Overall Policies, Institutions and Instruments for Sustainable Forest Management

Key findings

Indicator A1 National forest programmes (NFP) or similar and related forest policies

32 out of 33 countries from the FOREST EUROPE region reported that they had a NFP process in their country in 2014. The number of countries with a "formal NFP process" has almost tripled since 2007. Significant changes in NFP processes since 2011 mainly involve amendments or updates intended to address the economic crisis or issues relating to implementation. While it is widely acknowledged that NFPs encouraged broad participation, which facilitates the adoption and implementation of policies and strategies, NFPs have been less successful in terms of inter-sectoral coordination and the integration of forest aspects into broader development goals. This remains an issue therefore.

A forest policy document, for example a “forest strategy”, “forest policy” etc. (apart from legislation) exists in practically all FOREST EUROPE countries. Around half of these were developed in the context of NFP processes and/or are endorsed at a high political level.

Indicator A2 Institutional frameworks

Since 2011, significant changes relating to institutional frameworks were implemented by 14 of the 34 respondents. Forestry administration units continue to be merged with bodies responsible for natural resources, rural development and nature conservation. In a majority of countries, the management of public forests is the responsibility of a separate body, mainly (a) publicly-owned state forest enterprise(s). The number of forest-related public employees reported in 2014 is around 14% lower than that reported in 2010. Around 220,000 persons work in forest-related public organizations in Europe, mostly in the management of public forests. High numbers of public forests management staff are employed in countries with large areas of public forests and in which citizens expect extensive social services from forests.

Indicator A3 Legal/regulatory frameworks and international commitments

The forest laws currently in force in most FOREST EUROPE countries are less than five years old. Nearly half of the reporting signatories (15 out of 34) have amended their legal and regulatory frameworks since 2011. The most frequent amendments in the legal/regulatory frameworks address issues concerning the governance of land use change. With regard to international commitments, the majority of the signatories (20 out of 34) reported domestic policy and legal changes in the follow-up to international commitments such as the EU’s Timber Regulation and FOREST EUROPE’s Oslo Ministerial Decision and Resolutions.

Indicator A4 Financial instruments and economic policy

The majority of reporting signatories in the FOREST EUROPE region (23 out of 34) reported no changes in the national economic policy on forests (public and private) since 2011. In nearly half of the reporting FOREST EUROPE signatories (16 out of 34), the management of state-owned forests is financially self-sufficient or profit-oriented. As reported by 23 countries, total public expenditure by government on all forest related activities for the last reporting period was EUR 3,234,750,019. This total sum amounts to an average of around EUR 179 per hectare of total public expenditure on forest and other wooded land per year. Subsidies are the most common financial instrument used to influence private forest management (used by 22 out of 34 signatories). Transfer payments are most frequently used for the conservation of forest biodiversity, followed by support for forest inventory and planning, and soil and water protection.

Indicator A5 Informational means

Most reporting signatories (31 out of 34) provided public access to forest inventory data. Over one third of countries had a formal (governmental) forest-related outreach and communication strategy. Social media are used by an increasing number of countries to strengthen forest communication.
Indicator A1 National forest programmes (NFP) or similar and related forest policies

Introduction

National forest programmes are a key process used by countries to govern forests and their sustainable management. They are understood as comprehensive policy frameworks aimed at further improving sustainable forest management and the contribution to sustainable development. They are based on the principle of a participatory, holistic, inter-sectoral and iterative process for policy planning, implementation, monitoring and evaluation at national and/or sub-national level. These principles are presented in the “MCPFE Approach to National Forest Programmes in Europe” (Annex 1 of Vienna Resolution 1 on NFPs, adopted in 2003). Similarly, the UN “Non-legally Binding Instrument on All Types of Forests”, adopted in 2007, identifies the NFP as a key mean for implementation.

Status

32 countries report that they have a NFP process in their country

NFPs or similar processes exist in 32 out of 33 reporting countries, which means that 92.2% of the entire FOREST EUROPE area is governed by NFPs. Over half (18) of all reporting countries state that their NFP process is a “formal NFP process”, i.e. the process is explicitly acknowledged and referred to as such. Almost a quarter (5) state that their process is “explicitly guided by NFP principles”. Policy processes similar to NFPs are mainly reported by countries with federal structures like Germany, Italy, Spain and United Kingdom.

In over two thirds (22) of the countries the ministry responsible for forests is the main formal decision-making body within the NFP process. Only 6 countries reported that the main formal decision-making authority in the NFP process lies with bodies whose members are not from the ministry responsible for forests. These formal bodies are at a high political level in some countries, e.g. the parliament in Latvia and Council of Ministers in Spain.

A forest policy document exists in practically all FOREST EUROPE countries. Around half of them were developed in the context of NFP processes and/or are endorsed at high political levels

All 33 reporting countries and the European Commission stated that they have a forest policy document (apart from legislation) and almost all of these documents are accessible online, i.e. accessible to the public. 13 countries reported that their main forest policy document is entitled “policy” or “strategy”, while 10 countries reported that their main forest policy document is a “national forest programme”. Around half (18) of countries reported that the main forest policy document was developed in the context of a formal NFP process or a process explicitly guided by NFP principles, while 14 countries and the European Commission reported that they did not use NFP processes or their principles explicitly.

The highest level of endorsement or enactment of a country’s main forest policy document is frequently the Council of Ministers (in 13 countries) or minister responsible for forests (in 9 countries, see Table 1). With some exceptions, endorsement is secured at higher political levels in Northern and Eastern European countries. 7 countries, most of which are states with a federal structure, report the existence of formally endorsed sub-national forest policy documents (Belgium, Germany, Italy, Norway, Spain, Switzerland, United Kingdom).

