

# The state of Bioeconomy strategy implementation in Finland (with a flavour of forestry)

Barents Forest Sector Network

Tatu Torniainen

Pushkino June 2nd, 2017

14.6.2017



# Forests & forestry: some key figures

- **Forest land 20.3 million ha**
- **Growing stock 2.3 billion m<sup>3</sup>**
- **Annual increment 104 million m<sup>3</sup>/a**
- **Forest ownership:**
  - **Private individuals 60%**  
(350,000 holdings over 2 ha; 630,000 owners)
  - State 26%
  - Private companies 9%
  - Others (municipalities, jointly owned etc) 5%
- **Share in GDP:**
  - Forestry 1.7%
  - Forest based industry 2.4%
  - Forest sector in total 4.1%
- **Gross stumpage earnings around 1.5 – 2.0 billion €/a (for forest owners)**
- Cost of silvicultural and forest improvement work around 300 million €/a
- Gross value of the production of forest industries 20 billion €/a



# Finnish Bioeconomy Strategy

## Strategic goals

1. A COMPETITIVE OPERATING ENVIRONMENT FOR THE BIOECONOMY
2. NEW BUSINESS FROM THE BIOECONOMY
3. A STRONG BIOECONOMY COMPETENCE BASE
4. ACCESSIBILITY AND SUSTAINABILITY OF BIOMASSES

## Implementation and monitoring

Sustainable bioeconomy solutions are the foundation of well-being and competitiveness in Finland



# Programme of Prime Minister Sipilä's Government

Vision: FINLAND 2025 – BUILT UP TOGETHER

Five strategic priorities:

1. Employment and competitiveness
2. Knowledge and education
3. Wellbeing and health
4. Bioeconomy and clean solutions
5. Digitalisation, experimentation and deregulation

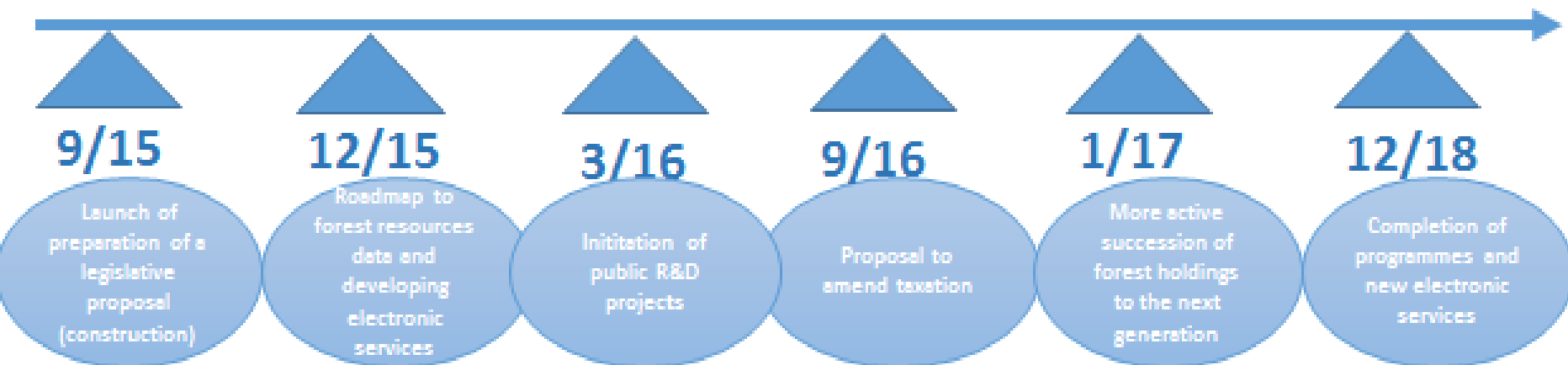
14.6.2017



 mmm.fi  
ruokaa ja luonnonvaroja



# Key project: Stimulating the supply of wood and new products from forests



## Key measures:

1. New tax incentives for speeding succession of forest holdings to the next generation
2. Development of forest resources data and electronic services
3. Easing of construction regulation that prevents the use of wood
4. Promotion of investments and wood product industry
5. R&D, pilot and experimental programmes in bioeconomy

