

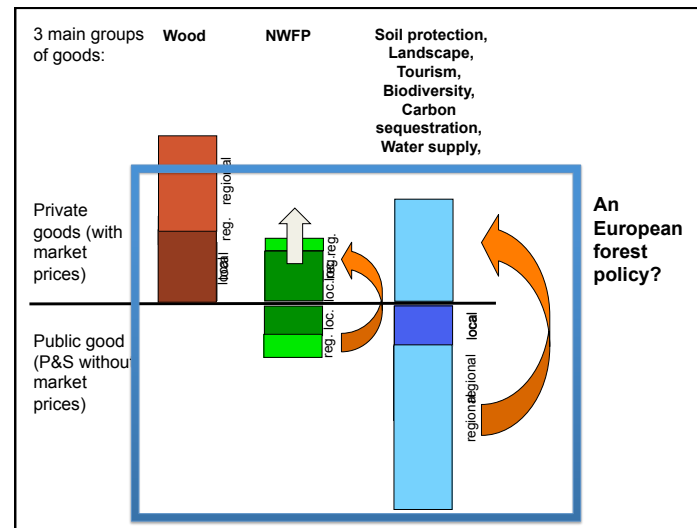


**VI Jornadas de Jóvenes Investigadores en Conservación y Usos Sostenible de Sistemas Forestales**  
CENEAM, Valsain; 27.3.2012

## Forest policies and the supply of public goods in the European Union



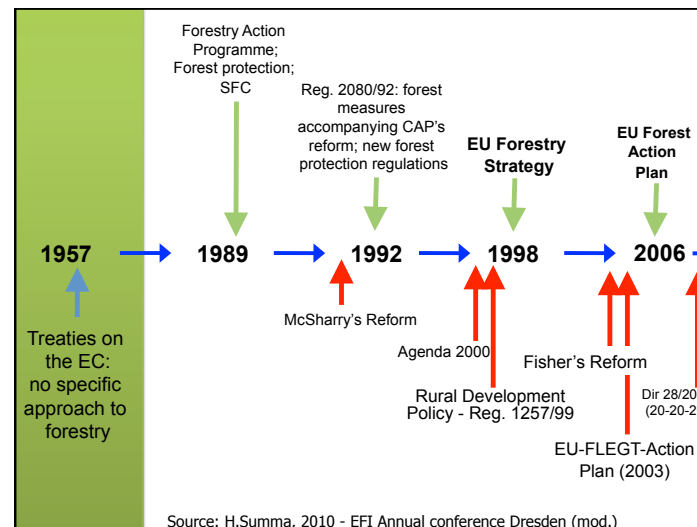
**Davide Pettenella**  
University of Padova  
Department of Land, Environment, Agriculture and Forestry  
[davide.pettenella@unipd.it](mailto:davide.pettenella@unipd.it)



Officially no EU forest policy existed before the end of '90s.

Common actions in the forest sector have been, until 1992, focused on specific issues:

- fire fighting, monitoring of the forest health (acid rains)
- support to the development of marginal Med areas (Integrated Mediterranean Programs)
- Reg. 867/90 (mechanization of harvesting activities)
- ...



## EU Forest Action Plan (FAP) (2006)

Four objectives:

- Competitiveness
- Maintain and enhance biodiversity
- Contribute to quality of life
- Improve coordination
  - Developed in co-operation between MS, stakeholders and the Commission
  - 18 key actions for the period 2007-2011
  - Implementation by the Commission and the MS, coordinated by the Standing Forestry Committee
  - Mid-term review of implementation in 2009
  - Final evaluation and report to the Council and the European Parliament by end 2012

5

## The question: do we have now an EU forest policy?

An answer from a formal perspective:

- a legal justification: Court of justice (1999): forest protection based on Art. 175 of the Treaty
- some basic instruments:
  - A Forestry Strategy for the European Union (1998)
  - A Forest Action Plan
  - A Forest Communication Strategy (!)

An answer based on more rational ground:

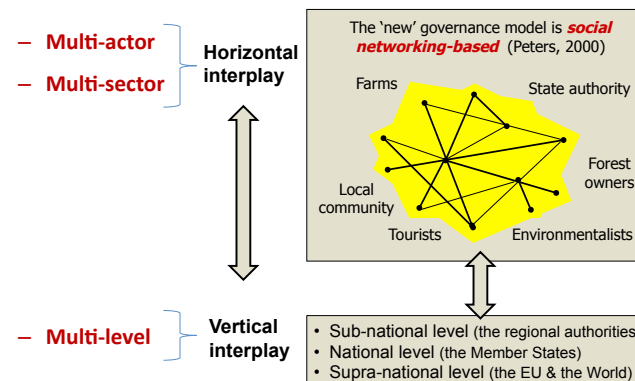
Do we have a **system of (good) governance** of the forestry sector?

