



Seminar on
STRATEGIES FOR THE SOUND USE OF WOOD
Poiana Brasov, Romania
24-27 March 2003

CONCLUSIONS AND RECOMMENDATIONS OF THE SEMINAR

The seminar on Strategies for the sound use of wood was held in Poiana Brasov, Romania, from 24 to 27 March 2003, under the auspices of the UNECE Timber Committee and the FAO European Forestry Commission and at the invitation of the Government of Romania.

Representatives of 18 countries, 3 intergovernmental organizations and 9 nongovernmental organizations participated.

The report is being issued as TIM/SEM.1/2003/2 and will be posted on the UNECE Timber Committee website.

Set out below are the conclusions and recommendations of the seminar

Conclusions and recommendations

17. The participants at the Seminar warmly thanked the Romanian authorities for organizing the Seminar and for the efficient arrangements and warm hospitality during the Seminar.

18. They approved the following conclusions and recommendations concerning strategies for the sound use of wood, for consideration by the Timber Committee and the European Forestry Commission as well as other bodies, on the basis of discussion in working groups. The outcomes from the working groups' discussions are annexed to this report. The working groups were as follows:

- i. What is sound use of wood? (Chair: Mr. David Bills, Rapporteur: Ms. Stefanie Linser)
- ii. How to stimulate sound use of wood? (Chair: Mr. Gerard Buttoud, Rapporteur: Mr. Johann Georg Dengg)
- iii. New markets and consumption patterns (Chair: Mr. Sten Nilsson, Rapporteurs: Mr. Anders Baudin and Mr. Jeremy Wall)

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- iv. Strategies for sound use of wood in central and eastern Europe (Chair: Mr. Leonard Padureanu, Rapporteur: Mr. Nico Leek)
- v. Trade and environment (Chair: Ms. Margaret Rainey, Rapporteur: Mr. Serguei Kouzmine)

Conclusions

19. The objective of governments, forest based industry and the forest sector as a whole should be greater, better and appropriate use of wood from sustainably managed forests in technically and economically competitive and environmentally appropriate products and systems, of high quality. These should build on wood's heterogeneity and advantages, while recognising its limitations, so as to influence and fulfil market needs.

20. Wood from sustainably managed forests is an environmentally friendly **raw material**, with many technical and economic advantages to the consumer. It is renewable and frequently reusable and/or recyclable, and it is finally a source of energy. It is non-polluting when growing in the forest, and less energy and resource intensive in processing and use than many of its competitors. It has low carbon intensity compared to competing materials.

21. The forest and timber sector plays an important role for **employment and rural development**. Forests, public and private, provide the multiple benefits which society rightly expects from forests, including conservation of biological diversity, protection against erosion and other natural hazards, facilities for recreation, landscape beauty, cultural sites and many more.

22. Bad **governance** of the forest sector, including illegal logging, corruption and trade in products resulting from these actions, is harmful to the forest ecosystem, to government authority and revenue, and to those who abide by the law, who are put at a competitive disadvantage. Bad forest governance, including illegal logging, exists all over the world, including in Europe, although its extent and causes are not well known or understood. Governments are beginning to coordinate their action against bad forest governance. Publicity of such issues contributes to a lack of confidence by the public in wood as a sustainable material.

23. Sustainable forest management is a prerequisite for sound use of wood, and sound use of wood contributes to sustainable forest management; therefore the two concepts should be treated together in policy formulation.

24. However, the fact that wood is procured from sustainable forest management, has environmentally compatible properties and provides diverse social and environmental benefits, does not guarantee its **competitiveness** in the market place. There, wood and its derivatives have

to compete on technical performance, service, price and image with products made from other, often less environmentally compatible, materials.

25. Furthermore, wood is suffering from **substitution** by other materials in many markets; globalisation permits fierce competition sometimes based on unsustainable, illegal and/or poorly costed practices which keep the prices of legitimate and sustainably procured wood and forest products down. This undermines legitimate business, threatening its competitiveness and as a consequence the economic viability of forest management in some parts of Europe through reduced residual revenue for timber. In some cases, as a result, the forest owner receives little direct compensation for the non-market benefits he/she is expected to provide to society. Often, the many non-market benefits of forests and wood are not valued, nor are the costs of producing them identified and specifically compensated by users or society as a whole. For many materials which compete with wood, the non-market benefits are relatively less important, and the non-market costs e.g. of pollution are not always borne by the producer: this tends to further distort the competition against forest products.

26. At present not enough is known about the volume of wood consumed in each end-use sector and whether it is gaining or losing market share, and why. Considerable information is available on **Life Cycle Analysis (LCA)**, although more is needed: above all, the information collected needs to be made available in an attractive and relevant format to policy makers and opinion formers. However, so far, LCA does not include the value of forests. These information gaps hinder properly based policy formulation on this topic, and should be remedied.

27. The competitive position of wood and other dimensions of sustainable forest management are also strongly influenced, often unintentionally, by **policies for other sectors**, including energy, trade, environment and rural development. These inter-sectorial linkages are compounded by international ones. For example, forest products are traded on **global markets**, so use of wood in one country may influence forest management in another.

28. Global **climate change** is recognised as a major threat to the long-term health and stability of forests, inherently compromising the sustainability of the resource base of the timber sector.