**Total funding: 55 M€**



# National Forest Strategy 2025 (NFS) Background

- National Bioeconomy Strategy (2014)
  - The goal is to create new economic growth and jobs through new bio-based business (production and services) while securing ecosystem services.
  - Diverse role of forests in bioeconomy: substitution of fossil raw materials in products and energy, maintaining productive and healthy forest resources, carbon sequestration in wood.
- MAF conducted a participatory process to prepare the Report on Forest Policy => was given in 2014 to the Parliament
- Strategic outlines were concretized in the National Forest Strategy 2025 (new NFP)
- NFS: prioritisation of objectives, specification of more detailed activities/projects
- In the NFS the forest sector is considered broadly, including forestry, wood processing (both chemical and mechanical), non-timber forest products and immaterial services as well as ecosystem services provided by forests





# Bioeconomy and clean solutions

## Towards carbon-free, clean and renewable energy cost-efficiently

- the share of renewable energy will rise to more than 50 per cent of the end consumption of energy during the 2020s
- the use of imported oil will be cut by 50%
- the share of renewable transport fuels will be raised to 40% by 2030
- energy self-sufficiency to more than 55 per cent

### 1. Comprehensive energy and climate strategy

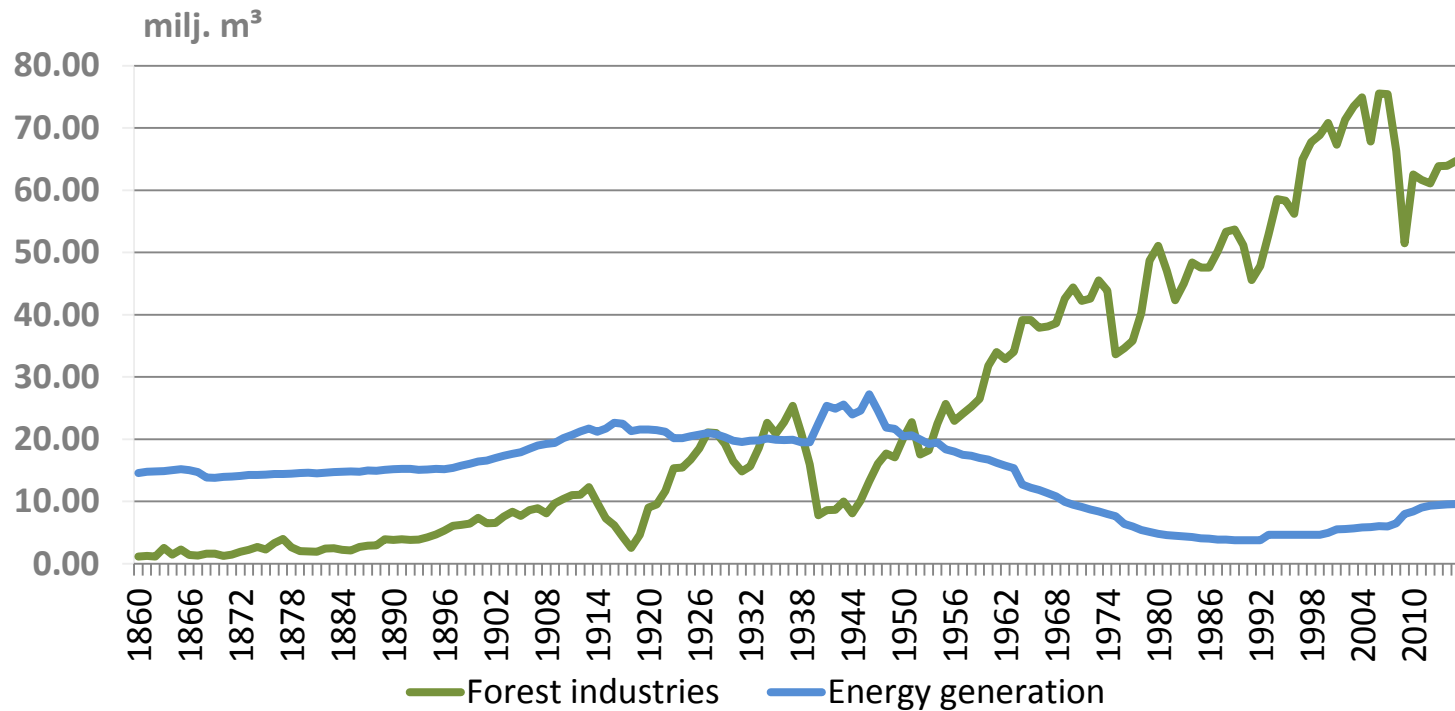
Increase timber use by 15%, from 68 to 80 mill m<sup>3</sup> to, including 14-16 mill m<sup>3</sup> of forest chips

