

Outlooks of forestry in the European Community with special emphasis on recycling^{*)}

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Forestry in the European Community

Nearly exactly 36 years ago, on 25th March 1957 the so-called treaties of Rome were signed. That was, as we have seen for many years, a milestone regarding the integration of European countries.

Europe is a wonderful continent, mostly because of its diversity. Diversity has a lot of advantages, but also many disadvantages, which often led to a terrible history. To overcome this historical burden, European integration had become indispensable.

We now feel as citizens of Europe, and that is no contradiction to the fact that, at the same time, we want to feel at home (and we still can feel at home) in much smaller areas like the national member states and the different regions within the member states of the European Community.

There are a lot of benefits also for the forestry sector in the European Community. For example, let's mention the free trade in and the free exchange of forest products between the member states. And from the German point of view there should not be any restriction to free trade also with countries outside the Community: No "banana fruit regulation" – you know, what I'm intending to say – not in the forestry sector, not in other areas!

There are also many people in my country – and I'm happy about that – who are well aware that Europe is more than the community of the twelve. As Germany is located in Central Europe, people in my country traditionally have

been oriented not only to the West, but also to the *North*, to the East and to the South of Europe, in the past as well as today. So, we highly appreciate the fact, that there are other countries which apply for membership in the EC, and as far as your country is concerned we also know the long and fruitful and not very often interrupted tradition of Finnish-German friendship.

In addition, in my view, despite all the trouble that has followed Maastricht, the majority of people in the member countries do not question the basic idea of European integration or at least, they would not do so if they carefully looked at the advantages of and the benefits from it. What causes trouble is the multitude of details of integration, details regarding the vast areas of arrangements necessary or not necessary for strengthening the community, but not the basic idea of the Community itself.

People do not want only to be Europeans. They want to feel at home also in their member states and in their regions (in Germany called "Länder"). So, the principle of subsidiarity has got increasingly important. The principle of subsidiarity to a large extent concerns the forestry sector, too, and so we come back right in the centre of what we are discussing.

Forestry in Sicily is quite different from forestry in Denmark. And there are (and must be) also important differences between Bavaria and the North of my country regarding forest management. Forest policy must consider these differences. Forest policies must be different in the different member states and "Länder". Member states and "Länder" must have the right of following their own ideas of forest policy. There must not be a uniform forest policy all over the European Community.

There must be a balance of power, a balance of competences between Brussels, the member states and even the "Länder".

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It is quite natural that there are different views regarding the principle of subsidiarity in the member states. Germany and some other countries strongly support it. Other countries prefer first to look at the subsidies which the Commission likes or would like to grant to the forestry sector. But subsidies very often are followed by guidelines, which may concern national forest policy. So, there are often a lot of discussions and even controversial discussions in the Standing Forestry Committee in Brussels, in the Council of Ministers and in ad hoc-groups working for the Council.

We had such controversial discussions about the so-called "Forestry Action Programme" in 1988 and 89 and about the draft regulations proposed by the Commission. These regulations had to be modified before being adopted. It is possible that we *will* have such controversial discussions before the end of this year, again, because the Commission is intending to launch a new initiative in the form of a so-called communication to the Council and, on this basis, to submit proposals for legally binding regulations concerning

- guidelines for sustainable forest management,
- extending grant schemes, which already exist in the so-called "objective 1 and 5b regions", to other regions,
- a Community action for the restoration of forests destroyed or damaged by atmospheric pollution, fires or epidemics,
- the establishment of a conservation network and coordinated actions for the in situ and ex situ conservation of important tree species,
- afforestation of land susceptible to erosion and desertification,
- forest information and research.

These objectives look good and meaningful, but the question remains, if and to what extent it's really necessary for the *European Community* to take measures. The answer has been given by a new Art. 3b of the European Treaty, adopted in Maastricht in 1992, which reads: Common actions only, if the objectives cannot be reached by measures of the member states themselves.

And the Edinburgh Summit, following the principle of subsidiarity, added (in December 92): Basically the member states have the right to take measures or not, whilst any competences of the Community continue to be the exception. Community actions, if necessary, should not too much go into details.

Up to now, the Commission has not sufficiently pointed out, that and to what extent the above mentioned measures must necessarily be taken at Community level.