29. More reflection is needed to define and describe sound use of wood.

Recommendations

30. To the UNECE Timber Committee and the FAO European Forestry Commission:

1. Develop further activities on the sound use of wood, based on the recommendations of the Seminar's working groups.
2. Monitor and analyse issues connected with forest law enforcement and governance, e.g. estimating, with the help of partners, the volumes of illegally logged wood in the ECE region, and the reasons underlying this phenomenon.
3. Continue to provide independent and reliable information and analysis on issues relevant to sound use of wood e.g. market trends, certification, long-term outlook, forest resource assessment etc.
4. Develop, in cooperation with the MCPFE and other stakeholders, an indicator set for the sound use of wood.
5. Continue to work to improve knowledge and understanding of the end-uses of forest products, and the factors underlying substitution, by collecting and distributing information on the sound use of wood in the region, and monitoring on a continuing basis the performance of stakeholders in this respect.
6. Stimulate better understanding of consumer perceptions and attitudes and continue to share experience on communication and wood promotion through, *inter alia*, the Forest Communicators Network.
7. Together with the UNECE Working Party on Technical Harmonization and Standardization Policies, and in conjunction with the EUW/CEI-Bois study, determine whether there are obstacles to the sound use of wood arising from differences between construction standards and regulations in Europe, and develop recommendations in this regard to appropriate bodies, notably government at all levels, industry and international standardisation bodies.
8. Develop further activities on the sound use of wood, based on the recommendations of the Seminar's working groups.
9. Consider with other stakeholders how end-use demand can be best matched with the volume, quality and location of the resource.

31. To the Ministerial Conference on the Protection of Forests in Europe:

1. Include the topic of sound use of wood in the work programme on the follow-up of the Fourth Ministerial Conference on the Protection of Forests in Europe.
2. Continue to attach importance to stimulating better information and increased transparency on forest sector issues.

32. To **Governments** and **EU institutions** :

1. Develop a policy and legislative framework to support and promote the sound use of wood as an integral part of the sustainable development of the forestry sector.
2. Where appropriate, identify and implement new financial mechanisms to support these actions. This is particularly necessary in those countries where the “wood culture” is weak, as in many central and eastern European countries at present.
3. The EU should assist the accession countries and other countries to support the development and promotion of the sound use of wood.
4. Stimulate and facilitate the creation of multi-stakeholder partnerships to promote the sound use of wood.
5. Develop wood procurement policies which encourage the sustainable management of forests in their own country and elsewhere, without creating barriers to trade. Of special note is the role of bilateral trade agreements. Governments should exchange experience on this issue.
6. Provide information on, and promote the use of, environmentally friendly consumer products, energy supplies, and building construction products and systems derived from forest resources.
7. Encourage research on the sound and innovative use of wood, including life cycle inventory and analysis (LCI/LCA), and take this information into account when formulating policy.
8. Take an inter-sectoral approach to the forest sector, notably by drawing up national forest programmes, applying, as far as possible, the MCPFE Approach to National Forest Programmes in Europe, and take into account developments in other sectors and their possible consequences for forest sector policies. In particular the interactions between energy policies and the forest sector need analysis (e.g. at the special topic of the 2003 UNECE Timber Committee session).
9. Provide information on wood availability and quality which recognises the true supply dynamics of the private sector, taking account of consumption by forest owners and the ability of owners to mobilise wood supplies.
10. Improve infrastructure for better accessibility to wood and fibre resources, without compromising biodiversity interests, and the efficient processing and distribution of wood and wood products.
11. Act strongly to maintain or achieve good forest governance in their country, prevent or reduce illegal logging, and participate in relevant international efforts, as bad forest governance harms sustainable forest management, and society as whole.
12. Implement policies and measures aiming to enhance the resistance and resilience of forests to climate change.

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13. Improve education, training and research for the wood supply, processing and distribution chain, working together with industry and other partners.
14. Consider with other stakeholders how end-use demand can be best matched with the volume, quality and location of the resource.
15. Promote client orientation of forest owners.
16. Work with partners to minimise threats to sustainable forest management resulting from the restitution process.

33. To forest-based industries:

1. Meet identified and analysed market needs by producing and marketing products based on wood from sustainably managed forests.
2. In particular ensure that wood is used in construction in a sound way, as failures in this respect damage long term prospects and confidence in the industries.
3. Work jointly with other stakeholders, including retailers and distributors, to improve communication and promote the sound use of wood, and improve awareness of the environmental and utility benefits of the sound use of wood and wood products.
4. Invest in research and development to produce innovative, attractive, client-oriented products, at competitive prices.
5. Continue to develop a sense of social responsibility ensuring that customers have confidence in their purchases, in terms of legality, quality, sustainability and suitability for their purpose.

34. To other stakeholders (including NGOs and forest owners):

1. Participate fully in efforts to create partnerships to promote the sound use of wood and wood products.
2. Participate fully at all levels in efforts to mitigate global climate change.
3. Forest owners should share information and know how and coordinate marketing through membership in associations.
4. Forest owner associations should be set up or strengthened in those countries where they are weak or non-existent, provided there is a perceived need.
5. There is a need for education in private or community forestry to promote good practice, especially in those countries where there are large numbers of new owners, because of the restitution process.
6. Work with partners to minimise threats to sustainable forest management resulting from the restitution process.