2. Additional inputs to the aid for renewable energy investments and major cleantech demonstration projects

3. Mid-term climate policy plan



# Roundwood Consumption in Finland 1860-2015





**Metsähoitoyhdistys-  
lain muutos  
2014-2015**

**Metsäkeskuslain  
muuttaminen  
1.1.2012, 1.1.2015 ja  
1.1.2017**

**Tapion  
yhtiöittäminen  
1.1.2015**

**Metsähallitus-  
laki  
15.4.2016**

**KEMERA  
23.1.2015 ja  
2016**

**Metsälain  
muutokset  
1.1.2014**

**Luonnonvara-  
keskus 1.1.2015**

**Metsätuho-  
laki 1.1.2014**

**Forest legislation has  
been completely  
renewed**

**Otso-  
metsäpalvelut  
yhtiöittäminen  
1.1.2017**

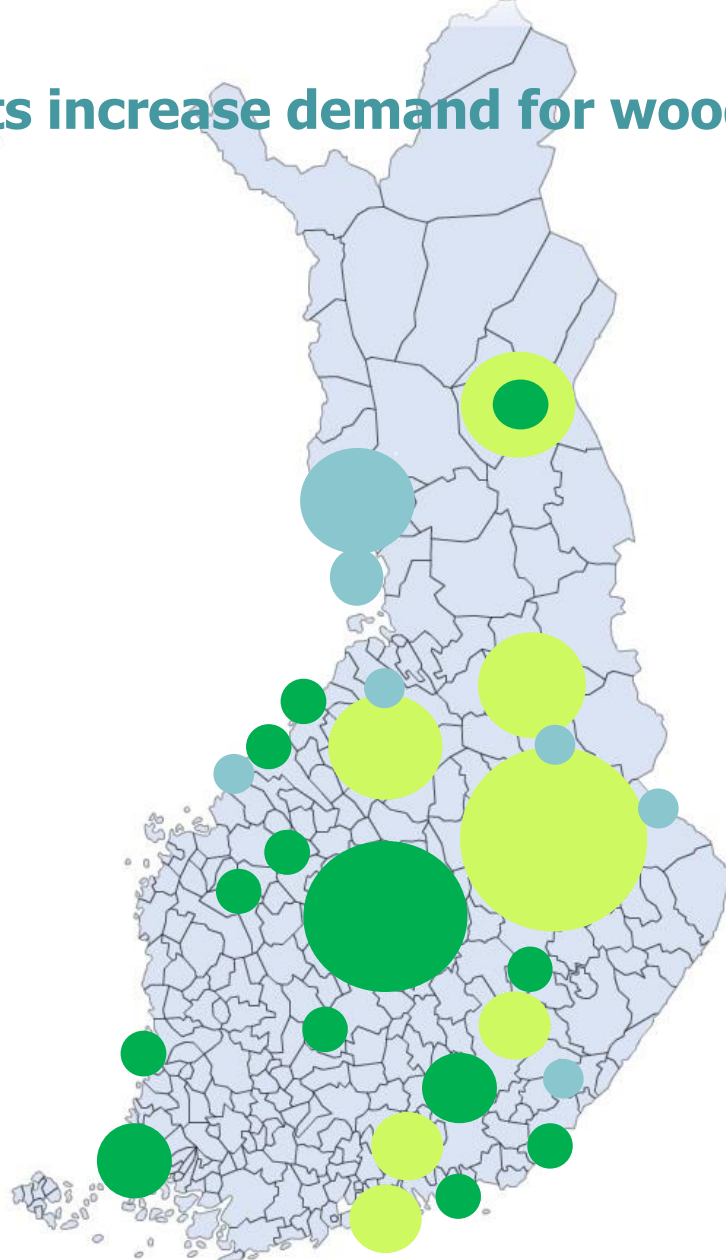
**Laki FLEGT-lupa-  
järjestelmästä  
1.1.2015**