Table 1. Highest endorsing body of main forest policy document in FOREST EUROPE signatories

<table>
<thead>
<tr>
<th>Endorsed by</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parliament</td>
<td>Estonia, Norway, Portugal, Slovenia, Sweden</td>
</tr>
<tr>
<td>Council of Ministers</td>
<td>Bulgaria, Cyprus, Czech Republic, Finland, Hungary, Latvia, Montenegro, Poland, Portugal, Romania, Spain, Switzerland, Ukraine, Serbia</td>
</tr>
<tr>
<td>Minister responsible for forests</td>
<td>Croatia, France, Germany, Spain, Turkey, Slovenia, United Kingdom, Denmark, Ireland</td>
</tr>
<tr>
<td>Forest department or similar</td>
<td>Albania, Iceland, Luxembourg</td>
</tr>
<tr>
<td>Other</td>
<td>Austria, Italy, European Commission</td>
</tr>
</tbody>
</table>
The average main forest policy document currently in use in the countries was endorsed or enacted around 7 years ago. The main forest policy document is older than 10 years in only 6 countries (Denmark, Germany, Ireland, Latvia, Norway, Slovenia), while a number of Eastern European countries have recently endorsed new policies (see Figure 1).

Around half of the main forest policy documents provide for the periodic and pre-specified evaluation of policy implementation, while periodical evaluation is provided for but not pre-specified in the forest policy documents of around 11 countries.

Some 70% or 24 reporting countries state that there is explicit reference to the FOREST EUROPE definition of SFM in the main forest policy documents, and two thirds of the reporting countries state that the main forest policy document makes explicit reference to the FOREST EUROPE Criteria and Indicators for Sustainable Forest Management. Around one third of countries make explicit reference to the FOREST EUROPE guidelines on national forest programmes.

**Trends and explanations**

*Additional countries have established a formal NFP process in accordance with the agreed NFP principles of good governance*

Of the currently active NFPs, 10 initiated or took renewed action after 2011, compared to 4 in the 2008-2011 period and 6 in the 2004-2007 period. Compared to 2007, when a total of 7 signatories reported that they had a “formal NFP process”, substantially more countries (18) reported that they had a “formal NFP process” in place in 2014. A few countries, including countries with large forest areas, such as Sweden and Poland, have established formal NFP processes explicitly guided by the Forest Europe NFP principles since 2011. This increases the area covered by formal NFPs by some 26% of the Forest Europe FOWL area or 15% of the population of FOREST EUROPE signatory countries.

Around one third of signatories (13 out of 34) reported significant changes in NFP processes since 2011. The most frequent change reported concerns amendments or updates to strategies or existing NFPs, in particular to address the economic crisis (5 countries) or issues regarding policy implementation (3 countries). 7 countries reported that the NFP process was used to develop a new strategy or national forest programme since 2011. 3 countries reported on changes implemented with a view to strengthening participation, and 2 countries reported on evaluation as a significant change in the process.

### Finland

The Finnish forest sector is undergoing enormous changes due to a decline in the demand for graphic paper and a growing trend for a green economy. In order to find new opportunities for the forestry sector, the Ministry of Agriculture and Forestry conducted a participatory process with stakeholders as part of the preparation of the Government Report on Forest Policy 2050. The extensive participation of stakeholders proved fruitful in terms of establishing a holistic approach, identifying new ideas and prioritizing objectives. The government report reduced the number of development projects and created clear priorities for national forest policy with more efficient projects. The aim of the report was to find ways of increasing the forestry sector’s contribution to prosperity and growth together with the multi-functional use of forests. The Forest Policy Report 2050 is the basis for the revised Finnish national forest programme (National Forest Strategy 2025) and its implementation also covers other governmental sectors. The Government adopted Finland's new National Forest Strategy in February 2015.

![Figure 1. Date of endorsement of main forest policy document (number of countries)](image)
It was decided to initiate a process for a new National Forest Programme with stakeholder participation in 2012/2013. Findings from an ad-hoc advisory board on Forest Policy Development provided the basis and inspiration for the revision of the Danish NFP. In the first half of 2014, three thematic workshops started work on the drafting of the NFP, which continued during 2014. It is planned to submit a draft of the new National Forest Programme for public consultation in early 2015 with a view to its final adoption in 2015.

**Slovak Republic**

The fulfilment of the measures planned in the Action Plan to the National Forest Programme for the period 2009-2013 was evaluated in June 2014. Based on this evaluation and new documents relating to forest policy at national and international levels, the framework objectives of the Action Plan for the period 2014-2020 are now being updated. In 2013, the government adopted the Wood Potential Utilization National Programme, a document closely related to sustainable forestry, particularly in relation to wood production, economic viability and employment.

**Sweden**

The existing forest policy was finally adopted by the Government following intensive stakeholder consultations. However, the Swedish Government formally decided to establish a National Forest Programme process in June 2014. The details have not yet been decided on, however the NFP process will provide a basis for the Government’s decision-making in relation to forests. The NFP will be an interactive process and will be evaluated after five years. However, with respect to possible legislative changes in the Forestry Act, for example, the normal parliamentary process will apply, irrespective of the origin of the initial proposals.

**Austria**

The Austrian Forest Dialogue is a broad participatory process for forest policy formulation and implementation based on the principles for NFPs as defined in Vienna Resolution 1. It is important for strengthening the sector, balancing conflicting interests, raising awareness about forests and forestry, maintaining leadership in forest matters, gaining support for forest measures, creating new partnerships and cooperation, and fulfilling international commitments.

**Poland**

The first National Forest Programme (NFP) process was introduced in 2001. The development of the NFP was a top-down process and was not concluded due to weak stakeholder involvement. The National Forest Programme process was initiated again in late 2012 and work on it is still in progress. The NFP aims to create a vision for Polish forestry. The general idea is to establish a long-term strategic programme for the development of sustainable forest management, which will function as an integrated programme for the entire forestry and timber sector and a tool for nature conservation in forests. The NFP’s objective is to involve all stakeholders in the process of forest policy through the optimum application of different points of view.

