA stresses the importance of a continuing consideration and improvement of forest management in a manner that benefits the biodiversity of the forest while utilizing the forest-based resources in correspondence with its net-growth.
- The NSPA stresses that the Nordic active forestry, with an increased and sustainable use of forest biomass, is necessary in order to reach the EU climate and energy goals.
- The NSPA emphasizes that the role of forests for climate change mitigation cannot be assessed based on narrow considerations of carbon flows within individual forest stands or over a short period of time. When assessing forest management practices impact on biodiversity, a landscape perspective over a longer time period should be applied.

## Northern Sparsely Populated Areas and the forest in the green transition

With the aim to make Europe the first climate neutral continent by 2050, the European green deal sets the agenda of the coming work within the EU, and the new EU forest strategy is one of the new initiatives. With a land area covered more than 70 % by forests, Northern regions of Sweden, Finland and Norway are some of the most forest dense regions in Europe. Northern Sparsely Populated Areas play a key role in the green transition that is required to achieve the climate and renewable energy goals of the EU. In addition to hydro and wind power, an active and sustainable forest management delivering increasing quantities of biomass to the society substituting material and energy based on fossil fuels is of key importance.

Sweden, Finland and Norway are some of the world's largest exporters of forest industry products. These products are already today substituting products and energy based on fossil fuels all over EU. As a result of this industrial activity, large amounts of byproducts are available that can be processed into new biobased products such as green chemicals, bioplastic, smart packaging and transport fuels. These high-processing value products pursued by the modern bioeconomy are not profitable or even possible to produce without high-volume pulp production and considerable investments on basic industry. High production volume is a precondition for creating the required number of special fractions for further processing.

Northern Sparsely Populated Areas' forest industries are supported by world leading forest R&D and climate smart innovations. Over the last 100 years the standing volume in Swedish forests has almost doubled and carbon stocks in forests and forest soil have quadrupled. At the same time, more than 4 billion cubic meters of timber have been felled and delivered to the society. In Finland the total volume of forests has grown by 65 per cent from the level of 1970s and 77 percent of land area is covered by forests in East and North Finland. Sustainable forest management has in other words proven to have a positive impact on climate change mitigation. In addition to the managed forest, Northern Sparsely Populated Areas have protected larger forest areas than other EU countries. Northern bioeconomies are dominated by forestry and forest products and bioenergy produced from forest industry by-products is one of the main pillars of our energy systems. The environmental concern in today's forestry is a strength for the growing bioeconomy. In Northern Sparsely Populated Areas, conflicting goals in forest bioeconomy and sustainable forestry are mitigated by increased forest growth, voluntary depositions of forest, sustainability certification and the protection of biodiversity.

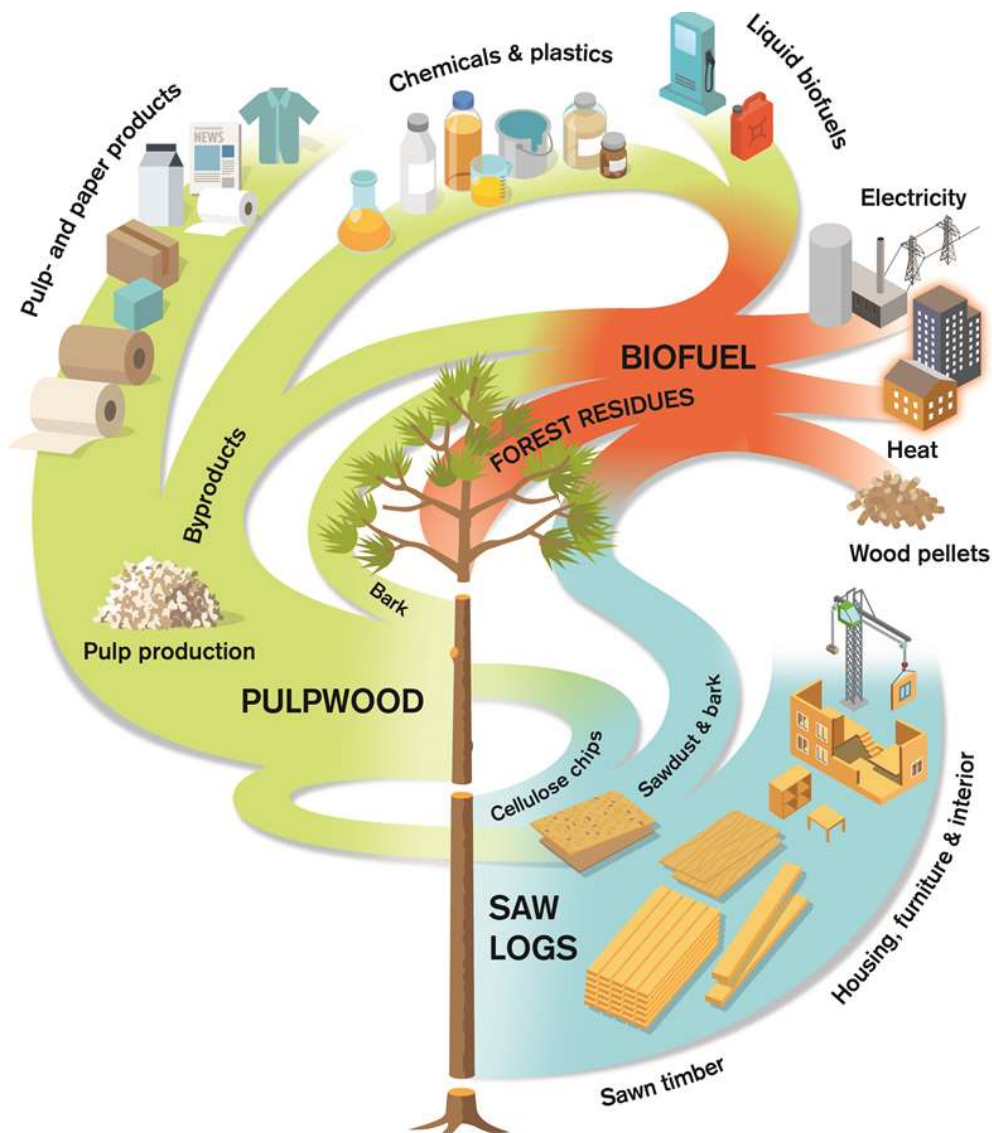
For rural areas, forests are crucial from an economic, a biological as well as a social aspect. Forest industries in Northern Sparsely Populated Areas employ dozens of thousands of people today. The forest is also a place for outdoor life, tourism, and recreation in line with "allemansrätten/allemannsretten/jokamiehenoikeudet/right to roam" – the right of public access where both landowners and visitors have obligations and rights. With active forestry and a smart use of forest products the forest can also play a crucial role in mitigating climate change.