## Governance nowadays...

The most common meaning...

- the capacity of Public Administration to lead and manage **networks** by involving all actors of civil society **in decision-making processes** (EC, 2001; Kjær, 2004; Rametsteiner, 2009, several others scholars)
  - More in general, it refers to *'the setting of rules, the application of rules, and the enforcement of rules'* (Kjær, 2004) - i.e. all the steps along the decision-making process
    - conception, formulation, implementation and valuation.
  - Therefore, both the **policy-making level (policy)** and the **policy-implementing level (project)** are important when dealing with governance issues!

## Three main components of a governance system (Jänicke and Joergensen, 2006):

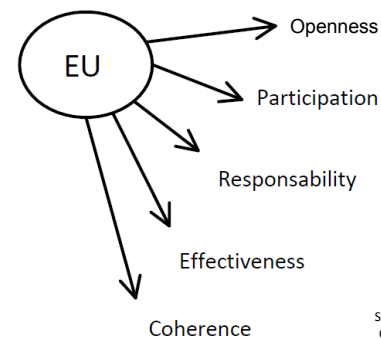


### The importance of good governance

- There is a recognized growing importance of '**good (new) governance**' to guarantee successful policy, programs and projects

(EC, 2001; Kaufmann and Kraay, 2002; Swiderska *et al.*, 2008; Wesselink and Paavola, 2008; GFI, 2009; Dedeurwaerdere, 2009; WB – RDA, 2009; Rametsteiner, 2009; Saunders and Reeve, 2010; Umemiya *et al.* 2010; PROFOR/FAO, 2011).

### The EU 5 good governance principles (EU, 2001) taken into consideration in analysing the consultation process for a new EU Forest Strategy...



Some of these concepts are common to many other initiatives to promote/assess the good governance: **effectiveness, efficiency, transparency, accountability, legitimacy, enforcement, participation, inclusiveness, equity, social justice, coordination, ...**

Sources: OECD, 2002; Hemmati, 2002; Dowdle, 2006; ODI, 2007; Rotberg and Gisselquist, 2008; Kaufmann *et al.*, 2009; Cashore, 2009a and 2009b; GFI, 2009; WB – ARD, 2009; PROFOR/FAO, 2011

### Sources of information

- Stakeholder Consultation on the Draft Commission staff working document in support of the communication from the Commission to the Council and the European Parliament on Implementation of the EU Forestry Strategy (August-September 2005)
- Workshop for the Review of the EU Forestry Strategy, 15 April 2011, Brussels
- Other documents with analysis and proposals on the EU Forestry Strategy by various stakeholders

### Results: 4 hot issues

1. The issue of “**horizontal**” policy coordination
2. The issue of “**vertical**” policy coordination
3. The issue of **bureaucratic control** over an enlarged areas of policy action
4. The issue of **voluntary instruments** vs. regulative policy tools

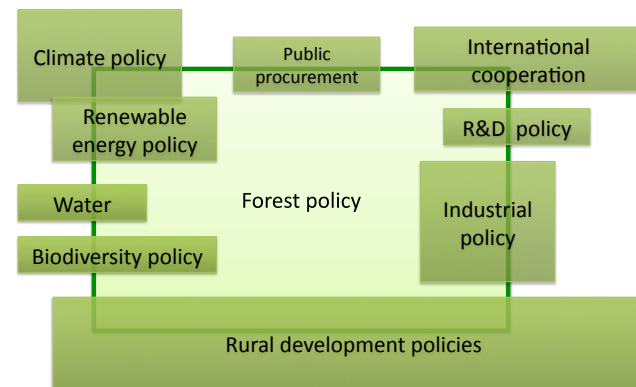
### 1. The issue of “horizontal” policy coordination

#### “Internal” vs. “External” EU forest policies

“Policies influencing the forest sector more directly can be differentiated as “internal” and “external” policies” (Thoroe et al., 2004, p.1)

The “external” policies are not directly considering the role and potentials of the forest sector but are driven by other needs and targets.

#### “Internal” vs. “external” EU forest policies



#### Some examples of “external” EU forest policies

- the **RDP**: from 1992 to 2004 forest activities were considered “accompanying measures” of the CAP’s reform; since 2005 forest measures are a fundamental part of the second “pillar” of rural development policies;
- the **climate policy**: 1% out of 8% of the EU15 target for the first commitment period 2008-12 of the Kyoto Protocol will be reached through forest activities (EC, 2009);
- the **environmental policies**: a large component of the Natura 2000 areas are covered with forests;
- the **renewable energy policies**: forest biomass will be confirmed as the first source of renewable energy in Europe in the 20-20-20 EU’s strategy (Dir. 28/2009);
- the **international cooperation policy**: implementation of the FLEGT and of the Timber Regulation to reduce the problems of illegality in the forestry sector, with special reference to the import of wood products from developing countries.