**Estonia**

Public access to state-of-the-art information and knowledge about forests and the forest sector is a factor for success. The broad participation of the stakeholders involved facilitates the adoption of the policy document.

**Broad participation facilitates the adoption and implementation of policies and strategies**

With regard to key lessons learnt, signatories list a range of points that underscore the added value of NFP processes. The main message, highlighted by seven countries, is that broad stakeholder participation is key to facilitating the adoption and implementation of policies and strategies. A range of countries also point out that NFP processes enable dialogue and promote consensus and collaboration. They enable the development of shared values and goals, which strengthen the forest sector and facilitate public and private investment. NFP processes also help with the more consistent balancing of the economic, environmental and social dimensions of forestry, the integration of international commitments, and in arriving at shared views on priority actions. Several countries stressed that NFP processes allow increasing information and transparency and the sharing of knowledge.

**Hungary**

The Ministry responsible for forestry prepares the annual plan of implementation of the National Forest Programme (NFP) in consultation with other forest-related ministries and stakeholders. Regular reports summarise the status of annual implementation and main achievements of the NFP. The NFP defines strategic goals and policy objectives; however it does not generally link these objectives to quantified targets. Quantified targets are often subject to annual implementation.
The two main challenges are getting and keeping all key stakeholders involved and obtaining sufficient financial and human capacities for NFP processes.

One of the lessons learnt is that NFP processes need to be adapted to national contexts and realities. In this way, these participatory processes can create a sense of ownership and demonstrate the added-value in promoting sustainability to key stakeholders. Adequate financial and human capacities are needed to implement a participatory NFP process. This proved to be a challenge in a range of countries and was aggravated by the economic crisis of recent years. In some countries where such processes are already in place, maintaining support and momentum is a challenge that needs to be addressed through the evaluation of experience and results and adaptation to policy and economic framework conditions.

Inter-sectoral co-ordination and the integration of forest factors into broader development goals remain a challenge.

Countries appear to have scaled back on the initial ambition of NFPs regarding the promotion and achievement of inter-sectoral co-ordination or integration as very few reported on inter-sectoral coordination and collaboration as constituting important objectives and achievements. The experience gained so far in many countries has revealed that other sectors show limited interest in the NFP process as such, and that it takes time to experiment and learn how to best engage in dialogue with other sectors in areas of shared topical interest. Given that the principle of inter-sectoral coordination of NFPs remains of crucial importance for the sustainable governance of forests, the sharing of experience and, subsequently, adaptation of NFP processes appears crucial to addressing key future challenges and opportunities regarding the sustainable provision of multiple benefits to society by forests.

Main forest policy documents are usually around 7 years old.

A majority of signatories (18 out of 34) reported changes in relation to their main forest policy documents. 5 countries have developed and endorsed or enacted a new main policy document since 2011. In a number of countries, evaluations of existing policies were concluded (e.g. Ireland, Slovak Republic) or are under way, or new policies or strategies are currently being developed (e.g. Denmark, Sweden). Several countries reported on amendments to national forest laws (e.g. Bulgaria, Italy, Spain) or on institutional reforms for streamlining implementation (e.g. Turkey). A number of countries reported that the revised policy or strategy sets new objectives, which address, in particular, climate change, greater competitiveness and job creation, and adaptation to international requirements, particularly the European Union’s regulations and directives concerning forests.

Compared to 2011, more countries report that the main forest policy document is endorsed or enacted at high political level, i.e. the Council of Ministers or Parliament.
Indicator A2. Institutional frameworks

Introduction

The “institutional framework” refers to the organisational and administrative structure of forest policy and its implementation in a country. It determines the responsibilities and competencies of different public and private bodies at various levels. Institutional frameworks provide the structure for national, regional and local politics, for developing forest-related public policies and their implementation. The prevailing institutional framework shows how countries organise the protection and sustainable use of forests. Changes in these frameworks are indicative of changes in political goals and culture.

Status

The management of public forests is the responsibility of a separate body in most countries

The administration of the development and implementation of forest policy forms part of the responsibilities of a ministry at national level in all reporting countries with the exception of Belgium and Germany, where this function is carried out at sub-national level. In Sweden and Ukraine separate governmental bodies are in charge of forest policy development and implementation (the Swedish Forest Agency and Ukraine’s State Forest Resources Agency). In a range of countries this function is performed by ministries together with sub-national ministries or bodies (e.g., Czech Republic, Germany, Italy, Spain, Switzerland). Similarly, law enforcement and supervision are part of a ministry’s responsibilities and concentrated at central government level in 23 countries, while in 7 countries (Croatia, Finland, Iceland, Montenegro, Norway, Sweden, Ukraine) these functions are the sole responsibility of a separate governmental body (see Figure 2).

Support for private forest management is provided by separate bodies in 10 countries, e.g. through organisations of private forest owners or Forest Centres (Finland). In 19 countries, the provision of such support is part of the responsibilities of the ministry at national level; in 5 countries, the latter is supported by bodies at sub-national level.

The management of public forests is in the hands of separate organisations, such as publicly owned forest enterprises, in 16 out of 34 reporting countries. These include state/federal forest enterprises/Companies (e.g. Austria, Bulgaria, Finland, Latvia, Serbia, Slovak Republic) and a National Forest Holding (Poland); in some cases public forests management is divided between several public organisations (Czech Republic)

![Figure 2. Institutional arrangements for main functions (number of countries) as reported in 2013](image)
or state forest agency/services, which are not part of a ministry (Iceland, Slovak Republic, Ukraine). Such public organisations also exist at sub-national levels in a number of countries (e.g. some of the German federal states). In 9 countries responsibilities lie exclusively with central government (Cyprus, Hungary, Luxembourg, Portugal, Turkey, United Kingdom) and in 8 countries exclusively at sub-national level (Belgium, France, Germany and Norway). In some countries responsibilities are shared between several ministries (e.g. Czech Republic, Italy, Slovenia).