Of course, we know e.g. that there are areas in southern countries threatened by desertification, fires etc., and Germany has always supported, also in financial terms, EC programmes helping those countries to combat desertification for example by afforestation, to prevent forest fires, to better manage existing forests, already in the seventies. But Community subsidies should be concentrated on such limited areas. We do not want grant schemes like these extended to other areas, if not necessary, and we do not want grant schemes extended to other countries, which are able to manage their forests on their own, which are able to help private forest owners on their own, which are able to take particular measures appropriate in a particular region, and which are better informed how to do so than any centralised bureaucracy can be.

Furthermore we have to state that there is *no* particular competence of the Community laid down in the EC Treaty regarding forest policy.

Wood had not been included in Annex 2 like agricultural products.

That was a wise decision taken in 1957 and also today, we do not want any measures, which look like a common agricultural policy in the forest products sector. So, we resisted any initiatives in this direction, when we saw such initiatives – up to now not successful – in the past, last in 1988, and we will continue to resist, whenever such initiatives may be proposed in the future.

What we can support, are – to give another example – subsidies for afforestation of agricultural land in order to help agricultural policy to solve its special problems (and, of course, to extend the forest area at the same time).

What is necessary and what we strongly support are e.g. initiatives and measures to mitigate the impacts of air pollution on forests, better cooperation in and financial support for forest research and research in the forest products sector, exchange of views and of experiences, coordination of some forest policy aspects on a *voluntary* basis, financial and technical assistance to tropical countries in order to protect and to manage their forests in a sustainable and environmentally sound way, a coordinated and appropriate follow up to the UN Conference on Environment and Development held in Rio de Janeiro in 1992.

Furthermore the forest officers in the EC-Com-

mission services should take care of all the other EC policy sectors, which may have effects – positive or negative – on forestry like economic policy, tariffs and trade, nature protection, wildlife management, etc., or where forestry can contribute to the solution of problems such as global warming and loss of biodiversity, to the maintenance of ecological balance, to the development of rural areas, and to other purposes.

As you can see, there are many areas, where forest policy must react or (better) act and actively make contributions. All these aspects must be borne in mind, whenever we talk about forest policy in the European Community. It is fascinating to deal with all these aspects and to cooperate with foresters and non-foresters from other countries within the European Community and from countries which are still outside but hopefully soon will be members of it. We are looking forward to also taking profit from *Finnish* experience and views in the forestry sector and, in the meantime, we can – and I think, we should – strengthen bilateral cooperation.

Wood fibre recycling

I also have been asked to discuss wood fibre recycling in the European Community, especially waste paper recycling and the *EC draft directive on packaging waste*. This directive aims at reducing packaging waste, also at reducing fibre based packaging by recovery and by recycling as well. Its targets are ambitious: 90 % recovery and 60 % recycling. Subsequently the rest can be used e.g. for energetic purposes. The targets must be reached by the member countries 10 years after the directive will have been translated by the member countries into national law.

You may ask why the EC is going to cause trouble to companies from other countries.

Giving you an answer, I have to confess that not only EC, but also Germany is on the way to some regulations concerning waste paper recycling. Even worse – you might think – in Germany a draft regulation regarding recovery of *print* paper waste is being discussed and a regulation regarding recycling of packaging (including recycling of fibre based packaging) *has* already come into force; that was 2 years ago.

The targets of this national regulation, already in force, are more ambitious than those of the draft EC directive, because viable alternatives to recycling like energy recovery or composting have been handled more restrictively. Once the

EC directive has come into force, the national regulation must be adapted, in this case weakened, many people believe. But that is not certain, because Art. 130 t of the EC Treaty allows member countries to maintain higher national environmental standards. It is an open question.

I'd like to point out that Central Europe is a very densely populated region, with big quantities of waste, being produced every year, and with not enough space to solve the problem of these garbage mountains by sending them to landfill. To give you a figure, I'd like to mention that in the western part of my country there are more than 250 inhabitants living on 1 km², which means about 15 times as many as in Finland and not much less than in the Netherlands.

Additionally most of the people in Central Europe do not agree to energy recovery by *incineration* which is politically very unpopular. Finally, there are a lot of people in Central Europe, who, if there is a choice, prefer to buy recycling products, e.g. recycling paper.

Even if, in some cases, recycling has not a positive impact on the environment, many people believe it has. Recycling, nowadays, is a magic term. That is the situation we have to cope with. That's why the idea of waste recycling has been strengthened. That's why waste paper recycling has been included in the agenda, too.

