



## TIMBER AND FORESTRY

### Towards a greener economy

#### 2009 Achievements

The *UNECE/FAO Forest Products Annual Market Review, 2009-2010* was a major undertaking with many partners and contributors. The theme this year was "Innovation for structural change recovery." National statistical correspondents provided the basic statistics, as well as a wealth of insight into the market developments.

*Forest Resource Assessment* data was collected. This enquiry into the state of forests and forest management in Europe takes place every 3 to 4 years. National correspondents from 46 countries in the pan-European region were invited to provide information on the status of forests, their management and applied policies. Indicators monitored cover forest health and vitality, productive functions, the protection of biodiversity and the protective functions of forests as well as the social and economic dimensions of forest management. The national enquiries include a broad variety of numeric data, both general (e.g. area, growing stock, carbon) and specific (e.g. defoliation, trade, employment etc.), as well as a description of policies, institutions and financial instruments. The results will be analysed and presented in the *State of Europe's Forests* report, which will be launched at the 6<sup>th</sup> Ministerial Conference on the Protection of Forests in Europe in June 2011 in Norway.

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The work of UNECE/FAO teams of specialists on Forest Fires, Monitoring of Sustainable Forest Management is widely recognized. Recent examples of their work include assistance given by the Team of Specialists on Forest Fire to Russian authorities during the wildfire crisis in the summer of 2010, and the key role played by the Team of Specialists on Monitoring Sustainable Forest Management in the development of a new classification system for European forest types and the harmonization of national, regional and global forest assessments. The mandates of the Teams of Specialists have been reviewed and revised to enhance outreach and cooperation with other sectors by mainstreaming communication activities into their work in particular as the forestry community celebrates the International Year of Forests in 2011.



*The current crisis presents a window of opportunity for highlighting the key role of wood and wood products in the transition towards a greener economy*

*Innovative Wood Product* was one focus of the October 2010 Timber Committee session which was held jointly with the international Society of Wood Science and Technology. The session was complemented by *Market discussions* on past and future trends with the theme "Forest products markets rebound in the UNECE region: Innovative wood products lead the way"; and a *UNECE/FAO Policy Forum* (see below). For the first time, the discussions were broadcast live over the Internet enabling remote users to see and hear the session.

*Building codes and Standards* and their influence on material use and construction practices were the focus of a policy forum which addressed four themes: (a) codes and standards – state of the art and prospects; (b) the role of Life Cycle Assessment in developing building codes and standards; (c) the role

of wood products in climate change mitigation; and (d) the impact of users' demands on forest-based sectors. The forum recommended the establishment of a UNECE task force on green building to be composed of experts from the Timber Committee, the Committee on Housing and Land Management, the Committee on Environmental Policy and the Committee on Sustainable Energy, together with partner organizations. The task force, in cooperation with relevant stakeholders, will develop a comparative study of the different materials used in buildings and their carbon efficiency.

*Emerging Trade Measures in Timber Markets* and their impact are a growing concern, and in response, a workshop on “Emerging Trade Measures in Timber Markets” was organized jointly with the World Trade Organization (WTO). The workshop provided a unique, comprehensive overview of the increasingly complex regulatory framework impacting trade in wood and wood products. Participants discussed the emergence of tariff and non-tariff measures intended to promote the development of domestic markets or to curb illegal logging and trade in illegally harvested forest products. Feedback indicated that the Timber and Forestry programme should continue to follow this issue and monitor developments closely.

*Partnership with Forest Europe* (the Ministerial Conference for the Protection of Forests in Europe) during 2010 was implemented primarily through work on the State of Europe’s Forests and support to the Forest Europe debate on the possibility of starting negotiations on a legally binding agreement on European forests. As part of this support, a seminar was jointly organized with Forest Europe in September 2010 to provide an overview of Conventions hosted by UNECE, as well as other legally binding arrangements. Participants shared experienced gained in the stages leading toward and following negotiation of a convention, as well as compliance mechanisms.

*Biodiversity* was the subject of a new Memorandum of Understanding (MoU) between UNECE and the Secretariat of the Convention on Biological Diversity (CBD), where both parties pledged to strengthen their collaboration through the enhanced exchange of information and use of their expertise to support each other’s mandates in areas of mutual interest. The MoU specifically recognizes the importance and relevance of the work of the Forestry and Timber Section by designating it as the focal point for its implementation.

## **Challenges in 2011 and beyond**

The Timber and Forestry programme works to be flexible in addressing emerging issues and serving new clients as it strives to strengthen the forest sector and its contribution to sustainable development throughout the UNECE region. At the same time, available resources, as well as the need for coordination and cooperation require collaboration with key partners in order to achieve programme goals. These key partners include FAO, Forest Europe, industry and trade associations, academia, non-governmental organizations and other forest sector stakeholders as well as other UNECE programmes (including sustainable energy, environment, housing and land management).