**Around 210,000 persons work in forest-related public organisations in Europe, mostly in the management of public forests**

Some 26 countries reported a total of 209,579 forest-related employees in public organisations working in the area of forests (full time equivalent, FTE, 2013 estimate). At 49,700 Ukraine has the highest number of employees, followed by Turkey (40,658), Poland (27,584) and Romania (17,623). The large number of employees reported under the “others” category in Turkey involves those employed in non-technical jobs at the General Directorate of Forests in addition to engineers, managers and other technical staff. The largest employers staff in public organisations working in the area of forests in Western Europe are France (10,470) and Spain (10,165) (see Figure 3).

On average, one public forest employee (1 FTE) manages around 632 ha of public forests (equivalent to about 1.58 employees per 1,000 hectares). However, the figures vary considerably across Europe and range from 0.1 employees per 1,000 ha in Sweden to over 5 employees per 1,000 ha in Cyprus or Croatia. In Hungary, the government’s public employment programme contributed to an additional temporary workforce of ca. 3,863 (FTE) in the state-owned forest companies. If added to the public forests management staff, this gives a total staff of 6,938 (FTE) or ca. 8 employees per 1,000 ha in the management of public forests in this country.

![Figure 3. Total forest-related staff in 2013, full time equivalent (reported by 26 countries and divided into categories where possible)](image-url)
Higher numbers of public staff per ha tend to be employed in countries in which citizens expect extensive social and environmental services, particularly recreation, and in Eastern European countries with formerly planned economies (see Figure 4).

A public administration workforce of 20,227 was reported by 24 countries, representing 72.6% of Europe’s forest and other wooded land area. Statistically, one person (FTE) is responsible for the administration of an average area of 8,061 ha. This figure varies considerably and ranges from 0.005 FTE per 1,000 ha FOWL (equivalent to 0.5 FTE per 100,000 ha) in Finland to over 0.4 FTE per 1,000 ha FOWL (40 FTE per 100,000 ha) in Slovenia, Greece and Italy (see Figure 5). This variation could be due to many factors including the proportion of public and private forests, the services forests and/or the public entity are expected to provide to the public, different strategies on the outsourcing of tasks to bodies that are not strictly public, and the use of different administrative approaches and procedures.

As reported by 21 countries, the public research, education and training institution workforce in the area of forests comprised 7,642 full time equivalents in 2013. This is equivalent to an average of 4% of the total reported workforce. However, this share varies greatly between countries. In 2 countries (Finland, Latvia) over one third of all staff in forest-related public organisations

![Figure 4. Public forest management staff (FTE) per 1,000 ha of public forests in 2013](image)

![Figure 5. Public forest administration staff per 1,000 ha FOWL in 2013](image)
work in research, education and training, these are followed by Sweden and Bulgaria where the share is around 25%. In a majority of countries, however, this share is very low. Poland and Finland alone reported employing 1,000 or more people in these professions (see Figure 6).

Trends and explanations

Forestry administration units continue to be merged with government bodies responsible for natural resources, rural development and/or nature conservation

Significant changes relating to institutional frameworks have been implemented in 14 out of 34 reporting countries since 2011. The most common change in institutional frameworks since 2011 concerned the creation of administrative units which integrated different natural resources sectors in a single body (e.g. in Finland, United Kingdom) and mergers with bodies that address nature conservation (e.g. Poland, Portugal). In some countries, including Finland, research and technical institutes were also restructured and merged. Several countries also transferred forest competencies to parent bodies focused on rural development (Spain) and industrial development (Slovak Republic). The second most frequent change reported involved downsizing measures driven directly or indirectly by the economic crisis (e.g. in Cyprus, Greece, Italy, Slovak Republic).

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**Finland**

Several separate research institutions in Finland - MTT Agrifood Research Finland, the Finnish Forest Research Institute (Metla), the Finnish Game and Fisheries Research Institute (RKTL) and the statistical services of the Information Centre of the Ministry of Agriculture and Forestry (Tike) - merged into one organization called Natural Resources Institute Finland (LUKE) from January 2015. The advantage offered by the restructuring of research activities lies in the resulting synergies in multi-disciplinary forestry research topics. Many topics, such as climate change, cover several research areas.

**Slovak Republic**

As a result of state-driven rationalisation, on January 1, 2013 all 8 regional forest offices were closed and their responsibilities were transferred to the district offices. A new Forest Management and Wood Processing section was established at the Ministry of Agriculture, enforcing thus the link between these two areas.

**Portugal**

The national forest and nature conservation authorities were merged in one national agency (Institute for Nature Conservation and Forests - ICNF, 2012). The main objective was to increase the efficiency of the administration.

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![Figure 6. Forest-related staff in public research, education and training institutions in 2013 (FTE equivalent)](image-url)
Some Eastern European countries, including Bulgaria and Montenegro, continued to adapt state forest management arrangements towards the functional differentiation of administrative and control functions.

**Bulgaria**

The adoption of a new Law on Forests (LF) determined the division of functions between the Ministry of Agriculture and Food and the Executive Forest Agency (EFA). The state forest administration, EFA, performs control functions and, in accordance with art. 163 of the LF, the 6 State Forest Enterprises implement the management activities in the state-owned forest territories.

Compared to 2011, fewer countries reported the implementation of further measures to increase the support provided to private forest owners. However, work in this area continued in Eastern Europe and other countries, e.g. through a specific law relating to the Extension Service in Croatia. In Finland the “Finnish Forest Centre” commenced operations in early 2012; its activities include the promotion of forestry and related livelihoods, advising landowners on how to care for and benefit from their forests and the ecosystems they contain, the collection and sharing of data related to Finland’s forests, and the enforcement of the forestry legislation.

