



Timber Committee
Economic Commission for Europe



European Forestry Commission
Food and Agriculture Organization

UNECE/FAO TEAM OF SPECIALISTS ON FOREST PRODUCTS MARKETS AND MARKETING

Accomplishments and Future Planned Activities

Annual report to the FAO/UNECE Working Party on Forest Economics and Statistics

Prepared by Dr. Richard P. Vlosky, Leader
Presented by Mr. Michael Buckley, Deputy Leader
22 March 2005

Introduction

The Team of Specialists on Forest Products Markets and Marketing (ToSFPM&M), established in 2000 by the UNECE Timber Committee (TC) and the FAO European Forestry Commission (EFC), has accomplished much over its short existence. The Team continues to gain momentum by leveraging past accomplishments to contribute to fulfilling its mandate. In one of the most important developments, the Team's mandate was extended in October 2004 through 2008. The new mandate is attached.

At its last meeting, in conjunction with the 2004 Timber Committee and European Forestry Commission Market Discussions, the Team reorganized its work into the following subgroups:

1. Responsible Trade Subgroup, led by Mr. Sylvain Labbé (Canada). They will work on the following issues:
 - Public procurement policies
 - Illegal logging in relation to trade, including definitions, scope and possible solutions, to eventually be presented in a workshop
 - Forecasting demand for forest products, including value-added products, in China and India
 - Interactions of supply and demand between wood for bioenergy and traditional forest products (in conjunction with Emerging Markets for Forest Products Subgroup).
2. Market Intelligence Subgroup, led by Mr. Michael Buckley (United States) (and Deputy Team Leader). They will work on the following issues:
 - Market-related outputs' content, quality, format and timeliness. Are the outputs reaching all the clients who would benefit? A renewed survey on outputs to be completed for the WPFES in March 2005.
 - Country market reports for the TC Market Discussions, including timeliness, content, format.

3. Emerging Markets for Forest Products Subgroup, led by Mr. Jeremy Wall (European Commission). They will work on the following issues:

- Team's website content to focus on global market dynamics, with a review of the site's other content, form and functionality
- Sustainable forest products markets to include illegal logging.
- Wood and forest promotion campaign effectiveness survey
- Marketing capacity building in CEECs and CIS
- Enhanced use of wood, including coordination with an EU conference.

This report describes the contributions in 2004 and 2005, as well as future planned activities, organized by mandate item.

Mandate item 1

To contribute to the sustainable development of forest products markets in the UNECE region.

1. Provide a forum for discussion of forest products marketing in the UNECE region. In particular, contribute to the Committee's annual market discussions and thereby advise the TC and EFC on forest products market developments.

The ToSFPM&M contributes annually to the Timber Committee Market Discussions by 1. providing speakers; 2. contributing to the discussions; and 3. contributing to the principal background publication, i.e. the UNECE/FAO *Timber Bulletin* "Forest Products Annual Market Review".

In addition Team members are active participants in the Timber Committee (TC) and European Forestry Commission (EFC) forums and discussions, bringing unique insights and experiences that contribute to the market aspects. For example, the Team was involved with the 2004 workshop on illegal logging and will be again involved with its follow-up. Specifically, Mr. Carl-Éric Guertin from Q-WEB on *Illegal Logging: Overview and possible issues in the UNECE region*. In addition, the Team will contribute to the proposed workshop on governments' roles in certification in 2005.

The Team also has a leadership position in producing the "UNECE/FAO Forest Products Annual Market Analysis". Selected members have been authors and all members are contributors. For example, members have been active in providing suggestions and reviews for many different chapters. Two key chapters that were drafted with Team inputs were:

1. "Forest products markets climb to new records in the UNECE Region: Overview of forest products markets and policies, 2003-2004"
2. "Policy issues related to forest products markets in 2003 and 2004".

