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ECONOMIC COMMISSION FOR EUROPE  
Timber Committee

FOOD AND AGRICULTURE ORGANIZATION  
European Forestry Commission

**JOINT FAO/UNECE WORKING PARTY ON FOREST ECONOMICS AND STATISTICS**  
Twenty-seventh session

to be held in the Palais des Nations, Geneva  
22 – 24 March 2005, starting at 10.00 hrs on Tuesday, 22 March

Item 3 of the Provisional Agenda  
Guidance of Work Area 1: Markets and Statistics \*

This note provides the status of topics commented on by the Working Party at its 2004 session and is divided into the two parts of Work Area 1. Markets and Statistics, as follows:

- Marketing programme;
- Statistical issues for discussion including:

The Working Party is invited to note developments and respond to specific and general questions posed in this note.

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\* This document was submitted late for documents processing as clearances from relevant parties were received late.

## **Introduction**

1. This note follows up on all topics raised and commented on by the Working Party at its 2004 session. The note is divided into 3 parts: (I) Work Area 1. Programme of work; (II) Market-related activities; and (III) Statistics-related activities.

### **I. Work Area 1. Programme of Work for 2004-2008**

2. Following the 2004 Strategic Review of the Integrated Programme of Work of the UNECE Timber Committee (TC) and the FAO European Forestry Commission (EFC), the TC and the EFC approved the following items for Work Area 1:

- a. Item 1.1. Statistics on production, trade, consumption, prices
- b. Item 1.2. Analysis of markets for forest products, notably topical and policy relevant aspects
- c. Item 1.3. Capacity building for forest products marketing in countries of CIS and south east Europe
- d. Item 1.4. Monitoring and analysis of markets for certified wood products
- e. Item 1.5. Statistics on forest fires

3. Question to guide the Working Party discussions:

Do the activities described below adequately address the five items, taking into account the level of secretariat resources and extra-budgetary resources, including in-kind donations of experts and interns?

### **II. Market-related activities of Work Area 1**

#### ***II.1 Activities of the UNECE/FAO Team of Specialists on Forest Products Markets and Marketing***

4. **Team mandate.** As recommended by the Working Party at its last session in 2004, the TC and the EFC renewed the mandate of the UNECE/FAO Team of Specialists on Forest Products Markets and Marketing until 2008. As required in their mandate, the Team will report on its activities to the Working Party (separately from this note). At their meeting in October 2004, the Team continued some activities and took on some new activities in line with its mandate. The report of the Team meeting and their activities for 2005 onwards may be found at: [www.unece.org/trade/timber/mis/tos/tos-meetings.htm](http://www.unece.org/trade/timber/mis/tos/tos-meetings.htm).

5. **Survey of market-related outputs.** The Team produced a survey of its members of the UNECE/FAO Timber Branch market-related outputs at the Working Party session in 2004. The Working Party asked that the survey be expanded and presented to the Working Party in 2005. A wider survey was being produced at the time of drafting this note. The results will be presented at the session.

6. **Study of wood and forest promotion campaigns' effectiveness.** The Team proposed to launch a study of the effectiveness of promotion campaigns in October 2004. It has been proposed that the theme of the 2005 TC Market Discussions surround wood promotion policies and their effects on forest products markets. This survey could be the basis for the keynote presentation at the Market Discussions. The survey is being designed at the time of drafting this note. The Working Party will be informed of its status at the session.

7. Two further activities of the Team are discussed below under TC Market Discussions section of this document: 1. Upgrading country market statements, and 2. Improving forecasting of markets.

**8. The Working Party is invited to consider and comment on the Team's activities, including:**

- a. The market-related outputs survey outcomes and recommendations.**
- b. Survey of the effectiveness of wood and forest promotion campaigns.**

**II.2 Monitoring markets for certified forest products and certification**

9. Work Area 1 had the following outputs related to certification in the last year:

- a. "Status of Forest Certification in the UNECE Region", a UNECE/FAO *Geneva Timber and Forest Discussion Paper*
- b. Chapter on the certified forest products marketplace in the UNECE/FAO *Timber Bulletin*, "Forest Products Annual Market Review"
- c. Certification website on the TC/EFC website.