The number of forest-related public employees reported for 2013 is around 14% lower than that reported for 2010.

The total size of the forest-related public staff (FTE) changed between 2010 and 2013 in the 18 countries for which data is available for both reference years.

Whereas a total of 12 countries reported staff reductions, 6 countries experienced an increase in their workforces. Overall, the net shift in employment among the reporting countries amounts to a total reduction of around 29,235 public employees (see Figure 7).

The decrease of 11,000 public forest employees in Romania is due to both administrative restructuring following forest restitution and an artefact related to some reporting challenges. The reason for the decrease of round 10,000 public forests staff in Ukraine is the outsourcing of certain activities/forestry operations to private contractors and institutional reforms in the public forest sector (optimization of structures). Bulgaria reported a notable reduction of 71% in public staff due to the establishment of six new state-owned forest enterprises, which have since appointed the majority of this personnel, giving a minimal or no net loss in staff numbers. Greece and Latvia also reported public forest employment figures that are 55% lower than in 2010. The decline in employment in Greece is due to the higher rate of retirements and the significant reduction in the recruitment of staff due to the financial crisis.

The countries which reported more staff in 2013 than in 2010 include Hungary, Turkey, Austria, Poland and Sweden. In Hungary, the government’s public employment programme contributed to the hiring of an additional temporary workforce of ca. 3,863 (FTE) by state-owned forest companies. If added to the public forest management staff, this gives a workforce of 9,358 (FTE) or ca. 8 employees per 1,000 ha managing public forests.
Part I: A3 Legal/regulatory frameworks and international commitments

Introduction

The national forest laws and their complementary regulations, nature and forest protection regulations, hunting and wildlife management legislation, land-use and related planning acts, and, in some cases, the constitution are the cornerstones of the legal/regulatory framework relating to a country’s forests.

At international level, FOREST EUROPE has adopted a total of 12 Resolutions at four Ministerial Conferences since 1990. A range of EU regulations and directives also address forest matters and are legally binding for EU Member States. A number of further conventions and political processes relating to forests address specific topics or regions within Europe, for example, the Environment for Europe process, the Convention on Long-Range Transboundary Air Pollution, the Alpine Convention, the Carpathian Convention and the European Landscape Convention.

In addition, forestry-related international legal instruments, adopted, in particular, during and after the United Nations Conference on Environment and Development (UNCED) in 1992, and specific regional conventions and agreements pertaining to forests directly influence or determine national forest-related legislation.

Table 2. Year of enactment of forest legislation in force and latest amendments since 2000

<table>
<thead>
<tr>
<th>Year</th>
<th>COUNTRIES date of enactment of forest legislation in force</th>
<th>COUNTRIES date of latest amendments of forest legislation in force</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior to 2005</td>
<td>Austria, Czech Republic, Denmark, France, Finland, Greece, Iceland, Italy, Latvia, Poland, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>Croatia, Slovak Republic</td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td>Norway, Ukraine, Portugal</td>
<td>Spain, United Kingdom</td>
</tr>
<tr>
<td>2007</td>
<td>Estonia, Russian Federation</td>
<td>Albania</td>
</tr>
<tr>
<td>2008</td>
<td>Romania</td>
<td>Croatia, Estonia, France</td>
</tr>
<tr>
<td>2009</td>
<td>Hungary</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>Montenegro</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>Bulgaria, Serbia</td>
<td>Latvia</td>
</tr>
<tr>
<td>2012</td>
<td>Cyprus</td>
<td>Serbia</td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td>Austria, Finland, Switzerland</td>
</tr>
<tr>
<td>2014</td>
<td>Luxembourg, Ireland</td>
<td>Bulgaria, Czech Republic, France, Greece, Luxembourg, Norway, Poland, Romania, Slovak Republic, Slovenia, Sweden, Turkey, Ukraine, Denmark</td>
</tr>
</tbody>
</table>
A total of 11 countries make explicit reference to the FOREST EUROPE definition of SFM in their national legal/regulatory framework and 9 countries to the FOREST EUROPE C&I for SFM (see Figure 8) (Criteria & indicators for Sustainable Forest Management). Hungary reported that its legal/regulatory framework refers to FOREST EUROPE resolutions.

The new EU Forest Strategy provides a key reference for EU forest-related policy development

Forest and forest industry policy does not constitute a common EU policy area as defined by the EU treaties. It remains an explicit Member State area of competence. Nevertheless, the EU has legal competence in a range of areas that are forest related, for which new regulations, directives, Council conclusions or communications were issued or entered into force since 2011, see Table 3. A new EU Forest Strategy was adopted in 2013, which aims to enhance coordination and facilitate the coherence between forest-related policies and other sectors that influence forest management. It is intended to provide the key reference in EU forest-related policy development.

Trends and explanations

Half of countries amended legal and regulatory frameworks since 2011

15 of 34 reporting signatories reported changes in their legal or regulatory frameworks. Some countries implemented fundamental changes, including the passing of a new Forestry Act (Ireland) or issuing of an extensive package of new forest acts to accompany the restructuring of the sector (Finland). The most common amendments in the legal/regulatory frameworks address issues concerning the governance of land-use change (Croatia, Greece, Portugal, Switzerland, Turkey, Ukraine). Several countries also reported on
action for the integration of the EU FLEGT and EU Timber Regulation as the most significant change to have arisen since 2011 (Austria, Czech Republic, United Kingdom).

**Follow-up to international commitments focused on EU Timber Regulation and FOREST EUROPE Oslo Ministerial Decision and Resolutions**

With regard to international commitments, 20 countries stated that they have carried out significant initiatives since 2011. Such references mainly concerned the implementation of the EU Timber Regulation (Belgium, Bulgaria, Czech Republic, France, Portugal, Slovenia, Ireland) and the FOREST EUROPE 2011 Oslo Ministerial Decision and Resolutions (Austria, Iceland, Montenegro, Spain, Sweden) and work implemented in the context of the Carpathian Convention (Romania, Slovak Republic, Ukraine).