*2011 – The International Year of Forests.* The forest sector is often taken for granted and, as a result, setbacks in the forest sector may go unnoticed while the future potential of the sector to help tackle some of our most significant political, social and environmental challenges may be overlooked. Stakeholders must work together to raise the profile of the forest sector and teach others about its essential role. The Forestry and Timber programme is preparing to celebrate the International Year of Forests in cooperation with the United



Nations Forum on Forests and relevant stakeholders. Work is being done to enhance the programme's media presence through press releases and the expansion of outreach platforms such as the Forest Communicators Network. In this regard, effective coordination among the teams of specialists, and between them and the secretariat has been identified as a priority. The challenge is to develop engaging communication activities that promote knowledge and understanding of the many roles and functions of forests. To support this effort, preparations are also underway for an exhibition on forest products and a short promotional movie.

*The Green Economy.* As the forest sector is still reeling from the effects of the global economic crisis, the Timber and Forestry programme is striving to provide assistance on the path to recovery. This recovery should not reduce the commitment to sustainable forest management. On the contrary, the current crisis presents a window of opportunity for highlighting the key role of wood and wood products in the transition towards a greener economy. "Forests in a Green Economy" will thus be the main theme of the joint session of the UNECE Timber Committee and the FAO European

## 2011 is the International Year of Forests

Forestry Commission (EFC) in 2011. An Action Plan on the Role of the Forest Sector in a Green Economy is being developed for consideration at the session. The Plan is intended to serve as a concrete contribution to the Rio+20 process and its 2012 Conference which has the "Green economy within the context of sustainable development and poverty eradication" as one of its two main themes. The Action plan will also provide policymakers with ideas for ways and means of improving

and promoting the forest sector's contribution to a green economy. It will address topics such as forest-based products, wood energy, sustainable forest management, valuation of ecosystem services, green building, and institutional and policy incentives. The joint session of the Timber Committee and EFC will provide an opportunity for member States to consider relevant recommendations for action and develop a regional perspective that could facilitate national implementation and global dialogue.

*Payment for Ecosystem Services.* Natural ecosystems such as forests, wetlands and peat lands are frequently managed for the provision of public goods and services free of charge. Schemes are emerging that reward those whose lands provide these services, with subsidies or market payments from those who benefit. Recent United Nations studies have attempted to shed light on the concept of ecosystem services and possibilities for their valuation, while at the national level, payment for ecosystem services (PES) schemes are being implemented. The Timber and Forestry programme plans to help governments share experiences and understand which policies and incentives are conducive to implementing PES schemes. A workshop is planned for presenting PES case studies and discussing the role that PES schemes can play in the transition towards a green economy.

*Institutional Framework.* The pan-European forestry architecture is robust, but at the same time fragmented. Forest policy formation is a complex process with many actors, each having a role. In addition, many considerations other than forest policy affect forest policy decisions. The International Year of Forests offers the opportunity to take stock of the present institutional landscape and identify options for the implementation of specific synergies





at a pan-European level, derived from the mandates and commitments under the different intergovernmental bodies. Synergies, with different actors working together, can add value to existing actions and promote a win-win approach to project design and implementation. A synergistic approach would also contribute to mobilizing diverse sources of funding and encouraging greater involvement by the trade and business communities. With this in mind, proposals are being put forward to strengthen the policy and technical aspects of the work, specifically through the joint programme of work of the UNECE Timber Committee and the FAO European Forestry Commission.

*Current and Future Trends.* Two major studies are being finalized under the programme which aim to assess the current state of Europe's forests, and to forecast future trends for the forest sector in the UNECE region. At the same time, updated data is being collected on the use of wood energy in Europe, as the third edition of the Joint Wood Energy Enquiry has been launched. Meanwhile, the Joint Forest Sector Questionnaire will collect data on removals, production and trade of wood and wood products. These statistics are collected annually in cooperation with partners at Eurostat and the International Tropical Timber Organization.

*Capacity Building.* Activities are being undertaken to strengthen policies and institutions in the Western Balkans, Eastern Europe, the Caucasus and Central Asia, in particular through the Team of Specialists on Forest Policy in Eastern Europe and Central Asia. In close collaboration with FAO Headquarters and subregional offices in Budapest and Ankara, the programme facilitates the sharing of experiences and best practices throughout the region on themes including climate change, wood energy and corporate social responsibility. The challenge ahead is to improve links with countries having transition economies through mechanisms such as the United Nations Development Assistance Framework.