10. "Status of Forest Certification in the UNECE Region, 2003", a UNECE/FAO Geneva Timber and Forest Discussion Paper, number 39, was sent for printing in January 2005. This was the sixth, and last, of a series of annual updates which present developments in certification of sustainable forest management in the UNECE region. This update for 2003 has chapters on developments in the major international certification systems, mutual recognition between systems, status of forest certification, status of the marketplace for certified forest products, consumer behaviour and forest certification, government policies and forest certification, future developments and a list of references. The document is available on the website now and will be distributed at the Working Party session, either in final printed form, or in pre-publication photocopy versions.

11. The annual certification status *Discussion Papers* have been discontinued, despite their low production costs, because of concerns about duplication with other information sources, including the regular certified forest products chapter in the "Forest Products Annual Market Review", problems with maintaining quality, and a perception that they were no longer making a significant contribution to the policy debate, given the much higher general awareness of certification issues.

12. The status *Discussion Papers* have been based on primary research through the TC/EFC network of country correspondents on certification of sustainable forest management and certified forest products markets. This network was established by the TC and EFC Bureaux in 2001.

13. A chapter was included in the UNECE/FAO Timber Bulletin, "Forest Products Annual Market Review, 2003-2004" titled "Public procurement policies boost demand: Certified forest products markets, 2003-2004". The chapter focuses on certified forest products, and highlights recent developments for certification schemes and area of certified forest. See: [www.unece.org/trade/timber/docs/fpama/2004/fpama2004a.htm](http://www.unece.org/trade/timber/docs/fpama/2004/fpama2004a.htm). A similar chapter is planned for 2005.

14. A UNECE/FAO workshop on governments' role in certification is planned for autumn 2005. At the time of drafting this note, no further information is available, however the Working Party will be briefed on its status. The proceedings of this workshop could be produced as a UNECE/FAO Geneva Timber and Forest Discussion Paper.

15. A certification website have the following 3 sections: 1. "Status of forest certification in the UNECE region" with links to the Discussion Papers, 2. "Certified forest products marketplace" with links to chapters from the "Forest Products Annual Market Review" and 3. "Links to CFP and SFM certification websites". See: [www.unece.org/trade/timber/mis/cfp.htm](http://www.unece.org/trade/timber/mis/cfp.htm)

**16. The Working Party is invited to provide guidance on the following:**

- a. Do the two current continuing activities (chapter in the “Forest Products Annual Market Review”, and website) adequately monitor developments in markets for certified forest products?**
- b. Certification status *Discussion Papers*: should these be continued and at what periodicity?**
- c. Based on the secretariat presentation in session, are there any comments on the workshop on governments’ role in certification?**
- d. Should the certification website be maintained in its present form?**

**Forest Products Annual Market Review**

17. As proposed to the Working Party at its 2004 session, the “Forest Products Annual Market Review, 2003-2004” was produced without TC market forecasts which enabled completion in advance of the TC Market Discussions on 5 October 2004. The “Forest Products Annual Market Review, 2003-2004” was posted on the TC/EFC website on 19 August 2004 and was printed in hardcopy before the TC Market Discussions. Executive summaries were available in advance on the website in all three official languages, English, French and Russian, and in print at the Market Discussions in all languages too. Printed versions in French and Russian continue to be produced later (on 2 February 2005 for the Russian version, but at the time of drafting of this note, the French version was not available).