Few countries made reference to the implementation of commitments in relation to the Rio Conventions on Climate Change and Biological Diversity (Finland, France, Sweden). Only 3 countries made reference to the UNFF non-legally binding instrument on forests, which was adopted in 2007 (Bulgaria, Spain, Sweden).

**Romania**

Collaboration for the preparation of the Strategic Action Plan for the implementation of the Protocol on sustainable forest management under the Framework Convention on the Protection and Sustainable Development of the Carpathians.

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**Table 3. EU regulations and directives, Council conclusions and communications related to forests and the forest sector issued since 2011**

<table>
<thead>
<tr>
<th>Area of EU activity related to forests</th>
<th>Legal / regulatory instruments of the EU and further non-legally binding instruments used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest and climate change</td>
<td>Decision No 529/2013/EU of the European Parliament and of the Council of 21 May 2013 on accounting rules on greenhouse gas emissions and removals resulting from activities relating to land use, land-use change and forestry and on information concerning actions relating to those activities EU strategy on adaptation to climate change, 2013</td>
</tr>
<tr>
<td>Forest and research</td>
<td>EU Regulation 1291/2013 Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)</td>
</tr>
</tbody>
</table>
The Indicator “Financial instruments/economic policy” addresses two separate areas. Financial instruments are deployed to pursue a wide range of public goals by providing financial incentives or disincentives for the target group. Private forest holdings are subject to tax regimes and receive financial incentives, e.g. in the form of grants, loans or compensation. In the case of state forest agencies funding is distributed through budget allocations in accordance with the legislation. “Economic policy” addresses the economic dimension of sustainable forest management more broadly. The following section will address, first, the broader aspect of “economic policy” and then focus on more specific financial instruments.

**Status**

**The management of state-owned forests is financially self-sufficient or profit-oriented in 16 countries**

26 countries specified policy objectives or main measures taken to address economic aspects of publicly owned forests. 16 countries reported that the financial arrangements for state-owned forests are designed in such a way that these are financially self-sufficient or profitable. This is also reflected in the fact that 8 countries reported that the main economic objective for public forests is economic self-sufficiency (France, Montenegro, Poland, Sweden, Ireland) and/or economic profitability (Austria, Finland, Latvia) and the provision of revenue to the state. 18 countries provide additional financial support from government for forest management (see Table 4).

Around half (11) of the responding countries stated that their economic policy for public forests aims to ensure the provision of public goods, protect resources, or enhance efficiency and productivity through different forms of subsidies, preferential conditions for grants, compensation, or tax reductions. These range from support for the improvement and maintenance of the productivity and quality of state forests (Hungary, Montenegro, Portugal, United Kingdom), improvement of the competitiveness and viability of forestry (France, Montenegro, Poland, Switzerland, Sweden) and/or economic profitability (Austria, Finland, Latvia) and the provision of revenue to the state. 18 countries provide additional financial support from government for forest management (see Table 4).

**Economic policies for private forests aim to ensure and enhance the viability of the sustainable provision of benefits**

5 countries reported that the objectives for private forests are similar or identical to those for publicly owned forests (Portugal, Slovak Republic, Romania, Switzerland, Sweden). Enhancing private forest development and its economic viability is a common general objective of the economic policies and is reported, for example, by Hungary, Latvia, Montenegro and the Slovak Republic. Several countries also reported

### Table 4. Financial arrangements related to state-owned forests and their management in 2013

<table>
<thead>
<tr>
<th>Financial arrangements</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit/financially self-sufficient forest management</td>
<td>Bulgaria, Croatia, Czech Republic, Finland, Germany, Hungary, Latvia, Montenegro, Norway, Poland, Romania, Slovenia, Spain, Sweden, Turkey, Ireland</td>
</tr>
<tr>
<td>Additional financial support from government to forest management</td>
<td>Belgium, Cyprus, Czech Republic, France, Greece, Iceland, Italy, Luxembourg, Portugal, Romania, Slovak Republic, Spain, Switzerland, Turkey, Ukraine, United Kingdom, Serbia, Denmark</td>
</tr>
</tbody>
</table>
that ensuring and enhancing the supply of wood and other benefits from forests is an explicit economic policy (e.g. France, Norway, United Kingdom).

**Latvia**

The basic principle is the development of a market economy and free competition in the forest sector through the establishment of an appropriate legal system and reduction of state intervention in economic activity. If economic activities in forests are restricted due to the ecological or social functions, forest owners are entitled to compensation.

**France**

To improve the mobilisation of wood and ensure the profitability and sustainability of forest management. To develop forestry as a source of economic growth and employment, promote the use of timber in the construction sector the use of wood as an energy source with due respect to SFM and the existing forest-based industry.

**Ireland**

The objectives of the main measures taken to address aspects of privately owned forests are, inter alia, to (i) increase the national forest area, (ii) support and encourage the sustainable management of existing forests, (iii) increase the level of output of forest goods and services, and (iv) support the economic viability of privately owned forests.

Subsidies are the most common financial instrument used by 22 countries to influence private forest management

Grants/subsidies are the most commonly reported financial instrument used. These are mainly provided for NATURA 2000 sites (Belgium, Hungary, Denmark), ecosystem services (Croatia), the sustainable management of private forests (Czech Republic, Finland, Romania), and afforestation and management of woodlands for social benefits (Iceland, Ireland, Hungary, Denmark, United Kingdom). Funds are also granted to forest owners for investment in forest infrastructure (France, Norway), the use of forest biomass for energy (Montenegro), silviculture, forestry planning, environmental measures and forest extension (Norway), forest management plans, national parks, forest fire protection, conservation measures against bark beetle (Slovak Republic), and the maintenance of protective forests (Switzerland).

