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BIOECONOMY GROWS IN FORESTS – opening words of the seminar

Distinguished participants of the conference, ladies and gentlemen, dear friends

It is my pleasure to bid you all a warm welcome to the European State Forest Conference here in Rovaniemi in Finnish Lapland and to the Arctic Circle!

Our theme – the bio economy – is a hot topic today. Mitigating climate change, developing a circular economy, and promoting sustainable development together make it necessary to increase our use of renewable raw materials and energy in place of fossil fuels. Forests are the major source of renewable biomass, both at the European as well as global level.

As always around such hot topics, political and media opinions are diverse, sometimes even controversial. Some see the bio economy as a solution to the problems, while others see more problems in the solution! European state forest organizations manage one third of European forest lands and thus cannot avoid participating in the discussion.

Our generation has grown up with the stereotypical mindset that forests are somehow under threat. In Europe this is not true at all. Both the forested area and the volume of timber in European forests have been steadily increasing for decades already - or even in some European countries, for centuries. On the global level the situation is likewise improving rapidly. According to the FAO, the world's forested area will no longer be decreasing in the 2020s. The volume of timber in the world's forests is already now in balance or even growing.

There is also a common misunderstanding that climate change can best be mitigated by keeping the volume of timber in the world's forests as high as possible. This can, however, be scientifically challenged. Sooner or later the growth of a forest stops and





trees start to decay and release carbon into the atmosphere. An unmanaged forest is not a permanent carbon sink!

The decisive thing from the point of view of climate change mitigation is the volume of the outflow of woody biomass, in that it must stay lower or at the same level as the growth of a forest. The higher this outflow and growth, the more that renewable wood can replace fossil energy and raw materials. So protecting and improving biodiversity in Nature certainly sets some limits to the outflow, but it does not change the big picture here.

In Finland, the new government, which started its work only three weeks ago, has set an ambitious goal for increasing timber harvesting by 15 million cubic meters from the present level of 55 mill m³ to 70 mill m³ per annum. We know that the volume of standing Finnish forests together with annual growth amounts to some 105 million m³, which makes it possible to achieve this goal.

However, it is not as simple as that. Firstly, the timber market must function well. We are basically a country of private family-owned forests and owners must have incentives to manage their forests well and to bring timber to market. Secondly, new investments in the industry are needed and luckily quite a few of them are already on their way. Thirdly, investments are needed in the infrastructure, especially local and regional roads, as well as to educate new professionals in timber harvesting and transportation. Fourthly, everybody should be convinced that the sustainability of forestry is not threatened by such an increase.

The main thing, though, is that forestry in Finland has a strong tail wind behind it, not least because of the strong emphasis on new inventions in the bio economy.

During the 10 past years Eustafor has stabilized its position amongst European forestry stakeholders. I'm sure that the strong political and economic momentum behind the bio economy will further strengthen our association. We have the necessary resources and knowledge to go forward on this path. We are already managing our forests with multi-use concepts, where economic, social and ecological interests are well balanced and most often operate in the very same areas.

I am very glad that we have such high-level speakers for this morning's session. I would like to welcome MEP Nils Torvalds, Minister of Agriculture and the Environment Kimmo Tiilikainen and Executive Vice President Heikki Vappula. I'm sure that you each have a lot to offer us, the representatives of Europe's State forests. Welcome!