18. The “Forest Products Annual Market Review, 2003-2004” continued to highlight policy developments driving forest products markets and vice versa. There was a separate policy chapter and the policy theme was a common thread throughout all other chapters too. See:

[www.unece.org/trade/timber/docs/fpama/2004/fpama2004a.htm](http://www.unece.org/trade/timber/docs/fpama/2004/fpama2004a.htm)

19. The 2005 production of the “Forest Products Annual Market Review, 2004-2005” is planned with the following features:

- a. Advanced production due to earlier TC Market Discussions. Note this necessitates prompt replies by country statistical correspondents by the 15 May 2005 deadline of the Joint Forest Sector Questionnaire.
- b. An additional chapter analysing wood energy markets is being considered. Note discussion under special agenda item 6.
- c. Continue maintaining a policy focus throughout
- d. Continuing to publish more statistical information in an electronic annex on the website rather than providing these complete statistics in print with each chapter. In 2004 the electronic annexes contained tables of apparent consumption, production, trade in volume, trade in value and major trade flows.
- e. Reducing the printed annexes by providing the following only in electronic form on the website version: forest products terminology and definitions, special chapters in former “Forest Products Annual Market Reviews”
- f. We intend to maintain sub-regional comparisons (at present in the “Forest Products Annual Market Review”, groups used are: North America, EU/EFTA, Other Europe and the CIS). See paragraph below about country groupings.

**20. *The Working Party is invited to discuss whether the results of the 2004 production of the “Forest Products Annual Market Review, 2003-2004” and the plans for the 2005 production were satisfactory or are improvements needed? The Working Party may wish to urge countries to respect the 15 May 2005 deadline of the Joint Forest Sector Questionnaire.***

## Timber Committee Market Discussions

21. The lead author of the policy chapter of the “Forest Products Annual Market Review, 2003-2004” presented the keynote speech at the TC Market Discussions, which were joint with the EFC session, hence the 2004 theme “Links between forest policy and market policy”. A renowned consultant delivered a second presentation on policies affecting forest products markets and all other speakers included the policy aspect in their presentations. Many of the speakers were chapter authors. For more detail on the presentations, see: [www.unece.org/trade/timber/docs/tc-sessions/tc-62/presentations/item-3a.htm](http://www.unece.org/trade/timber/docs/tc-sessions/tc-62/presentations/item-3a.htm).

22. Participants commented that the 2004 market discussions were the best ever in terms of speakers, however that the discussion time was too short. The less than one-day TC Market Discussions in 2004 was primarily due to the full agenda of the Joint TC and EFC Session. The Discussions will return to 1.5 days on 27-28 September 2005, primarily to allow more participant discussions.

23. Country market statements. Despite attempts by the secretariat to solicit common information from countries which would be directly linked to the topics of the market discussions, the quality and quantity of countries submissions varies widely and few directly address the special topics chosen for the year. Delegates to the Working Party may find all submissions received electronically before the Market Discussions at: [www.unece.org/trade/timber/mis/market/market-62/market-62.htm](http://www.unece.org/trade/timber/mis/market/market-62/market-62.htm). The requested content is also shown at the same site. The UNECE/FAO Team of Specialists on Forest Products Markets and Marketing will endeavour to improve the quality and number of country reports received by the deadline for future TC Market Discussions.

24. Country market forecasts. The Team of Specialists on Forest Products Markets and Marketing was charged by the Working Party to improve countries short-term forecasting for the current and next years at the annual autumn TC Market Discussions. The forecasts are a longstanding foundation of the discussions and numerous analyses, including the TC Market Statement. In the past the Working Party has had statistical correspondents’ meetings in conjunction with its sessions. And at one of those meetings a couple of approaches to short-term forecasting were presented. Perhaps some countries forecasts improved because of the example approaches, however it was neither universal, nor long-lived.

