

Forest Policy -Why?

Peter Lohmander 2009

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Motives for forest policy in different countries

US Forest Service International Programs

<http://www.fs.fed.us/global/aboutus/policy/welcome.htm>

- **International and national government policy on the management of forests is a subject of lively debate in most countries of the world.**
- **Forest policy dialogue is far-reaching.** Effective policy at the global level can raise the profile of and public awareness of forest issues; consolidate gains at the national and regional levels; help transfer knowledge, experiences, and resources among parties; and provide a strong context for practical actions.

US Forest Service cont.

The topics under discussion mirror concerns in countries and on the ground, and include

**sustainable forest management,
trade issues,
economic growth in underdeveloped areas,
land tenure and rights,
national security,
biodiversity,
and land use.**

US Forest Service cont.

Reflected in this dialogue is a **range of perspectives** on how a forest's many values and benefits should be **used, conserved and protected.**

The debate reflects the breadth of **stakeholders' interests**--often a challenge in trying to reach a consensus position.

Russia – The republic of Karelia

http://gov.karelia.ru/gov/News/2008/12/1229_11_e.html



Karelia, Russia cont.

- This volumetric document defines in detail prospects of timber industry complex development in the region for the period from 2009 to 2018.
- The Plan assumes, that during this period the fiscal revenues from use of woods of the republic will make 10,6 billion rbl.
- Thus, volume of payments in the federal budget will make 7,4 billion rbl., and the budget of Karelia will receive 3,2 billion rbl.

Karelia, Russia cont.

- As the Head of Karelia has emphasized, such documents of great consequence are signed once in 10 years. «**Our task is to create clear game rules in the branch and to preserve timber resources of the republic for the future,**» - Sergey Katanandov has noted.
- As experts estimate, annual gain of wood in Karelia makes 14 million cubic metres, however in view of ecological and social factors the amount of forest exploitation is established in the volume of 10 million cubic metres.
- It is expected, that upon start up of the planned capacities in lumbering and pulp and paper industry about 90% of harvest will be processed by enterprises of Karelia.
- At the moment the republic harnesses about 70% of allowable cut. To increase this parameter the Forestry Plan of Karelia provides development of a network of wood roads.

Finland:

Skogens mångfald ger hållbart välbefinnande

<http://www.mmm.fi/sv/index/framsida/skogar/skogspolitik.html>

- **Målet för skogspolitiken är att trygga mångfalden i skogsnaturen och välbefinnandet byggt på nyttjande av skogar.**
- **Skogspolitikens verktyg** är lagstiftning, officiell finansiering och informationsstyrning.
- **Ett hållbart skogsbruk har flera dimensioner:** en ekonomisk, ekologisk, social och kulturell dimension.
- **Att samordna dessa** är en utmaning som skogspolitiken måste möta.

Finland *cont.*

- Lyckade åtaganden kan **utvärderas med hjälp av kriterier och indikatorer** för det hållbara skogsbruket.
De viktigaste riktlinjerna för Finlands skogspolitik finns upptagna i det nationella skogsprogrammet 2010.
- **De regionala målen** ingår i regionala skogsprogram.
- När det gäller **målen om hållbar ekologi** kompletterar Programmet för mångfalden i Södra Finlands skogar METSO det nationella skogsprogrammet 2010.
- Framtidsforum för **skogsbranschen medverkar** i arbetet med planeringen av den långsiktiga skogspolitiken.

Sverige:

En skogspolitik i takt med tiden

Prop. 2007/08:108

<http://www.regeringen.se/sb/d/9700/a/101011>

Sammanfattning

(En proposition är regeringens förslag till riksdagen om en ny lag eller lagändring.)

- I propositionen föreslår regeringen vissa ändringar i skogsvårdslagen (1979:429) och gör den övergripande bedömningen att grunderna i den gällande skogspolitiken bör ligga fast men att
- framtida klimatförändringar i högre grad bör beaktas.
- I propositionen slås vidare fast att **skogspolitikens två jämställda mål, miljömålet och produktionsmålet**, och det **delade ansvaret mellan samhället och skogsägarna** förutsätter en tydligt definierad och långsiktig äganderätt.

Ändringarna i skogsvårdslagen började gälla den 1 januari 2009.

Motives for forest policy in different countries – *A deeper discussion*

US Forest Service International Programs

<http://www.fs.fed.us/global/aboutus/policy/welcome.htm>

- **International and national government policy on the management of forests is a subject of lively debate in most countries of the world.**
- **Forest policy dialogue is far-reaching.** Effective policy at the global level can raise the profile of and public awareness of forest issues; consolidate gains at the national and regional levels; help transfer knowledge, experiences, and resources among parties; and provide a strong context for practical actions.

US Forest Service cont.

The topics under discussion mirror concerns in countries and on the ground, and include

sustainable forest management, **Define "Sustainable forest management"!**

trade issues, **Mention some important effects of trade!**

economic growth in underdeveloped areas, **What countries have economic growth today?**

land tenure and rights, **Examples?**

national security, **Examples?**

biodiversity, **Examples?**

and land use. **Examples?**

US Forest Service cont.

Reflected in this dialogue is a **range of perspectives** on how a forest's many values and benefits should be **used, conserved and protected**. **Examples of perspectives?**

The debate reflects the breadth of **stakeholders' interests**--often a challenge in trying to reach a consensus position.