**Laki puutavaran ja  
puutuotteiden  
markkinoille  
saattamisesta  
1.1.2014**

**Puutavaran-  
mittauslaki  
1.1.2014**



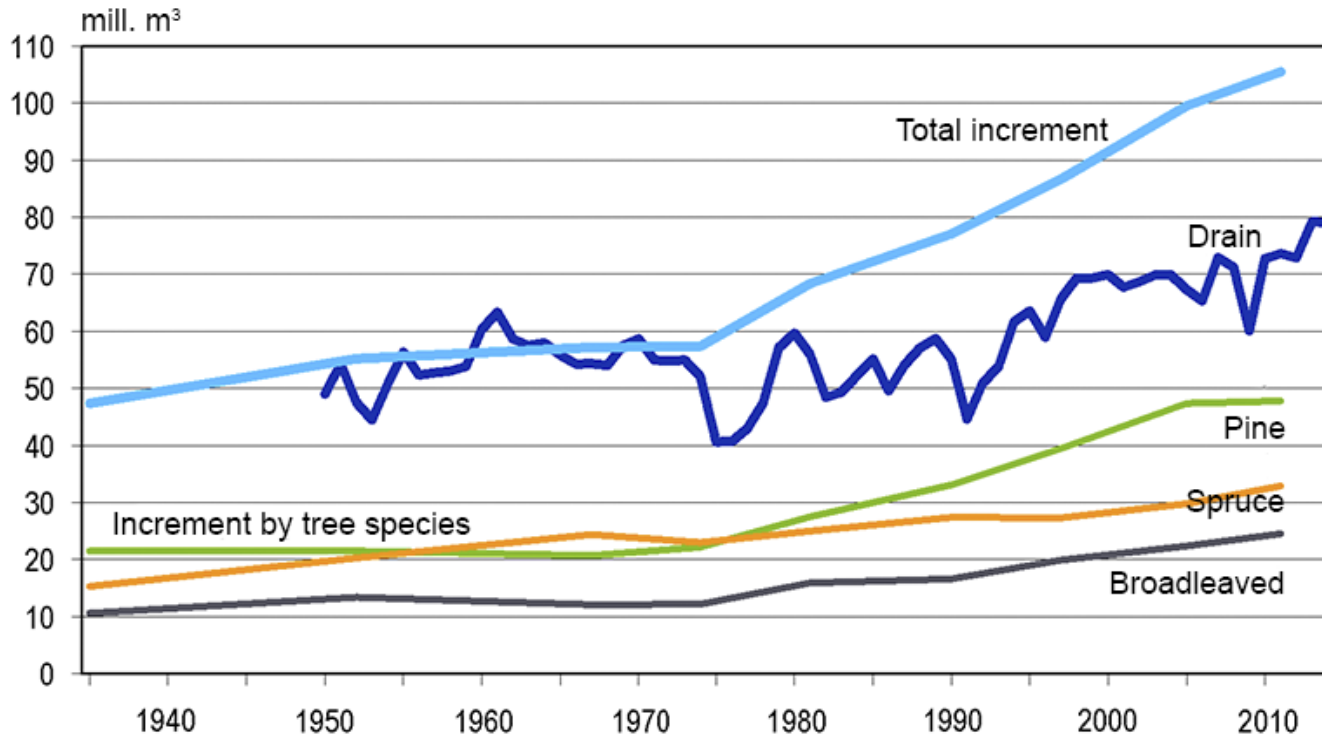
# New investments increase demand for wood



- Implemented / on-going projects
- Investment plan
- Investment plan for biofuel production



# Annual Increment of Growing Stock and Drain



130-140 mill m<sup>3</sup>  
is possible  
But when?



# R & D Luke combines forest, game and hunting, food and agriculture

## Luke is located throughout Finland

### Locations

Joensuu, Jokioinen, Oulu  
Helsinki, Jyväskylä, Kokkola, Maaninka,  
Paltamo, Rovaniemi, Seinäjoki, Turku

### Experimental stations

Haapastensyrjä, Kaamanen, Paljakka,  
Parkano, Piikkiö, Punkaharju, Siikajoki,  
Suonenjoki, Ypäjä

### Aquaculture infrastructure

Enonkoski, Inari, Keminmaa, Laukaa,  
Taivalkoski

### Research co-operation sites

Kajaani, Mikkeli, Tampere



26

## LUKEs strategy supports bioeconomy

Source: LUKE –National Research Institute, Finland

14.6.2012





Thank you!

tatu.torniainen@mmm.fi

14.6.2017



 **mmm.fi**  
ruokaa ja luonnonvaroja