25. As mentioned above, country forecasts are inconsistent in quality. In terms of quantity, 31 of 55 countries participated in 2003 and 2004. The number of countries providing forecasts disguises a problem: countries not forecasting for the coming year, but rather rolling over the current year’s forecast for the coming year. The same forecast for the current and next year is normal if there is no anticipated change in the market. However, assuming changing markets, this practice seriously weakens the exercise by negating any change in the coming year, hence reducing any possible changes which would be significant for both the analysis of short-term trends and also the TC Market Statement (if the latter, this removes the usefulness of providing forecasts). A statistical analysis comparing forecasts to actual statistics furnished a year later will be presented in session, along with a tabulation of how many countries roll over the current year’s estimate for the next year’s forecast, i.e. the same value for both years.

26. The TC Market Discussions are the key interaction between the TC, EFC and the forest products industry. Attempts to encourage heads of delegations to bring business and trade association leaders to the Market Discussions have had mixed success. The secretariat is attempting to find synergies between the TC Market Discussions and the European Softwood Conference, and possibly meet together at least for one time, in 2006, in order to achieve better industry participation.

**27. *Questions for the Working Party: Are the TC Market Discussions achieving their full potential and the needs of the current participants? How could the Market Discussions better meet the needs of potential participants, e.g. from industry and industry trade associations?***

- a. *Is there a trade off between focusing increasingly on policy issues and attracting industry participation in the Market Discussions?***
- b. *How can we improve countries responses to the annual country market statements?***

- c. *How could we improve countries' forecasting? Could there be a standardized method of short-term forecasting to be used by countries in preparation of their annual TC Market Discussion forecasts?*

#### **Country-specific information on the TC/EFC website**

28. At its 2004 session, the Working Party called for synergies to develop cross linkages for more country-specific information between the FAO Forestry website and the TC/EFC website, as well as links to relevant trade association and government websites. At present instead of the country-specific information site, the TC/EFC website sends users to the FAO Forestry Department's country profiles.

29. The TC/EFC website is being redesigned, and any progress will be reported orally to the Working Party. Note that the TC/EFC website will be mentioned also under agenda item 8.

#### **Resources**

30. As mentioned at the Working Party's 2004 session, a loaned expert from the Forestry Commission of Great Britain began working in the secretariat in June 2004 on marketing assistance to central and eastern European and CIS countries. This generosity by the Forestry Commission has enabled a renewed focus on marketing assistance, beginning with building partnerships and seeking funding for marketing capacity building.

31. Currently within the UNECE/FAO Forest Products Marketing Programme we are attempting to raise funds for capacity building in forest products marketing through a draft donor proposal titled, "Delivering Improved Marketing in the Forest Sector in Central and Eastern Europe". The Timber Branch has entered into a partnership on this project with the Finnish Forest Research Institute (Metla) and the European Forest Institute, but anticipates country partners in accordance with donors' geographical interests. The Working Party will be updated on latest developments in session.

32. Loaned expertise has continually expanded the capabilities of the Forest Products Marketing Programme, for example:

- a. In the production of the "Forest Products Annual Market Review" through contributors and authors
- b. In the certification work through contributors in the network of country correspondents and authors of Discussion Papers and chapters
- c. In the Team of Specialists in Forest Products Markets and Marketing for all of their activities, plus their assistance and advice in the Programme
- d. And in the TC Market Discussions for the expert presentations, plus of course the delegates.

33. The University of Finland's Forest Economics Department furnished two interns for the 2004 production of the "Forest Products Annual Market Review" and has pledged the same in 2005. Taking on additional interns for specific projects is possible, however there are constraints on office space in the Palais des Nations.

34. We also solicited resources from the German Academic Exchange Service. They supported us by providing a 6-month internship of a highly-qualified forestry graduate student who has worked on statistics, production of workshops on illegal logging and certification, and a variety of other duties.

**35. *Question for the Working Party: Where should the Forest Products Marketing Programme go for additional funding for the above projects, and especially marketing capacity building?***

### III. Continuing Statistical Outputs of the Timber Branch

36. We have continued to produce the *Forest Products Statistics*, the trade flow data and the forecasts made for the Timber Committee meeting. As discussed in TIM/EFC/WP.2/2005/8, the dissemination method has changed.

