Extract from Rigsrevisionen's report on

## the Ministry of Environment and Food's management of biodiversity in the Danish state forest

submitted to the Public Accounts Committee





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# 1. Introduction and conclusion

### 1.1. PURPOSE AND CONCLUSION

- 1. This report concerns the Ministry of Environment and Food's management of biological diversity (biodiversity) in the part of the Danish state forests that are owned by the ministry. These forests must be managed in compliance with the provisions of the Danish Forest Act.
- 2. The Forest Act was fundamentally changed in 1989, and requirements were established that entailed that the Ministry of Environment and Food should manage the forests with particular consideration for the landscape, natural history, cultural history and environmental protection including biodiversity and outdoor life. Yet, the production of wood should also be a priority, as before. These considerations were generally retained when the act was amended again in 2004, but it is now specified that the state-owned forests should be managed in a way that aims to conserve and increase biodiversity. It appears from the notes to the act that the addition of this explicit formulation was one of the main reasons for amending the law.

The Ministry of Environment and Food has implemented a major transformation of the Danish state forestry since 1989 and has among other assigned much higher priority to biodiversity. In 1992, the ministry decided that parts of the state forests should be designated for conservation of biodiversity. In 2002, the ministry established an overall framework for the management of the Danish forests with the development of *Denmark's national forest programme*. The forest programme specified that management of biodiversity in the state forests should follow two tracks 1. The conversion of more state forests for improvement of the biodiversity to supplement the forest areas that were designated in the 1990s and to ensure that 10 per cent of all state forests would be converted into biodiversity forests by 2010. 2. The remaining 90 per cent of the state forests should be converted to near-to-nature forestry with conservation and increase of biodiversity as one among several objectives defined for the conversion, including continuation of the production of wood as a source of income to government. Since 2007, the management of state forests in Denmark has been certified with the purpose of ensuring sustainable wood production.

#### BIOLOGICAL DIVER-SITY

"Biological diversity" means the variability among living organisms from all sources including, inter alia, terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part: this includes diversity within species, between species and of ecosystems.

Source: The UN Convention on Biodiversity, 1992.

- 3. The report is focused on the Ministry of Environment and Food's management of state forest biodiversity. The ministry is responsible for achieving this and several other objectives set for the state forests. The ministry needs to concentrate its efforts on the individual objectives, but it also needs to take into consideration that the government will lose income from the sale of wood when areas of the state forests are designated for conservation and increase of biodiversity. This means that the ministry must designate forests for conservation and increase of biodiversity in a way that ensures value for money. Rigsrevisionen has noted that the government is planning to prioritise state forest biodiversity, which makes it even more important for the ministry to manage biodiversity in the state forests effectively. The report addresses key elements of the ministry's management of biodiversity in the state forests.
- 4. The purpose of the study is to assess whether biodiversity in the state forests is managed in a satisfactory manner by the Ministry of Environment. The report answers the following questions:
- Are state forests designated for conservation and increase of biodiversity managed cost-effectively by the Ministry of Environment and Food?
- Is the Ministry of Environment and Food's management focused on achievement of the objectives defined for biodiversity in near-to-nature forestry?

### CONCLUSION

Overall, it is Rigsrevisionen's assessment that the Ministry of Environment and Food has not managed state forest biodiversity appropriately.

As planned, the Ministry of Environment and Food has designated approximately 10 per cent of the state forests for conservation and increase of biodiversity. Based on the most recent research concerning biodiversity, however, Rigsrevisionen has established that the biodiversity forests that were designated in the noughties, have not contributed significantly to increasing biodiversity. To this should be added the risk that not all the biodiversity forests that were designated by the ministry in the 1990s, are managed with biodiversity as its primary objective. This is not considered appropriate by Rigsrevisionen.

Rigsrevisionen has noted that the Ministry of Environment and Food, in the period 2014 to 2015, launched various initiatives to acquire more knowledge of the state of biodiversity in the state forests. In the opinion of Rigsrevisionen, the ministry also demonstrated its ability to estimate the costs of designating more state forest areas for conservation and increase of biodiversity in 2015. In 2016, the ministry is planning to evaluate and adjust the principles of forest management in order to emphasise that conservation and increase of biodiversity is the primary objective defined for all biodiversity forests.

The remaining approximately 90 per cent of the state-owned forests are managed by the Ministry of Environment and Food in accordance with the principles of near-to-nature forestry. The implementation of two initiatives will have major influence on biodiversity in these forests.

First, the Ministry of Environment and Food intends to create more deadwood areas in the state forests. Generally, the annual certifications of the state forests confirm that the ministry retains the agreed number of trees for natural death and decay. In 2015, the ministry launched the project *Trees of Life (Livstræer)* for marking and registration of the trees selected for natural death and decay. This is considered appropriate by Rigsrevisionen, since it will contribute to ensuring that trees designated for preservation by the ministry during the first cycle of tree felling, will also be preserved for natural death and decay during the second tree-felling cycle in twenty or fifty years.

Second, the Ministry of Environment and Food wants to re-create natural water conditions in the state forests. This can be achieved mainly through a passive effort, meaning that the ministry will cease to maintain ditches in the forests, and to a lesser degree through an active effort by closing the ditches. Guidelines on the length of time for which the ditches can be maintained to avoid disproportionately large financial losses, are, however, not sufficiently clear. In the assessment of Rigsrevisionen, there is therefore a risk that the strategy is interpreted and managed differently by local entities under the ministry, which again may have the effect that the passive effort leads to disproportionately large financial losses and is not implemented where it has the greatest positive impact.

In relation to the future management of biodiversity forests, Rigsrevisionen recommends that:

- The Ministry of Environment and Food should continue to prioritise its efforts to acquire
  more knowledge of biodiversity in the state forests. If the government wants to designate more state forest areas for conservation and increase of biodiversity, the ministry
  should apply its updated knowledge and estimate the costs associated with such a decision as the ministry did in 2015. This will facilitate cost-effective designation of more
  state forest areas for conservation and increase of biodiversity.
- The Ministry of Environment and Food should, based on updated knowledge on biodiversity and calculations of costs, reconsider the cost-effectiveness of the designation of existing biodiversity forests and their designation as such.