The national rural development programmes co-financed by the EU provide support for private forest management through subsidies in some of the reporting countries (as reported e.g. by Austria, Hungary, Sweden, Italy).

15 countries reported the use of tax measures, including the reduction of or exemption from land or forest taxes (e.g. Czech Republic, France, Iceland, Latvia, Norway, Poland, Romania, Denmark, Ireland, Spain). 7 countries reported on the existence of national public funds that provide support for the restoration and maintenance of protective forest functions (Austria), forestry service activities for private forest owners (Montenegro), afforestation and establishment of forest belts/windbreaks on private land and for maintenance of respective plantations up to canopy closure (Romania). Government grants are provided to private forest owners in Ireland to encourage the sustainable management of private forests. A few countries reported incentives in the form of free plants, technical advice etc. for greening private lands (Cyprus), and agreements for the improvement of forest biodiversity and the economic efficiency and performance of the forestry sector (Switzerland) (see Figure 9).

Only 3 countries reported on investment support measures (Austria, Spain, Sweden). For example,
Sweden provides support for investments yielding higher added-value including innovative business ideas, e.g. eco-tourism, product refinement and development. 3 countries reported the use of loans. In Finland, minor loans are granted to private forest owners, in France loans are used for investment in the modernisation of sawmills, in Switzerland investment loans are provided to the cantons for improving the structure of forest enterprises and their processing techniques. 7 countries (Bulgaria, Czech Republic, Latvia, Montenegro, United Kingdom, Spain, Romania) reported on the use of other financial instruments for private forest management. Of these, the most frequently reported one is the provision of technical and management support to forest owners. Other countries referred to compensation for forest management restrictions (Latvia) and agreements with banks about social activities, e.g. La Rioja Forest Administrations (Spain). Based on its agreement with the la Rioja forest administration, the Caixa Bank invested EUR 350,000 mainly in afforestation projects to assist in the mitigation of climate change.

Transfer payments are most frequently used for the conservation of forest biodiversity, followed by support for forest inventory and planning, and the protection of soil and water

21 signatories (of 34) reported on the use of transfer payments for promoting the conservation of forest biodiversity, and 16 countries use transfer payments to support protected areas. In comparison, 18 countries use transfer payments to increase and improve inventory and management planning for the forest resource base, and 18 countries use payments for the protection of soil and water; see Figure 10.

Figure 11 presents an overview of total transfer payments (support to private forest management) per country in 2013. Such payments were reported by 17 countries as totalling some EUR 825 million in 2013 (2011: EUR 1,697 million - 29 countries reported). Statistically, this would amount to an average of around EUR 114/ha/year of transfer payments for private forest management. Based on the reported data, Ireland spent EUR 333/ha/year, followed by Switzerland with EUR 174/ha/year. Norway reported support of around EUR 44/ha/year while the amounts paid in Sweden, France, Cyprus and Finland were somewhat higher. In comparison, Slovenia and Estonia reported average payments of EUR 25/ha/year. The figures reported by Serbia and Romania indicate transfer payments of less than EUR 1/ha/year. For the FOREST EUROPE region as a whole, around 86.5% of payment is reported as domestic funding and only around 13.5% as external funding.

### European Union

Forests and the forest sector currently receive significant EU funding. Forestry measures under the Rural Development Regulation are the EU Forest Strategy’s resource backbone (90% of total EU forestry funding). According to the latest cumulative declared expenditure from Member States, 3.8bn€ have been used in the period 2007-2013 for forestry specific measures under EU Rural Development Regulation. In addition to the forestry-specific measures substantial amounts of funding is directed to forestry through other horizontal measures which can cover both agricultural and forestry activities. 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. Other possibilities exist in Horizon2020 (supporting research and innovation actions, including the public-private partnership on bio-based industries), LIFE+ (supporting nature conservation, climate change adaptation, information and protection needs), and the structural funds (that support cohesion projects). Development and climate change policies also provide financing for third countries, in particular through EU development funds, REDD+ and FLEGT.

### Figure 10. Specific objectives of transfer payments (number of countries) in 2013

<table>
<thead>
<tr>
<th>Objectives / purpose for TP</th>
<th>Number of countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conservation of forest biodiversity</td>
<td>25</td>
</tr>
<tr>
<td>Forest inventory and/or planning</td>
<td>20</td>
</tr>
<tr>
<td>Protection of soil and water</td>
<td>15</td>
</tr>
<tr>
<td>Establishment or maintenance of protected areas</td>
<td>10</td>
</tr>
<tr>
<td>Afforestation</td>
<td>5</td>
</tr>
<tr>
<td>Forest stand improvements</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
</tr>
</tbody>
</table>
Figure 11. Overview of total transfer payments (million EUR) in 2013

Figure 12. Transfer payments (million EUR) in 2013
Total operating expenditure, i.e. government expenditure on public institutions engaged solely in the forest sector, reported by 20 countries was EUR 2,771 million per year. Some 99.4% of this expenditure was reported as originating from domestic funding with only some EUR 13 million/year from external funding. Statistically, on average, this total sum would amount to around EUR 11.3/ha for operational expenditure on forest and other wooded land per year (Figure 13). The higher figure for operational expenditure in Turkey is due to the fact that a lot of the public expenditures were allocated to combating forest fires.

As reported by 23 countries (representing 80.5% of forest and other wooded land area in the FOREST EUROPE region), total public expenditure by governments on all forest-related activities was EUR 3,234 million in the last available reporting year. Some 94.6% of this expenditure was stated as originating from domestic funding with only around EUR 90 million/year from external funding. Based on the data provided, this total sum would amount on average to around EUR 17.9/ha of total public expenditure on forest and other wooded land per year. According to these figures, the leading countries are Hungary (EUR 106.7/ha), Cyprus (EUR 81.4/ha), and Turkey (EUR 69.4/ha).