37. It is worth noting the differences between the data available through FAOSTAT and on the UNECE web site. Although all “regular” data (JQ1, JQ2 and SP1 questionnaires) for the 55-country region is passed onto FAOSTAT, a significant amount of data remains only available through the UNECE web site. This includes all the forecast data, the secondary products data, the “new” items collected since 1998 on the Joint Forest Sector Questionnaire (12 out of 66) and the trade flow data (which is supplied by FAO to Timber Branch). In addition the complete database is available as a single downloadable file in accordance with our mandate to distribute information freely. Delegates are invited to make their contacts aware of the extent of the statistical information available from Timber Branch.

38. ***Do these outputs meet the expectations of the Working Party? Should changes be made to them?***

#### New Outputs

39. Following several years of collecting data, and repeated calls by the Working Party to publish them, the Secretariat produced two reports in 2004 containing data not previously published. These were:

- *Trade in Secondary Products*, based on SP1 questionnaire (available at <http://www.unece.org/trade/timber/database/secondary2000-2003.pdf>);
- *Trade of Roundwood and Sawnwood by Species*, based on ECE1 questionnaire (available at <http://www.unece.org/trade/timber/database/species2000-2003.pdf>).

40. These two products have been announced through various list servers. The level of interest can be gauged from the fact that there were 702 downloads (ranked 88<sup>th</sup> in the ECE) in the month of December for the Trade by Species publication and 279 downloads (ranked 378<sup>th</sup>) of the Secondary Products file. A detailed table of downloads (including January and February results) will be provided at the Working Party meeting.

41. A number of decisions were taken in laying out the publications. On the Trade by Species publication, we grouped the data on species trade into the four primary categories (coniferous and non-coniferous roundwood and sawnwood), listing the countries alphabetically. For the Secondary Products we took the approach of the Forest Products Statistics, listing one product per table and grouping the countries according to our standard regions. Where data conflicted with information from the primary questionnaire (JQ2) we used the primary questionnaire data in preference to that from the SP1 and ECE1 questionnaires. We also sought to provide some explanatory material and a copy of the questionnaire, along with a table of contents and a cover page.

42. We have replies from approximately 32 of 52 countries each year to one or both of the questionnaires. In general, data were either completely supplied or only minimally supplied. For reasons of resource availability, only the last two rounds of questionnaires from EU/EFTA countries have been entered. There are questionnaires from earlier years that have not yet been verified or entered into the database.

43. In an attempt to verify the data, we mailed out a comparison of the JQ2 total trade data with the sum of the components from ECE1. This resulted in a significant number of replies (9 out of 21); mostly pointing out the most recent data available had not been used. This was the result of a decision made in order to produce the publication when the resources were available to process the data. We were heartened by the willingness of correspondents to review the data and the efforts made to improve these data. We will attempt to improve our data and contacts by continuing such data reviews in the future for other questionnaires as resources permit.

44. *The Working Party is invited to review the two electronic outputs and advise the Secretariat if they should be continued. If so, is the format acceptable? Is the dissemination method appropriate? Should we continue to give preference to current data or attempt to add all the earlier data available to the database? The Working Party may also wish to encourage countries to contribute when provided with data comparisons.*

### **Work on Prices**

45. The Timber Branch currently is undertaking a number of actions to improve the price data, as discussed in previous years.

- An effort has been made to identify the data series previously used for the Forest Products Prices publication and contact those who had supplied data in the past to see if they could resume supplying the figures. At the same time we requested permission to publish any data supplied.
- We undertook, with the aid of a consultant, a study to identify gaps in the data and locate potential data suppliers to fill these. We requested the assistance of the Team of Specialists on Markets and Marketing in carrying out the study.
- We switched to an on-line, updated database, rather than a static annual publication. This was presented to the Working Party last year. There are many fewer series available here but they are more current and historical data are more accessible. Through the above two efforts we hope to make more series available.

