Forest-based sector in the bioeconomy, processing industries (traditional and new) and innovation

Dear Commissioner Hogan, dear Members of the European Parliament, Ladies and Gentlemen,

First, allow me to congratulate you on this interdisciplinary initiative to have a joint hearing of the ITRE, AGRI and ENVI Committee on such an important subject as the European Forest Strategy.

Second, thank you very much for inviting me, as a representative of private forest owners to share with you some of our expectations and visions.

I will keep this very simple and general, but great visions are all kept simple.

Who are we, who are these private forest owners?

Unlike the farming community, we are usually very much under the radar, albeit big in numbers: we are around 16 Million individuals across the EU.

A big number, but mostly smallholders!

The average holding size adds up to 5 to 6 football fields. This is also where the biggest potential as well as the biggest challenges lie:

The huge diversity in individual goals as to what to do with our forests.

A nightmare for any lobbyist.

However, we are strongly united in respect and humbleness for the complex and dynamic natural processes that we experience on a daily basis in our forests.

And, there is one thing that we learned through the generations, one thing that prevails all virtual ideology — sustainable forest management is only viable if we approach it in a truly holistic way.

Holistic means, trying to find a daily compromise, a balance. Maximization of one of the three known pillars inevitably leads to the collapse of the system.

Our forests are in the best sense multitasking and multitalented ecosystems: They are oxygen producers, water collectors and purifiers, soil stabilizers, home for a rich diversity of fauna and flora, landscape architect, recreational animator and education center for one of the most fascinating renewable resources: namely wood.

Some visionary people have announced the 21<sup>st</sup> century to become the age of wood. I totally agree with and advocate that vision. But only if we can continue to manage our forests and do not follow shortsighted Zeitgeist tendencies.

We invest money in trees that take 100 years to mature. Fundamentally changing forest policies every 5 to 10 Years, however, does't really help our motivation to do so in the future.

Over the last 300 years we have gradually improved our knowledge about sustainable forest management, we are of course still learning every day, but we provided enough evidence, that we are able to produce wood without unduly compromising any other forest function.

We are also very much open for factual input from interested third parties that help us to improve our knowledge about our forests.

However, what we cannot cope with and do not appreciate, are postfactual demands driven by ideology rather than scientific facts and empirical knowledge.

As Forest owners, we carry the responsibility for our environment and we also carry the financial risk.

This is the simple but crucial difference between us and most other socalled stakeholders and this is also why we are asking for preferential treatment and respect for our ownership rights.

In 1996, it was in fact a member of this honorable Parliament, Sir David Thomas, who highlighted in his report to the Commission and the Council: I quote: "The EU forestry strategy should take account of the fact that most of Europe's forests are the property of millions of forest owners who have to ensure a multi-functional management of forests guaranteeing the sustainability of the associated natural resources: the property rights of these forest owners must be respected". Unquote.

The 1998 EU Forestry Strategy was a first signal to EU decision makers that this resource has a significant positive impact on our daily lives, be it as an ecosystem, as a source for a variety of products, as workplace or basis for livelihoods.

The first EU Forestry Strategy sent a clear signal to other policy sectors to respect the holistic nature of forests and forestry and take due consideration of the subsidiarity principle.

Now, these two important issues are of subordinated importance in the current EU-Forest Strategy, where forests and forestry are mainly seen to serve other policy sectors.

The detrimental consequences of this shift can be observed in daily policy deliberations, be they LULUCF, RED II or any other single issue driven policy.

These policies are designed to maximize isolated policy goals without due consideration of the complex picture.

Nevertheless, we are convinced that the EU Forest Strategy could add much more to a balanced policy design if it is taken seriously.

Coherence! Wasn't that its main goal?

The obvious links of the EU Forest Strategy to the SDGs of the United Nations and the Paris Agreement are important signals for a coherent EU policy design, irrespective of the sector.

The review of the Bioeconomy Strategy might also be a good opportunity to support the holistic approach of the EU Forest Strategy.

A stable, competitive and sustainable bioeconomy should be built on local resources.

It is in our hands whether our consumption patterns continue to have adverse effects on natural resources in third countries, (whether we continue to export our environmental footprint) or whether we give priority to the natural resources that grow sustainably in our backyard.

From a global perspective sustainability cannot be delegated abroad.

How can the EU, as the cradle of sustainable forest management, demand a holistic approach to sustainability from third countries, if our policies are mainly striving for the maximization of single issue driven interests?

Forests are an inherent part of rural areas and they are a main driver of rural stability and growth as the materials and products from our forests are the basis for a huge variety of traditional and innovative value chains.

Our ancestors invested in the forest to receive building material, fire wood and non-wood products, such as game, berries, mushrooms etc..

Many generations later, we are still looking after that very same forest

to provide society with building material, bioenergy, non-wood

products, textile fiber, hygiene products, chewing gum, 2<sup>nd</sup> generation

high tech materials with almost no application limits, to name but a

view.

Forests and Wood with all their characteristics are a truly unique

renewable and intelligent resource.

In Europe, we know how to manage our forests sustainably and in the

21 century, I think we owe it to the next generations to provide the

right framework to put wood as one of our most important resources

back on top of the political agenda.

Philipp Freiherr zu Guttenberg

Vice-President of the Confederation of European Forest Owners (CEPF)

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