Of course, in my view, *all* environmental aspects must be considered. We must come to a *balanced* view. To give you an example: It would be nonsense if Finnish companies were forced to spend a lot of time, money, and energy for transporting waste paper from Central Europe to Finland and after recycling it, for transporting it back to Central Europe. Because – as I am informed – in Finland there is not enough waste paper available for Finnish industry to fulfil the targets of the expected EC directive, although the ratio of recollected waste paper in Finland is higher than elsewhere in the world.

Furthermore people and policy makers and politicians should also take into consideration that wood fibres are renewable, that they are neutral as to the carbon dioxide cycle, that using wood fibres does not release any additional CO₂ into the atmosphere like consumption of fossil fuels and other finite resources, that every quantity of CO₂ which is being released into the atmosphere by using wood, was absorbed before, was taken out of the atmosphere before, when the trees grew, and will return into growing biomass again.

In addition, contrary to common belief, in-

creased recycling of wood *is not* needed to save trees, neither in Central Europe nor in Scandinavia. That's different from finite resources, although a continuous input of fresh/virgin fibre is needed and recycled fibres cannot be used forever. Paper is produced mostly from forests which are being environmentally soundly managed. All recent studies on wood supply and demand in Europe (like ETTS IV) forecast a sufficient supply of coniferous timber, especially of pulpwood. So, Europe, too, does not need a special policy for fibre supply – as some people in Finland obviously believe. In parts of the EC, planting of more *broadleaved* trees is necessary. For that some member countries, including Germany, need to have a special national policy. Member countries should also develop strategies to cope with the growing forest resources in Europe. As far as pulpwood is concerned I will come back to this point later on.

To sum up, in my view, the above environmental aspects do not necessarily demand an increase in waste paper recycling.

But, on the other hand – I must repeat – reducing packaging waste going to landfill is indispensable in such densely populated regions like Central Europe.

Furthermore, we have to state that today's packaging solutions are the result of decades of evolution, the paper and board industry is one example, where, each year, less weight of material is needed to pack a given volume of goods. In addition, due to technical innovation each year less timber is needed to produce a certain quantity of paper and board. While, in Germany, in the fifties, 1.65 tons of pulpwood were needed to produce one ton of paper, today's figure points to 0.45; thus the relative wood consumption for this purpose has decreased by more than 70%. That is a fact, and that development will continue. The reasons are clear: waste paper is a highly appreciated raw material, collection systems have been established for many years, waste paper is less expensive than wood (at least in Germany; in Finland, too?). The EC directive and the consumers' demand will encourage this development, but, nevertheless, we should bear in mind, that *the main* reasons are different.

So, waste paper recycling will remain on the agenda of the paper and board industry, at least in Central Europe, the EC directive may come or

not. And the forestry sector has to cope with this fact, at least in Central Europe.

Well, maybe, for some time, the paper and board industry, or at least some branches of it, will consider the targets of the EC draft directive as *too* ambitious. In addition, the industry may underline that recycling is only *one* method to deal with reclaimed materials. Energy recovery or composting can be viable alternatives and they should be used. Consequently, the ambitious target of 60% recycling, eventually, may be slightly reduced during the forthcoming discussions. A balanced mixture of recycling and energy recovery seems to be a suitable solution. Fortunately, as mentioned above, recycled fibre cannot be used for ever and a continuous input of new fresh fibre will continue to be necessary. Forestry can also expect that paper consumption will continue to increase. Prophecies like "paperless society" and "paperless office" have proved groundless so far. Computers need paper, and modern copying technology has made paper increasingly necessary. Competition from TV and radio has not led to a decline, in absolute terms, in consumption of newspapers and books. In Germany paper consumption increased from 1970 to 1990 by 3.3% per year, and from 1985 to 1990 by 6.2% per year.

So, I would not say that there is no hope for the forestry sector and for round wood sales to the pulp and paper industry.

But, as pulpwood *supply* rather seems to *increase* than to decrease in Europe, and as it seems to increase faster than wood demand, the *forestry sector should look for alternatives for the use of roundwood*. As to smallwood, two alternatives are "on the market": use for the particle board industry, which, actually, unfortunately is not booming, and use for energy purposes (not only in households, but also in larger plants). In Germany, we are trying to create favourite conditions for this kind of wood consumption and we hope this alternative will be a viable one.

Other uses for smallwood are not "on the market", yet. But they must be found. That is a challenge for the forestry and for the forest industry sector. At least, every log which *can* be used for *other* purposes, *should* be used for other purposes.