46. We propose the following objectives of the price work:

- We are seeking to provide real figures (although indexes are acceptable) on the most representative series covering a range of forest products and regions;
- The series do not need to be identical or comparable from country to country (and indeed cannot be);
- The series must be well-defined with adequate meta-data descriptors;
- The series should be publicly available;
- We also seek to keep the series compatible over lengthy periods of time in order to make the data suitable for outlook studies.

47. The users of the price data are seen as:

- The current primary user of the data is the *Forest Products Annual Market Review*;
- We do not seek to supplant or improve on the data available to market participants but to provide insight to general users as well as market actors interested in information from other sectors or regions.

48. The Marketing Team of Specialists, at its meeting in October 2004, discussed the utility of these price statistics. Opinion was divided, with most comments encouraging the development of the database and some comments that the low level of demand seemed to render our provision of these data unnecessary. Some discussion also centred on the need for creating conversion factors to convert prices into standard values and units, an effort which did not yet seem justified given the limited number of series and the work that would be involved. Currently the price database in six months has never ranked in the top 1000 downloads for the UNECE, although this does not mean there have been no downloads. We do receive a relatively steady flow (one per week) of inquiries for price statistics.

49. We have a number of problems with the price data:

- The flow of data to us is irregular, despite our requests to have data sent on a direct basis or have access to a site where we can find it. This necessitates spending time getting data which should in fact be readily available.
- Despite the attempts mentioned above to bring in new (or returning) series, we have had relatively few responses to our letters requesting data and permission to publish information. Those responses we have had have not resulted in as much data as we gathered previously.
- We aim to spend only a small amount of secretariat time on the price work (roughly 1-2 man-months per year from a total of 85 man-months) which means we have a difficult time maintaining focus and advancing the work. We request and follow up the data in a sporadic manner with work getting postponed by higher priority items.

50. We have had a number of discussions with the European Forest Institute (EFI) and other organizations (Metla, Baltic-Nordic Forest Statistics Group, ITTO) on linking data on prices and encouraging clients to visit partner organizations for information. We hope to intensify these links, particularly in view of the memorandum of understanding signed with EFI. We also hope to take advantage of the more sophisticated data presentation systems available elsewhere to improve our current output tool (an Excel file with macros).

51. We see our options with the price work as follows:

- Maintain the present level of data, dropping efforts to expand the series or improve the data tools;
- Continue to improve our data, getting more support from national contacts;
- Cease work on the price series.

**52. *The Working Party is asked to provide guidance on the work on price statistics. In particular, does this work seem to be going in the right direction? Are the results (current or anticipated) worth the effort being put into the work? Does the lack of responses to our attempts to procure more data reflect the respondent's lack of interest or lack of knowledge about prices, or does it represent a lack of information in the country?***

### **Country Grouping**

53. With the accession of an additional 10 countries to the European Union, we are confronted with the question of how to organize the display of data in our publications. Currently, for the *Forest Products Annual Market Review* and *Forest Products Statistics* we use the following structure. EFSOS, the Forest Resources Assessment and the Timber Committee forecasts use a somewhat different structure.

- EU/EFTA (19 countries)<sup>1</sup>;
- Other Europe (19 countries, including Baltics, Turkey, Israel);
- CIS (12 countries);
- North America (2 countries);
- 3 of the 55 UNECE member states are routinely excluded (Monaco, Andorra and San Marino).

54. We propose a number of possible country groupings below and solicit the views of the Working Party. A fuller explanation of the thinking behind these will be made at the Working Party. As observed in the

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<sup>1</sup> In fact EU15 and EFTA.

EFSOS main report (pg. 4), any grouping is likely to be unsatisfactory to some extent. The sub-regions used should reflect the similarities between the countries of the sub-region and the differences between the sub-regions.