Other chapters where team members have either led or contributed include:

1. Sawn softwood
2. Sawn hardwood
3. Wood-based panels
4. Certified forest products
5. Paper, paperboard and woodpulp
6. Housing, engineered wood products
7. Value-added products
8. Tropical timber markets

Team members contributed extensively to UNECE/FAO *Geneva Timber and Forest Discussion Papers* currently being drafted:

1. Forests, Wood and Energy: Policy Interactions. Proceedings and Summary of Discussions from the UNECE Timber Committee Session 2003.
2. Forest Certification Update in the UNECE Region, 2003.

Mandate Item 2

To contribute to the sustainable development of forest products markets in the UNECE region. Advise on implementation of Work Area 1, focusing on its products and publications and undertaking studies as appropriate.

In 2003, the Team conducted a preliminary review of market-related publications and information sources for the WPFES. The Team was given the mandate by the WPFES to conduct a wider survey which will be presented on 22 March 2005. Based on the results of the survey, the Team will make conclusions and recommendations.

Promotion of the sound use of wood continues to be a policy of the UNECE/FAO Timber Branch, and is supported by the Team. As a marketing specialist group, the Team is conducting an evaluation of wood and forest promotional campaigns. The work is being done with association of the Forest Communicators Network. The work is in the planning stage as it appears similar assessments may be carried out by other groups, and the Team is looking for synergies and to prevent any overlap.

The Team has established a Current Issues Forum website to convey information to the network, and to a broader audience. The issues we are currently tracking are illegal logging, global markets and marketing, ebusiness/ecommerce, and biofuels.

Mandate Item 3

To contribute to the sustainable development of forest products markets in the UNECE region. Provide assistance in marketing in the UNECE region, especially to central and eastern European countries, through information collection, analysis and dissemination, including workshops.

The Team was central in assisting the secretariat to secure loaned expertise from member countries to work in capacity building in forest products marketing in central and eastern European and CIS countries. Specifically it was at the recommendation from the Team that the secretariat approached the UK Forestry Commission and successfully engaged Mr. Douglas Clark for a two-year period to work directly with the secretariat in Geneva.

Furthermore, it was through discussions at the last Team meeting that the Team members from the Czech Republic offered the possibility of a marketing workshop in their country in 2005. The workshop is in the planning process for October.

Any capacity building in countries represented by experts on the Team will certainly have the Team members' involvement. It is expected that some Team members will participate in the above-mentioned workshop.



Timber Committee
Economic Commission for Europe



European Forestry Commission
Food and Agricultural Organization

**UNECE/FAO TEAM OF SPECIALISTS ON
FOREST PRODUCTS MARKETS AND MARKETING**

Reference to Integrated Work Programme: Work Area 1
Programme element 1.1, 1.2, 1.3, 1.4

A. OBJECTIVES

- To contribute to the sustainable development of forest products markets in the UNECE region.
1. Provide a forum for discussion of forest products marketing in the UNECE region. In particular, contribute to the Committee's annual market discussions and thereby advise the TC and EFC on forest products market developments.
 2. Advise on implementation of Work Area 1, focusing on its products and publications and undertaking studies as appropriate.
 3. Provide assistance in marketing in the UNECE region, especially to central and eastern European countries, through information collection, analysis and dissemination, including workshops.

EXPECTED MAJOR OUTPUTS:

1. Contribution to Timber Committee market discussions and workshop(s) on extent and cause of illegal logging and trade
2. Survey, and advise on market-related publications and products.
3. Study on possible effects on forest products markets of measures to ensure forest law enforcement and governance

B. BACKGROUND

ESTABLISHED / APPROVED BY	Joint Session of the UNECE Timber Committee and FAO European Forestry Commission, Geneva, 5-9 October 2004
DURATION	From 2005 to 2008
METHODS OF WORK	Subgroups with their leaders tackle specific projects
REPORTING	To the Joint FAO/UNECE Working Party on Forest Economics and Statistics and annual Bureaux meetings
TEAM LEADERS	Leader: Dr. Richard Vlosky; Deputy Leaders: Dr. Eduard Akim and Mr. Michael Buckley
RESPONSIBLE SECRETARIAT	Ed Pepke