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Continuing the work of
the Future Forum on
Forests

Forest sector - How to prosper also in the future?

The forest sector has a good possibility to continue its success story in Finland. To be successful even in a short period of time demands action to improve the availability of wood to the markets. In the long run it is essential to achieve an acknowledged status for the sustainable forest management in order to make use of the sustainability in the marketing of products made of wood. To retain the lead in the forest sector and to create new innovations on both products and services, the know-how as well as the ability to renew the forest sector internally are essential.

Securing the availability of wood

It has been estimated at the Future Forum on Forests that the demand for the most important products in forest industry and various paper products, in particular, will continue to increase at least until the year 2020. However, the production in forest industry located in Finland will only increase a little by the year 2020.

The growth of the forest industry in Finland is regulated by e.g. the amount of roundwood available for the markets. In a key position for wood supply will be the privately owned forests. As the economic importance of forests diminishes there is a threat that the interest of the forest owners on the commercial use of forests will decrease.

In order to secure the preconditions of the activities in the industry there is an increasing challenge for the forest policy to improve the availability of wood to the markets. In forestry, more emphasis is needed on e.g. generation changes, the establishment of jointly owned forests, maintenance of road network, active counselling of forest owners and developing of forest planning into more real time and interactive.

An essential challenge in the availability of wood to the markets will be the fast retirement rate among the workforce in forest management and harvesting. In 2010s in particular workers will retire faster than new workforce can be recruited. The basic condition of making forest management more appealing to potential workers will be the availability of full-time jobs with a competitive salary.

If the forest industry does not invest significantly in new capacity in Finland in the future, the current machinery will gradually go out of date. This does not

have an immediate effect on the industry's ability to pay on wood but it will certainly reduce it in the long term.

In order to prevent the profitability of the forest management from diminishing the downward trend on wood prices must be compensated by increasing the cost efficiency of the work and its organising in the forest management. Another option to avoid the decrease of forestry profitability is to increase the growth of forests. The means to increase the forest growth are e.g. efficient forest management and forest fertilisation. As the means to increase the cost efficiency of forest management can be considered e.g. making use of entrepreneurship when appropriate, developing of new forest management technologies in silviculture and controlling the splintering of private forest ownership.

Sustainability an asset in competition

In the future, sustainable development will become one of the most essential goals in societies. The forest sector in the future has the possibility to become one of the pioneers in the sustainable development, if the whole production chain can meet the demands of economic, ecological as well as social and cultural sustainability. This development can bring forth considerable competitive benefits in the field of wood-made products as well as on the services in forest use.

To improve ecological sustainability can also establish new sources of livelihood. For example utilising bioenergy and the technology involved, forest protection, making use of nature in tourism and the restoration of commercial forests can offer job opportunities to experts of various fields.

From the viewpoint of social sustainability it is important to improve the atmosphere of justness and trust in the forest sector. It is impossible to create a positive image on the forest sector unless the citizens find this particular field as their own and do not contradict the rightfulness of its activities. From the viewpoint of justness an essential problem in the forest sector is the underrating of the benefits gained from the recreational use of forests as compared to the benefits gained from wood production. In fact, one of the essential challenges in the future will be to set as one of the aims in forest policy the benefits from non-economic use of forests.

The decreasing number of workforce has been the weakest link in the social sustainability of forestry. An essential challenge will thus be to get rid of the reputation of having few employment opportunities in forestry. Since wood production is still able to offer opportunities on creating and maintaining employment the developing of wood production will remain essential on the improvement of social sustainability of forestry.

The key to success: know-how

Although the declining forest cluster may be considered to be one of the worries in Finland in the future, all possibilities to develop it further has not yet been utilised. Essential for the future of the whole forest cluster will be the continuous developing of technology and know-how of the forest sector. Only by know-how it is possible to keep the forest sector from declining and sustain its lead in the international field.

Besides the established contact areas with metal, chemical, energy and informational clusters, the forest cluster also has a good possibility to develop and expand to the fields of environment, well-being, health, tourism, food and cultural clusters.

An essential fact in the expanding of the forest cluster and forest sector will be the ability to renew internally in order to be able to respond quickly on new possibilities on products as well as services. This does not only call for the activity of the enterprises but also of research, development and educational organisations in order to find new information and know-how to produce more new sources of livelihood in the future.

It is essential to invest in a new way of thinking and know-how in the development of new sources of forest-based livelihood by e.g. multidisciplinary research and development projects. By foresight work it is possible to produce information on which possibilities there are for new sources of livelihoods and technologies in the future as well as estimates on the societal developments in the future.

Continuing the work of the Future Forum on Forests

The most essential results of the first two years of the Future Forum on Forests will be published in a book titled 'Successful forest sector and the challenges in the future' (only available in Finnish). The book will be available in the end of May 2005.

The three-year extension period of the Forum started on 1 April 2005. During the extension period the foresight work will concentrate even more multisectorally than thus far on the changes affecting the forest sector. By the future studies the Forum aims to answer questions arising from the initial period of the Forum. Among the topics can be found e.g. new possibilities to utilise wood and forests as well as the effects of the changes in the international and EU policy on the forest sector. An essential part of the foresight work will concern the varying relationship between forest sector and the society.

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