Balance between environmental, economic and social needs should be acknowledged in the biodiversity objectives set by the Commission. For the moment, these objectives focus only on forest restoration, conservation and afforestation and they leave little space for regional characteristics and local knowledge. National forestry legislations in Nordic countries are based on trans-generational experience on forest management and their target is to promote sustainable forestry. Nordic forest owners are proud of their forests and should be entitled to make decisions about their forest based on the best information available. Creating and disseminating up-to-date data requires adequate resources across the EU. Instead of setting EU level conservation targets, the state of nature can be improved by encouraging forest owners (i.e., economically) to manage their forests in a sustainable way.

### **The forest's environment and climate benefits, carbon binding and substitution**

Through carbon sequestration, growing forests absorb increasing amounts of carbon dioxide in the trees and the ground. When trees are harvested, carbon stock is moved into the society substituting products and energy based on fossil raw materials. Sustainably cultivated forests provide the best climate benefit. In forests left unmanaged, growth will slow down over time and so will carbon assimilation and after some time this forest will become a slow carbon emitter. If an analysis of the carbon cycle of a forest is limited to a short time period or a single stand, the interaction over time and space might be overlooked, and misleading conclusions are the consequence. Nordic forest can continue to store increasing amounts of carbon in the forest and at the same time deliver increasing volumes of wood to the society. Methods and tools for sustainable forest management and nature adapted forest managements practices are improving over time with the goal to maintain and improve biodiversity.

In Northern Sparsely Populated Areas, forestry is driven by the demand of timber and pulp wood used for long lasting wood products such as buildings and furniture and for the production of paper and packaging (see figure below). As a result of these industrial activities large amounts of forest industry by-products are available, which are used mainly for energy generation today. These by-products can in the future potentially be upgraded to biochemicals, bioplastics and transport fuels.



## Forestry on EU level

There are no legal grounds for common forest policies on an EU level but there are EU laws that have a direct or indirect effect on forests and forestry. Forestry in Northern Sparsely Populated Areas are regulated by comprehensive national forestry legislations which strongly include environmental considerations. At the same time, there is an obligation to take nature, cultural heritage, tourism, reindeer husbandry and other interests into consideration. Forestry legislation in Nordic countries can be used for inspiration in the development of a new European forest strategy.

Sustainable forestry is crucial to reach climate neutrality by 2050. Well managed growing forests delivering raw materials for useful, biobased products and energy to the society substituting fossil

raw materials is the way forward. This needs to be better recognized in new strategies and initiatives in order to abate the insecurity around different views of sustainable forestry.

The EU has declared high ambitions for the establishment of a circular and biobased economy. Northern Sparsely Populated Areas' production and upgrading of forest biomass coupled with the capacity for R&D are important resources for the whole union. The EU provides important research funding and should for the coming programming period strengthen forest bioeconomy as a priority to further develop its competitiveness.

The NSPA believes that a European forest strategy and related strategies must consider the various regional conditions within different parts of the EU. Initiatives derived from the EU should be pervaded by a firm regional dimension that reward sustainable regions and industries, promote productive coordination and synergies and subsequently strengthen the forests multifunctional values and contributions to the joint environment and climate objectives.