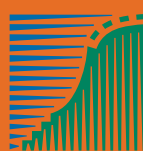


Vision on timber harvesting in The Netherlands



Platform Hout in Nederland



landbouw, natuur en
voedselkwaliteit

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Dutch Timber Platform
and

Ministry of Agriculture, Nature and Food Quality, directorate for Nature Conservation

PREFACE

This “Vision on timber harvesting in The Netherlands” is the result of a joint effort by the Ministry of Agriculture, Nature and Food Quality and a coalition of parties from the Dutch forestry and forest based industry, united in the Dutch Timber Platform (PHN). The main point that we would like to emphasize in this vision is the need to stimulate the use of timber from Dutch woodlands, both in quantity and in quality.

Sustainable forest management is an important issue, ranked high on the national and international agenda. Sustainability not only implies that we care for social and environmental aspects, but also that the economic functions which woodlands provide, should be taken into consideration equally. In this respect timber harvesting plays a crucial role.

Approximately half the forest area in The Netherlands has been certified for sustainable forest management. In recent years, the amount of timber in our woodlands has increased steadily, due to reduced harvesting activities. Consequently, we could harvest much more wood than we actually do. If Dutch harvesting rates were to be increased, we would not have to rely so heavily upon timber procurements from woodlands in countries abroad, where often sustainable forests management is much more difficult to achieve.

Wood is an important renewable resource, which is neutral in terms of carbon dioxide emissions. The use of wood requires a relatively small amount of energy compared with other construction materials and hardly impacts our environment in a negative way if the resource is managed sustainably. Therefore timber products are very much appreciated in our society and they are being used in many applications.


With this “Vision on timber harvesting in The Netherlands” the Ministry of Agriculture, Nature and Food Quality and the Dutch Timber Platform would like to bring wood harvesting (back) to the attention of politicians and forest managers. The vision is the basis upon which the Dutch government, and the forestry and wood working industries will carry out joint activities to stimulate a sustainable use of our woodlands.



Cees Veerman
Minister of Agriculture
Nature and Food Quality



Kees Faber
Chairman of the
Dutch Timber Platform

A handwritten signature in black ink, consisting of a large, stylized 'C' followed by a horizontal line and a small flourish at the end.A handwritten signature in black ink, featuring a large, sweeping 'K' followed by several smaller, connected strokes.

EXECUTIVE SUMMARY

In the policy paper “Nature for people, people for nature” in which the Dutch nature conservation policy is described in detail, and in which the forestry policy is included, wood production and timber harvesting are not mentioned explicitly. Over the past few years, the Dutch Timber Platform has observed a reduced attention for the production and harvesting of timber, and a significant reduction in the total volume of wood harvested in Dutch woodlands.

As an important representative of the forestry and wood processing sectors in The Netherlands, the Dutch Timber Platform has taken the initiative to develop a “Vision on timber harvesting” in collaboration with the Dutch government, in which the current level of timber production and harvesting in the Dutch woodlands is analyzed and a number of recommendations in the field of forestry and wood processing is formulated.

To analyze the current situation and to develop concrete actions a working-group was established. The working-group has made the following *observations*:

- **Tree species and tree sizes change.**
The total area of woodlands in The Netherlands is 360,000 ha. The main species are Scots pine and oak. Conifer species occupy 54% of the forest area; broadleaves 46%, but the share of broadleaves is increasing. Because final felling hardly takes place anymore, trees increasingly become older and thicker. The wood processing industry, however, is not adapted to handle and process large sized logs into timber.
- **Harvesting costs keep on increasing**
A substantial increase in harvesting costs is mainly due to the small sized logging operations resulting from the implementation of integrated forest management. The structure of forest ownership and the fragmented distribution of woodlots have contributed as well to make forest exploitation more expensive, in spite of recent investments in modern harvesting equipment and in the logistics of the timber supply chain.
- **Yields remain low**
Timber prices are dictated by the western European market. The low prices for timber and the relatively high costs of harvesting do not form an incentive to forest owners to become more actively engaged in tree harvesting. Consequently, yields are decreasing and economic profits of forest enterprises have fallen.
- **Negative public perception of wood production and harvesting**
Even though the use of wood products is very much appreciated, the general public does not perceive wood production and the cutting of trees as a positive activity.
- **Timber harvesting in The Netherlands steadily decreases**
Only 55 percent of the annual increment in Dutch woodlands is being harvested at present. Consequently, the total standing timber volume increases with 1 million m³ per year. The State Forest Service, responsible for 25-30% of the total annual harvest volume, has a substantially higher utilization rate, thereby serving as a role model to the other Dutch forest owners.
- **Limited budget available for afforestation**
The government’s intention was to increase the area of Dutch woodlands to 400,000 ha by 2020, which would require a substantial afforestation effort of establishing 2000 ha of new forests per year. However, in 2004 the government has decided not to subsidize afforestation schemes anymore, which are located outside the Main Ecological Framework (EHS) and National Landscapes. As a consequence of this new policy, the desired expansion of forest area stagnates.
- **Very low level of self-sufficiency**
The Netherlands supplies only 5 to 7% of it’s annual timber needs from domestic sources. At the same time, the consumption of wood products shows an ever increasing trend.
- **Up scaling and internationalization**
The Dutch wood sector is a healthy, internationally oriented sector with great potential for the future. Because of mergers and foreign takeovers, the majority of the Dutch paper industry already is in the hands of internationally operating, large companies. The supply of raw materials and the proximity of markets, which provide an outlet for their products, are the most important decisive factors for (foreign) companies to establish themselves in The Netherlands. Should, however, the wood processing industry gradually disappear, which will directly impact the forest exploitation and transportation sector too, this will result in a much more difficult market position for Dutch timber.
- **Lack of specific policies to enhance timber harvesting**
The Dutch forestry policy is imbedded in the policy paper “Nature for people, people for nature” and is supported by the subsidy program

“Nature management 2000” (aiming at afforestation and sustainable forest management of permanent woodlands) and by the subsidy program for nature conservation and management by farmers and other private organizations (stimulating a.o. the establishment of temporary forest on agricultural land). Most Dutch woodlands serve multiple-functions. The existing subsidy programs enable the forest managers to adjust their management in the direction of increased wood production and timber harvesting. In reality, however, many forest owners do not use these opportunities to the maximum extent.

- **Society demands more sustainable woodlands and wood products**

In a highly urbanized society such as The Netherlands, the need for green areas in the vicinity of cities for recreation and leisure, the increased demand for green electricity by consumers, which requires a steady supply of biomass, and sustainable forest management are recent developments which create opportunities for the Dutch forestry sector.

- **Too many interest groups**

Many groups and associations are concerned with the interests of the forestry and wood processing sectors and try to persuade officials and politicians to take notice of their points of view. Repeatedly, the Dutch government has stressed that this split up situation is not helpful for a better communication and understanding of the mutual interests.

Policy

Wood production and timber harvesting has been made more explicit in the general policy on nature conservation and management by the ministry of Agriculture, Nature and Food Quality. The main points of attention are:

- Wood production provides an important economic basis for forest management
- The existing subsidy programs offer sufficient possibilities for forest managers to perform their management in a sound economic way and in which timber harvesting plays a crucial role
- Cooperation between forest managers has been stimulated by the ministry of Agriculture, Nature and Food Quality, resulting e.g in the development of Forest groups. Cooperation is further strengthened e.g. by offering group certification schemes to private forest owners
- Timber harvest is being stimulated by means of extension projects and forestry research

In this way, the ministry of Agriculture, Nature and Food Quality offers ample opportunities to forest owners and managers to be actively involved in

timber harvesting. Therefore, there seems to be no need to drastically change the current policy.

To create better opportunities for timber harvesting within the multiple-function objectives of Dutch woodlands, the working-group has formulated *eleven opportunities and barriers*. When it comes to an implementation program, the first four opportunities should receive priority. In between brackets is indicated if action will be taken by either the Dutch Timber Platform (PHN) or by the ministry of Agriculture, Nature and Food Quality (LNV) and in certain cases the State Forest Service (SBB).

1. Signal by the government

The Dutch government tries to create a balance between the various functions which woodlands provide, such as recreation, environment, nature, landscape values and wood production. By means of policy papers and meetings the government has stressed (and will continue to do so) the importance of wood production and harvesting (LNV).

2. Timber for the future

Current forest management activities, with their focus on integrated forest management, biodiversity and natural regeneration, causes a shift towards a higher share of indigenous broadleaved species. This development is enhanced by the subsidy program ‘nature management 2000’, which does not subsidize the replanting of trees anymore. The increased share of indigenous tree species requires an assessment of possible outlets for oak, birch, ash and maple. Although the wood working industry will try to process and trade these timber species (PHN), the industry prefers fast growing timber species. That is why the wood processing industry asks for the same kind of stimulating measures for fast growing tree species as is currently being provided for indigenous broadleaved species. The Ministry of Agriculture, Nature and Food Quality, however, thinks that the subsidy scheme for the most common ‘forest goal type’ sufficiently allows the forest manager to optimize the species composition and timber harvesting.