Depending on the size of public forests and the arrangements with regard to their management, the allocation of the expenditure tends to vary significantly. Where the management of public forests is undertaken by a separate body, total public expenditure for forest administration tends to account for some 40-80% of all expenditure. Where state forest management is part of government expenditure, its share tends to exceed 50% of total expenditure. Expenditure for public forests

Figure 13. Operational expenditure in the forest sector in million EUR in 2013
research, education and training institutions is around 7% of total public expenditure in the sector on average (ranging from 27.7% in Sweden to 0.2% in Bulgaria and is followed by support for different types of forest associations (around 2.6% of total public expenditures in countries where data is available) (see Fig. 14).

Figure 14. Total expenditure in EUR in 2013. a) Total expenditure as allocated to different recipients. b) Total public expenditure
The countries were requested to estimate the total allocations of public expenditure across the six criteria for SFM. The data from the 17 countries that responded indicate that, on average, 25% of all funds are allocated to productive forest functions, around 20% to forest resources and protective functions, and around 10% each to health and vitality, biodiversity and socio-economic functions. As can be seen from Figure 15, the countries indicated very different priorities. For example, Ireland specified that 93% of expenditure goes towards forest resources. Montenegro indicated that 88% of expenditure targets productive forest functions. Romania estimates that over 70% of public expenditure is allocated to productive functions. Ukraine indicated that 69% is used for socio-economic functions, and Sweden specified that 65% of expenditure relates to biodiversity protection.

Trends and explanations

Over half of the countries (23 out of 34) reported “no changes” since 2011 in relation to national economic policy on forests (public and private). 8 countries reported new developments and/or changes. These mostly concerned reductions in taxes and fees (Croatia, Denmark, France, Spain). In some countries the support provided for the forest sector was reduced due to the economic crisis or for other reasons. In Iceland, for example, state financing for forestry has been cut by approximately 50% in real terms since 2009 and this trend is expected to continue. Some countries were less severely affected (e.g. Cyprus) and new funding mechanisms were created in a few countries (e.g. France).
France

Creation of a new strategic forest fund to improve the management of existing financial resources used for the benefit of forests. Improvement of tax measures for insurance and works. New financial contribution by local authorities to the national forest agency budget.

As in the past, many countries report that they focus on direct supply side support to economic activities, which is often co-financed in EU Member States by support through the EU Rural Development regulation. It should be noted that the new EU Rural Development policy for 2014-2020 has not had any impact on the reporting yet.

Significant changes in financial instruments relating to forests since 2011 only took place in 9 countries and the European Union

Almost one third of the signatories reported changes in financial instruments since 2011. These included the establishment of new financial funds (Bulgaria), the EU CAP reform and related national rural development programmes (European Commission, France, Portugal, Spain), and a decrease in state budgets/financial support for SFM, mainly due to the economic recession (Iceland, Montenegro, Ukraine).

Figure 16. Total public expenditure relating to forest and other wooded land (EUR/year/ha) in 2013

Figure 17. Estimated distribution of total public expenditure across the six criteria for SFM in 2013
**Indicator A5 Informational means**

**Introduction**

Informational means encompass a wide range of tools and approaches, such as research and development, education and training, advisory and extension services, public relations and awareness-raising as well as regular monitoring and assessment systems that provide information on the state of forests and the effectiveness and efficiency of sustainable forest management practices. Informational means are essential for informing citizens and the public about forests and for establishing a dialogue on forest-related issues and priorities. They also contribute to increasing the transparency of forest policy-making and to holding forest policy-makers accountable.

**Status**

*31 countries provide public access to forest inventory data*

Almost all of the reporting signatories (31 of 34) indicated that there is public access to forest inventory data in their countries. In general, the results of the forest inventories are published on the national websites (Austria, Bulgaria, Croatia, Finland, France, Germany, Hungary, Iceland, Italy, Luxembourg, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom). In a few countries, e.g. Bulgaria, Cyprus and Ukraine, access to data is limited and available on demand. The usual restrictions on detailed data apply, i.e. in some countries plot data are only available on demand and to the owners. Only 2 countries have reported no access to forest inventory data (Greece and Montenegro). The EU reported on the European Forest Data Centre, EUROSTAT, EU Biodiversity Indicators – SEBI etc.

![Figure 18. Existence of a formal (governmental) forest-related outreach and communication strategy in 2013](image-url)
14 countries have a formal governmental forest-related outreach and communication strategy

Nearly half of the signatories (14 out of 34) stated that a formal forest-related outreach and communication strategy exists and is available in many cases on government websites (see Figure 18). In several countries, the communication strategy is part of the NFP (e.g. Finland, Slovenia, Turkey). The EU issued a Forest Communication Strategy (2011), which was developed by the Standing Forestry Committee.

23 countries issue a national report on the status of sustainable forest management

Of the 23 countries that issue a national report on the status of SFM, several issue such reports annually (e.g. Bulgaria, Czech Republic, Estonia, Hungary, Poland, Slovenia, Sweden, Ukraine). 5 countries reported that they base their national reports on the pan-European C&I for SFM (Austria, Finland, France, Germany, Spain).

Trends and explanations

Social media are used by an increasing number of countries to boost the dissemination of forest information

Nearly half of the signatories (14 out of 34) reported changes in their informational means, primarily through the renewal or boosting of their internet presence and functionalities (reported by 8 countries) and the enhanced use of social media (reported by Austria, Czech Republic, Italy, Sweden, United Kingdom). A range of countries made direct reference to the International Year of Forests in 2011, which provided an impetus for enhanced communication about forests. The two groups mentioned most often as the specific targets of communication were young people (Finland, Hungary) and forest owners (Slovenia).