

NOVEMBER 2024

EU forests under pressure

The path to resilience

SUMMARY

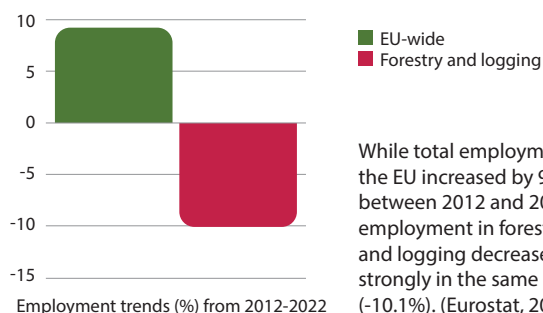
- **Tree cover is increasing**, but European forests have low resilience impacting their ability to buffer climate impacts, sustain other plants and animals, and remain a respite for Europeans.
- **Forest sector employment is declining**, despite public subsidies being used to increase harvests by propping up an environmentally and socially damaging forestry model.
- **There is a ready-made solution.** Supporting the transition from clearcut to continuous cover forestry (CCF) would increase forest biodiversity, profits for smaller forest owners, and local economies.

Industrial clear-cut forestry is widely used across the EU and has reduced biodiversity and social welfare

Clearcutting is by far the most common forestry practice across the EU, ranging from 60% to 98% in countries such as France, Finland, Ireland, Sweden, Spain, Portugal, and most Eastern European countries.¹ This is undermining economic, environmental and social sustainability. Employment in the forestry and logging sector is falling (see graphic on right²) and harvesting costs can sometimes exceed the profitability of wood sales.³ Increased tree cover without considering the age and species variety has meant that forests are turning into plantations, unable to provide many ecosystem functions.⁴ One example is that trees have absorbed less carbon since 2013.⁵ Big timber operators benefit from subsidies while small forest owners and the environment pay the price.

INDUSTRIAL FORESTRY DOES NOT LACK FUNDS

Despite the lack of pan-European information about subsidies, there are many powerful examples of misuse, such as the French forest sector receiving €200 million from Covid recovery funds, 87% of which went to planting trees after clearcuts.⁶



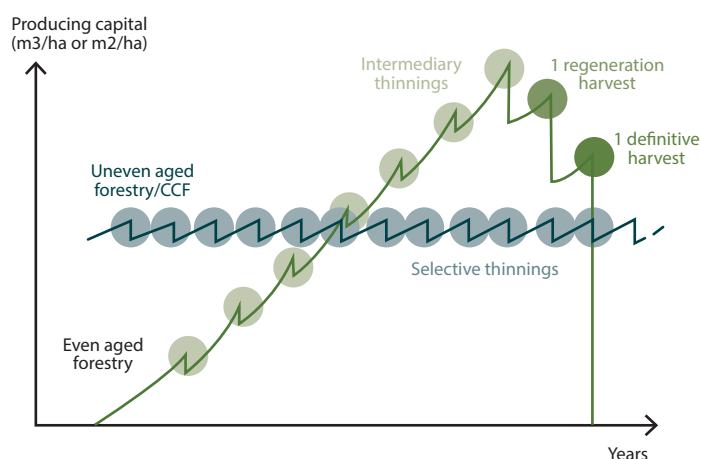
EU funds are perpetuating a model that does not support the climate or most forest owners

Funds are presently used to underpin a model based on producing large volumes of pulp wood and timber at the cheapest price for the paper and (heavily subsidised) biomass industries. This takes no account of the long-term consequences, or that money is being swallowed by already profitable businesses at the expense of workers and smaller forest owners.

For example, Sweden heavily promotes its clearcut forestry model across the EU,⁷ but according to Leif Öster, forester and former head of business strategy for the state-owned logging company Sveaskog: *“The Swedish forestry model is based on volume and low processing. A prerequisite then becomes that timber prices must be very pressured and low. The profits are made in industry and the countryside is paid very poorly for the timber. Very few of Sweden’s 310,000 forest owners can make a living off timber sales.”*

ALTERNATIVES ALREADY EXIST

CCF⁸ (where a small selection of mature trees are cut each year) is already being practiced and produces high-quality trees, while maintaining the tree canopy. It also enables forest owners to optimise their revenue while reducing the need for costly investments. This type of forest management relies on the forests’ natural dynamics to replace cut trees, rather than relying on the public purse to pay for new saplings. This is a crucial example of economic and ecological principles aligning.



CCF offers consistent returns with lower environmental impact, clearcutting offers a boom-bust cycle which harms the environment

WHY THE CHANGE HAS NOT ALREADY HAPPENED

Fern recently interviewed foresters about the barriers to an ecological transition in the forestry economy.⁹ They outlined problems including misguided subsidies; lack of training on alternatives; and large sectors using their power to prevent local forest owners from switching to CCF.

The EU is not on track to meet its own climate and environmental legislation, partly because they are offering massive subsidies that go against their own objectives. At a minimum the EU should:

- Focus on delivering a Forest Monitoring Law that improves and harmonises data.
- Encourage Member States to include CCF in their national restoration plans, and highlight resource needs, as required under the Nature Restoration Law.

1 Continuous cover forestry in Europe: usage and the knowledge gaps and challenges to wider adoption | Forestry: An International Journal of Forest Research | Oxford Academic (oup.com)
2 FOREST EUROPE | State of Europe's Forests
3 <https://www.fern.org/publications-insight/a-just-transition-2401/>
4 Anthropogenic modification of forests means only 40% of remaining forests have high ecosystem integrity | Nature Communications
5 <https://www.eea.europa.eu/en/analysis/indicators/greenhouse-gas-emissions-from-land#:~:text=The%20land%20use%2C%20land%20use,EU's%20annual%20greenhouse%20gas%20emissions.>
6 <https://www.canopee.org/wp-content/uploads/2023/07/canopee-bilan-plan-de-relance.pdf>
7 <https://www.fern.org/story-articles/duped/>
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