The government will study the possibilities to stimulate timber harvesting and the production of fast growing tree species (LNV). The wood working industry will assess in which way timber harvesting may be enhanced by market mechanisms (PHN).

3. Economy of scale

In the wood working industry more companies are operating internationally and are becoming increasingly larger. However, in the Dutch timber supply chain substantial improvements in efficiency can still be made. To reduce further increases in harvesting costs and to maintain and enhance a strong position on the international timber market,

mergers and cooperation seem inevitable in the Dutch forestry and wood processing sectors. The sector will try to stimulate the cooperation between forest owners by coordinating and carrying out timber harvesting operations at a regional level and by offering them so called ‘full service contracts’ (PHN). In addition, measures will be taken to improve the quality of the forest exploitation sector (PHN).

4. Afforestation

Due to budgetary reasons and a shift in responsibilities from national to local authorities, the Dutch government has focused its’ activities on the realization of the Main Ecological Framework (EHS) and the development of National Landscapes. Consequently, afforestation schemes located outside these priority areas are no longer eligible for national subsidies, which means that they need to be funded by provinces, municipalities and by private initiatives.

An expansion of the forest area is considered very important by the Dutch Timber Platform for our future supply of domestic timber, to create space for recreation and leisure and to create an attractive environment for the establishment of new (international) businesses. The ministry of Agriculture, Nature and Food Quality is prepared to deploy their expertise and know-how to develop alternative means of funding afforestation projects, in a joint effort with the forestry and wood working industries (LNV, PHN).

5. Flora and Fauna Law

The ministry of Agriculture, Nature and Food Quality recently has formulated a regulation to allow certain activities to be carried out in the forests, if they are in line with the Code of Conduct on the Flora and Fauna Law, developed and approved by the forestry sector and by the Minister of Agriculture, Nature and Food Quality, which has become effectuated in April 2005. PHN and the State Forest Service will actively stimulate the implementation of the Code (PHN, SBB).

6. Public perception of timber harvest

Both the forestry sector and the government will support extension and communication strategies to enhance a positive perception of the general public on woodlands as a source of nature experiences and of timber, which, in turn, implies carrying out timber harvesting operations. In these communications, wood will be presented as a valuable renewable and environmentally friendly raw material. PHN will identify and try to link to other European promotional activities to enhance the public perception on timber harvesting (PHN, LNV).

7. Stimulating sustainably produced Dutch timber

The sustainability of Dutch wood production is not much under debate. However, not all Dutch timber can be proven to be produced in a sustainable way. Stakeholders in the forestry and wood sector will be engaged in the further implementation of sustainable forest management certification of Dutch woodlands (PHN). The government will stimulate the use of certified Dutch timber in her own timber purchases for building and construction works and in work put out in tender (LNV).

8. Markets and marketing

Due to fragmentation in the wood sector, the marketing of Dutch timber has gained little attention. This can certainly be improved. Partners in the timber supply chain will join hands to carry out market assessments and develop marketing tools and strategies for domestic timber, e.g by initiating activities in the supply chain to create better market opportunities for quality timber. Another action will be to publish up-to-date and independent price statistics for industrial round wood and saw logs (PHN).

9. Biomass for renewable energy

The increasing demand for woody biomass for the production of renewable energy will create opportunities for the Dutch forestry and wood processing sectors, especially with respect to logging residues and wood processing residues. It will be important, therefore, to make an early assessment of the environmental, economical and social requirements and preconditions on the basis of which wood for energy can be harvested and what the impact might be on the multiple-functions of our woodlands (LNV, PHN).

10. Improving the forest road network

Dutch woodlands have a network of forest roads which does not meet the requirements of modern harvesting and hauling equipment any more. The maximum carrying capacity of most forest roads is too low, especially in the rainy season which creates considerable damage to the road system. By improving road maintenance and by coordinating the harvesting operations and log transports on a regional scale, the adverse effects can be reduced to an acceptable level (PHN).

11. Interest groups

The community of interests in the forestry and wood working sector is highly fragmented and too many groups and associations are involved. The government has urged the sector to do something about it. The main stakeholder organizations will investigate the possibilities for better cooperation (PHN).

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