



Case study // Round Table SDG 15: Sustainable Forest Management and the SDGs

A journey through the value chain of wood: the case of Austria. **Federal Ministry of Sustainability and Tourism, Austria** *Level: national*

Summary

The Austrian case demonstrates the possibilities of products along the value chain of wood, coming from the source of sustainably managed forests, secured by the implementation of a sound governance system - with a focus on wood as a sustainable energy resource. Today, about 1.5 million households are using wood as main or supplementing heating device in Austria. Wood by-products, fuelwood, pellets and wood briquettes are covering 79 per cent of the gross domestic consumption of bioenergy. The provision of the renewable resource wood is ensured by the enforcement of rules agreed upon in the Austrian Forest Dialogue, which are in line with the principles of a transparent, open and participatory policy and administration (good governance).

Situation

Forests cover almost 50 % of the total Austrian land area (SDG ind. 15.1.1), which is increasing by 4300 hectares annually (SDG 15.2.1 sub-indicator). The successful implementation of sustainable forest management has a long tradition in Austria. In order to harmonize the Austrian law with international developments, the definition of sustainable forest management (Helsinki Resolution) adopted at the Ministerial Conference on the Protection of Forests in Europe (Forest Europe) has been included in the Austrian Forest Act. Austria is also endorsing the „Pan-European Criteria and Indicators for Sustainable Forest Management“ adopted by FOREST EUROPE which offer orientation for forest policy-making in Austria and provide the contextual framework for surveys and reporting. They are the points of reference for the Austrian Forest Dialogue and the thematic frame for the Austrian Forest Report. Using wood from sustainably managed forests has a positive impact on climate change, and is a major pillar of the green economy. The Austrian wood sector is a multi-faceted economic sector, comprising the saw milling industry, the construction sector, the furniture industry, the wood products industry as well as the ski industry. Most of the companies of the wood industry are small and medium sized enterprises. Forests play a crucial role in transforming towards a greener economy, as renewable source of biomass, bioenergy and fuel (SDG target 7.2). By international comparison, Austria is one of the leading nations with regard to the utilisation of biomass. Conforming to EU's Climate and Energy Policy 20/20/20 Targets, Austria's 2020 Targets are to reach a 34 % share of renewable energy and 16 % reduction of GHG emissions in non-ETS sectors. Currently, the share of renewable energy in the gross end-energy consumption is 33 %, whereas 45 % of the renewable energy is based on wood. Biomass is one main focus of the pillar “renewable energy” of the Energy Strategy Austria. The amount of Roundwood used for the generation of energy (forest wood chips, fuelwood) reaches about 4.96 million m³ of timber harvested under bark. The utilization of wood for affordable and clean energy creates added value and jobs and reduces household expenses (SDG 11). According to the Austrian Biomass-Association wood chips, log wood and pellets are 40-50 % cheaper than heating oil or gas. The sector of solid biomass employs more than 15.000 full-time workers and generates revenues of 2 billion EUR annually. In all over Austria more than 2.100 biomass district heating plants create regional jobs and



prevent rural-urban migration. Research shows that the use of wood as energy source prevented GHG-emissions of about 10 million CO₂ equivalents in 2015 in Austria.

Strategy

To ensure and optimise the products and all dimensions of sustainable forest management in a balanced way, while paying special attention to the added value and the potential of the Austrian forest and timber sector, a national Forest Strategy was adapted in 2016. The Austrian Forest Strategy 2020+ defines forest-political milestones for the years to come and was jointly developed by 85 organisations involved in forest policy within the scope of the Austrian Forest Dialogue. These organisations include forest proprietors, beneficial owners as well as interest representatives. Broad social acceptance for forestry activities and good cooperation with various other sectors are essential to long-term success. The Austrian Forest Strategy 2020+ takes into account the policy specifications of current national and international forest-related strategies, programmes and processes.

THE STRATEGY comprises seven forest-political fields of action in line with national as well as international reporting obligations:

1. Contribution of Austrian forests to climate protection
2. Health and vitality of Austrian forests
3. Productivity and economic aspects of Austrian forests
4. Biodiversity in Austria's forests
5. Protective functions of Austria's forests
6. Social and economic aspects of Austrian forests
7. Austria's international responsibility for sustainable forest management

Results and impact

Six factors are crucial for the implementation of sustainable forest management and the steps and products along the whole added value chain:

1. A widely recognised commitment to comprehensive sustainability in forests
2. Legal Framework:
 - Protection
 - Rights
 - Obligations
 - Limitations
3. Institutional Structures:
 - Law enforcement
 - Knowledge Management
 - Research and development
 - Education, training, advisory
 - Representation of interests (forest owners, business sector, NGOs e. a.)
4. Financial Instruments:
 - Economic Revenues
 - Investments
 - Taxes
 - Incentives, Subsidies
 - Payment of Ecosystem Services



5. Information Services:

- Monitoring, Assessment and Reporting for the verification of sustainability based on criteria and indicators for SFM
→ Austrian Set of Indicators for SFM (7 Criteria, 65 Indicators)

6. Stakeholder participation:

- Austrian Forest Dialogue
- Cross-sectorial cooperation
- Balancing conflicting interests
- Policy development and implementation

Challenges and lessons learned

The forest is expected to supply expanding markets with sufficient amounts of timber as renewable resource and source of energy. It is expected to protect valleys against avalanches, rock falls, mudflows and other natural hazards. It is a hub of biodiversity that should be able to develop as freely as possible. It is expected to store carbon as a contribution to climate protection and to provide clean drinking water and to serve as a popular recreational destination whose landscape attracts millions of tourists year after year. The forest is expected to provide for all of that in a "sustainable" manner, i.e. all at the same time and continuously.

A crucial factor ensuring the success of all the efforts to promote sustainability in the forest is the acceptance and motivation of the forest owners and their full involvement in all political processes related to forests. Further success factors are the acknowledgment of the services provided and their fair financial compensation.

Potential for replication

The Austrian Forest Dialogue is a policy development process initiated in 2001 that is open, continuous and participatory in nature. It has become a much lauded example of good governance both nationally and internationally. In 2005, the first Austrian Forest Programme was adopted within this framework. In 2016, the participants of the Forest Dialogue adopted the Austrian Forest Strategy 2020+, followed by the work programme in 2017, which includes more than 200 initiatives.

The participatory good governance process and its' outcomes can be taken as examples to initiate similar policy processes within and outside the sector, on a national and international scale.

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