Examples of stakeholders' interests?

Russia – The republic of Karelia

http://gov.karelia.ru/gov/News/2008/12/1229_11_e.html



Karelia, Russia cont.

- This volumetric document defines in detail prospects of timber industry complex development in the region for the period from 2009 to 2018. **One forest owner with a defined objective.**
- The Plan assumes, that during this period the fiscal revenues from use of woods of the republic will make 10,6 billion rbl. **Degree of certainty?**
- Thus, volume of payments in the federal budget will make 7,4 billion rbl., and the budget of Karelia will receive 3,2 billion rbl. **Regional distribution.**

Karelia, Russia cont.

- As the Head of Karelia has emphasized, such documents of great consequence are signed once in 10 years. «**Our task is to create clear game rules in the branch and to preserve timber resources of the republic for the future,**» - Sergey Katanandov has noted.
- As experts estimate, annual gain of wood in Karelia makes 14 million cubic metres, however in view of ecological and social factors the amount of forest exploitation is established in the volume of 10 million cubic metres.
- It is expected, that upon start up of the planned capacities in lumbering and pulp and paper industry about 90% of harvest will be processed by enterprises of Karelia.
Presently, pulp and paper production in Russia is much lower than in Finland and Sweden. It could be strongly increased. Lohmander (2009)
- At the moment the republic harnesses about 70% of allowable cut. To increase this parameter the Forestry Plan of Karelia provides development of a network of wood roads. **In Russia, the sustainable harvest level is probably, approximately, 10 times higher than today. Lohmander (2009)**

Finland:

Skogens mångfald ger hållbart välbefinnande

<http://www.mmm.fi/sv/index/framsida/skogar/skogspolitik.html>

- Målet för skogspolitiken är att trygga mångfalden i skogsnaturen och välbefinnandet byggt på nyttjande av skogar.

Define "diversity" and some quantitative way to measure and check it!

What is the meaning of "secured diversity" and how do we measure the degree of security?

Define "well being" and some quantitative way to measure and check it!

- Skogspolitikens verktyg är lagstiftning, officiell finansiering och informationsstyrning.
- Ett hållbart skogsbruk har flera dimensioner: en ekonomisk, ekologisk, social och kulturell dimension.

Define "sustainable forestry" in the three suggested dimensions!

If some type of forestry, in some region, leads to a very "good" and "sustainable" ecological situation but will lead to a profit from forestry in that region, that is slowly going down; Will that be good for the country anyway, even without a locally sustainable economic situation? Maybe you can increase harvesting in some other region or increase the imports of timber and pulpwood from other countries?

- Att samordna dessa är en utmaning som skogspolitiken måste möta.

Finland *cont.*

- Lyckade åtaganden kan **utvärderas med hjälp av kriterier och indikatorer** för det hållbara skogsbruket.
De viktigaste riktlinjerna för Finlands skogspolitik finns upptagna i det nationella skogsprogrammet 2010. **Suggest some criteria or indicators that can be used to evaluate sustainable forestry!**
- **De regionala målen** ingår i regionala skogsprogram.
- När det gäller **målen om hållbar ekologi** kompletterar Programmet för mångfalden i Södra Finlands skogar METSO det nationella skogsprogrammet 2010.
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- I propositionen föreslår regeringen vissa ändringar i skogsvårdslagen (1979:429) och gör den övergripande bedömningen att grunderna i den gällande skogspolitiken bör ligga fast men att **Are the detailed rules specified by the board of forestry optimal for the country? Do they lead to the best combination of "environment" and "production"? What do we mean by "production"? "Cubic metres", value, yearly profit, present value or something else? Discuss the detailed rules from this perspective.**

- framtida klimatförändringar i högre grad bör beaktas.

How should the possible future climate changes be considered in forest policy?

- I propositionen slås vidare fast att **skogspolitikens två jämställda mål, miljömålet och produktionsmålet**, och det **delade ansvaret mellan samhället och skogsägarna** förutsätter en tydligt definierad och långsiktig äganderätt.

How do we measure the two kinds of objectives "environment" and "production"?

- Ändringarna i skogsvårdslagen började gälla den 1 januari 2009.

The market solution

General

- In an "ideal world", the market solution generally leads to the highest possible level of "total surplus".
- The surplus can be split into the producers surplus and the customers surplus.
- http://en.wikipedia.org/wiki/Adam_Smith

We may derive the market solution to forestry decisions

Forestry decisions:

Rotation forestry:

Investments in plantations

Precommercial thinnings

Commercial thinnings

Final harvests

Continuous cover forestry:

Stock levels

Harvest intervals

Size and quality distributions etc.

”Imperfections” etc.

- Sometimes imperfections are large and important, such as:

Imperfect competition (limited numbers of buyers and/or sellers)

Imperfect information

External effects

Frictions such as corruption, administrative delays and costs, trade barriers etc.

Distributional effects

Sometimes it is interesting to investigate the distributional effects, over

individuals,

regions

industries etc.

The "total maximum of the surplus" does not say anything about this distribution!

The real world

- In the real world, imperfections of many types exist.
- Still, you have to act. You live today.
- Focus on your true objectives and try to obtain the best possible results.
- If some regulation restricts your action: Question it in the most general way.
- Only this way, we may finally get rid of some of the imperfections.