#### Impacts

Policy	Benefit to the forest managers	Benefit to the tax payers
RDP	+	- (=)
Renewable energy	=	+
Biodiversity	-	+
Climate change	=	
International cooperation	=/- (VPA: +; EU-TR: -)	
Water	=	

The RDP should bear the responsibility for compensating most of the extra costs of other “external” policies

RDP is playing a key-role in leading and supporting the other “external” policies

### Forestry in the RDPs (2007-13)

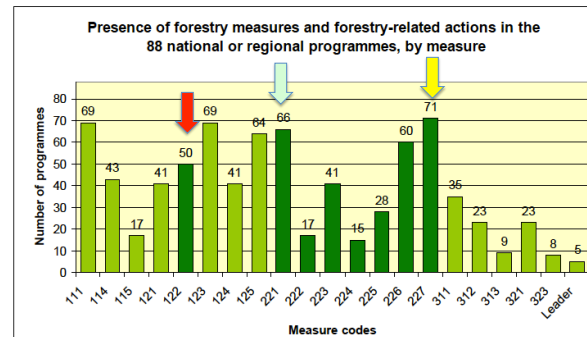
Total amount of financial resources allocated by the **94 RDPs** to the **8 “specialized” forestry measures** (out of 40) during the period 2007-2013 is **€ 12 billion** (half of this funding will come from the EC)  
 = about **7% of overall intended EAFRD spending (>10% considering the other 12 forestry related measures)**

Rural Development Regulation is the main instrument at Community level for the implementation of the EU Forestry Strategy and the EU FAP

Source: DG AGRI, 2009. Report on implementation of forestry measures under the rural development regulation 1698/2005 for the period 2007-2013

### Forestry in the RDPs (2007-13)

- Improvement of the economic values of forests (122): 88,000 forest holdings; 2010 M€
- First afforestation of agricultural land (221): 127 000 beneficiaries; 653 000 ha
- Non-productive investments (227): 119 000 forest holdings; 1597 M€



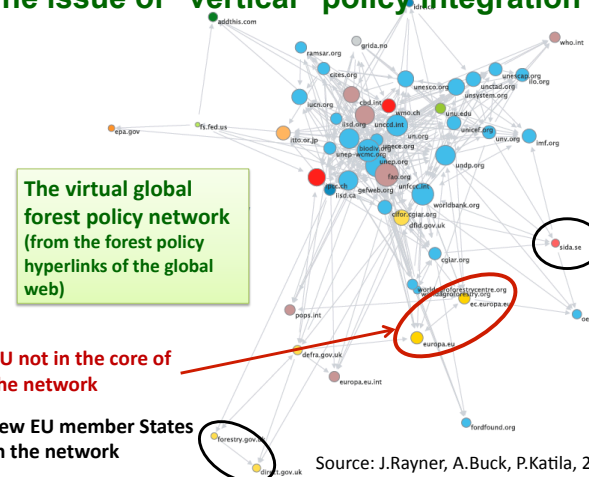
Source: DG AGRI, 2009. Report on implementation of forestry measures under the rural development regulation 1698/2005 for the period 2007-2013

### Forestry in the RDPs (2007-13): allocation of funds

Measures	Foreseen expenditure, € million			
	National co-financing	EU contribution (EAFRD)	Private	Total
Improvement of the economic value of forests (122)	348.8	651.8	1 010.0	2 010.7
<b>Axis 1 forestry measure</b>	<b>348.8</b>	<b>651.8</b>	<b>1 010.0</b>	<b>2 010.7</b>
First afforestation of agricultural land (221)	1 248.7	2 410.7	576.0	4 235.3
First establishment of agroforestry systems (222)	9.7	22.7	14.4	46.8
First afforestation of non-agricultural land (223)	235.4	360.8	181.8	778.0
Natura 2000 payments (224)	48.0	110.6	0.0	158.6
Forest-environment payments (225)	173.5	265.3	6.4	445.2
Restoring forestry potential and introducing prevention actions (226)	920.9	1 553.3	307.0	2 781.2
Non-productive investments (227)	570.6	809.2	216.9	1 596.7
<b>Axis 2 forestry measures</b>	<b>3 206.7</b>	<b>5 532.7</b>	<b>1 302.4</b>	<b>10 041.8</b>
<b>Total for the eight forestry-specific measures</b>	<b>3 555.5</b>	<b>6 184.5</b>	<b>2 312.4</b>	<b>12 052.4</b>

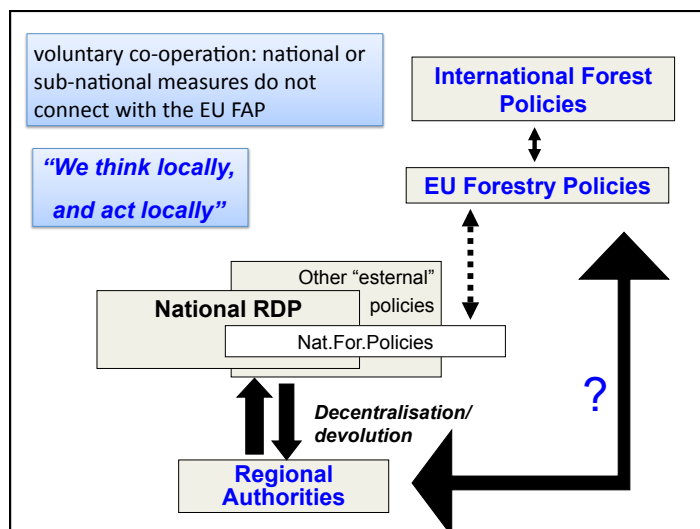
Source: DG AGRI, 2009. Report on implementation of forestry measures under the rural development regulation 1698/2005 for the period 2007-2013

### 2. The issue of “vertical” policy integration



- EU not in the core of the network
- Few EU member States in the network

Source: J.Rayner, A.Buck, P.Katila, 2010



### 3. The issue of bureaucratic control over an enlarged areas of policy action

New fields of policy action

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Implementation of good governance principles like: transparency, accountability, participation, effectiveness, efficiency

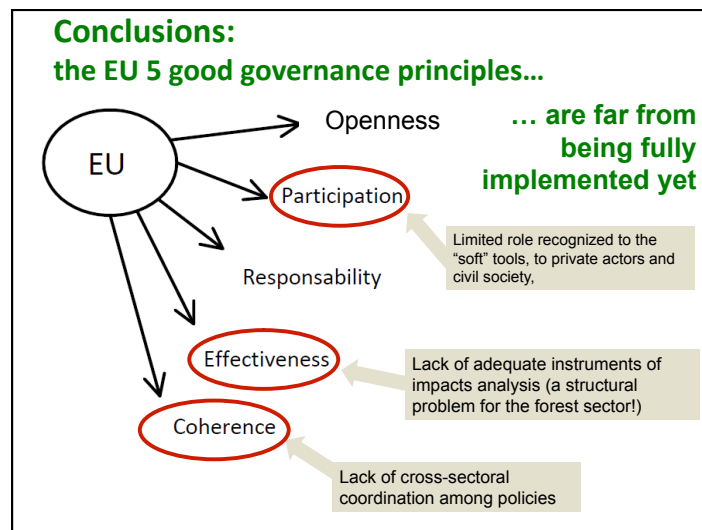
- **Huge bureaucratic system** of policy implementation: complex and lengthy procedures, overlapping systems of control, large transaction costs
- **Negative selection of beneficiaries** (not who needs, but who is able to demand for public support)
- **Need for professional administrative personnel** employed in law enforcement...

.. but:

- the EC has a **weak internal implementation structure**, inadequate to the ambitious tasks defined by the decision-makers (e.g. FLEGT, REDD, EU-TR, ...)
- the gap can be covered only **delegating to external professionals and institutions key-roles** in policy implementation, not always an appropriate solution to the problems faced by the EC.

### 4. The issue of voluntary instruments vs. regulative policy tools

- Formal declarations and commitments: focus on the role of voluntary (“soft”) tools, but ...
- Increasing role of regulative instruments; some examples:
  - Natura2000 sites management,
  - the VPA-FLEGT licence,
  - the compulsory Due Diligence system (EU-TR),
  - ...
  - the decisions taken by the recent Oslo Ministerial Conference on the Legally Binding Agreement on Forests
- Main new positive governance experiences (based on stakeholders involvement and participation, bottom-up approaches, ...) **are connected to voluntary initiatives** (see: forest certification and the Model Forest Network - Rametsteiner, 2009)



EU forest policy:

- a **"shadow" forestry policy**: more a residual, implicit policy driven by "external" than by "internal" specific targets ("virtual" forest policy - Flashe, 1998)
- **more an "additive" policy than a "integrative" one** (B.Roman-Amat, 2011)
- But do we need an EU forest policy?