- EU/EFTA (29) – Other Europe (9) – CIS (12) – North America (2);
- EU/EFTA (29) – Other Europe & CIS (21) – North America (2);
- Europe (38) – CIS (12) – North America (2);
- EU15 – EU25 – EFTA (4) – Other Europe (9) – CIS (12) – North America (2);
- Naturally a number of other possibilities exist, for example groupings based on per-capita GDP, environmental characteristics, forest resources, forest products consumption, trade flows, geography, political structure or even no groupings at all.

55. Among the considerations to keep in mind is that one primary use of this grouping is in the *Forest Products Annual Market Review* where each chapter covers each subregion in sequence. The tables in the *Review* pick out three or four countries per subregion. Other points are the need to maintain consistency over time (to avoid rearranging the groupings each year), the impact on our other publications including the outlook studies, the *Forest Products Statistics* and the forecast tables, and that the groupings be understandable for readers. The secretariat can also foresee a continuation of the variable approach (by work area) used so far.

56. ***What grouping would best satisfy our clients' needs? What would the Working Party like to see used? Is it appropriate to use different grouping in different outputs?***

#### Status of Replies to Questionnaires

57. The table below indicates the number and extent of replies over the last several years to the various questionnaires issued by the Timber Branch. There are 52 countries from which we request data in the UNECE region. For the JFSQ the number of replies includes EU/EFTA countries which are processed by Eurostat, while the percentage of cells filled is an average only for countries processed by UNECE. For the Timber Committee questionnaires (TC) all countries are considered.

Questionnaire		Questionnaire Cycle (year questionnaire sent)			
		2001	2002	2003	2004
JFSQ	JQ1 (production) - replies	36	40	44	43
	% of cells filled (of 66)	73.8	69.1	67.9	78.3
	JQ2 (trade) - replies	38	36	42	40
	% of cells filled (of 216)	82.8	88.0	92.0	87.6
	SP1 (sec. prod. trade) - replies	20	20	22 + 9 (EU)	21 +
	% of cells filled (of 42)	...	90.0	93.1	91.2
TCQ	ECE1 (species trade) - replies	20	18	22 + 8 (EU)	21 +
	% of cells filled (of 88)	...	86.6	90.1	84.8
	TC1 (roundwood forecast) -	32	32	31	31
	% of cells filled (of 21)	81.0	79.5	89.0	86.7
	TC2 (product forecast) - replies	31	31	31	31
	% of cells filled (of 45)	88.4	90.2	93.1	92.2

58. *The Working Party is invited to comment on the questionnaire results.*

### **Statistical Confidentiality**

59. An increasing problem in recent years has been the consolidation of industry and the resulting limits to providing the international community with data that is covered under statistical confidentiality. The UN fundamental position on statistical confidentiality is quite clear (see <http://www.unece.org/stats/archive/docs.fp.e.htm>). Individual data are to be confidential. Usually this translates into data that can be construed to be individual (for example, because of only one producer in the country) are confidential and cannot be disseminated (see CES/2004/WP.1). The common National Statistical Office rule is that a minimum of three reporting units must exist to produce an aggregate. More information on current work in this area can be found at <http://www.unece.org/stats/ecesp.2005/3.html>.

60. The current Timber Branch practice is to, of course, respect the confidentiality of data. If data cannot be legally provided we do not insist or complain. We do have the possibility to store data in the database and not print it but to use it in calculations. So far this option has not been used. However, given that we construct a number of product and regional totals, and that significant missing figures would distort such totals, our routine practice is to make an estimate. Such an estimate is clearly marked in the UNECE database and publications and is printed. It is usually based on an alternative non-government source, most commonly a trade association or magazine. Normally such estimates have a close relationship to reality. We try to convey these estimates to the country correspondent. A major concern is when it is not clear to us that the national data exclude part of the requested figure on the basis of confidentiality. We ask all countries to clearly indicate any such limitations on data so we can make our clients aware of this and, where necessary, compensate for it.

61. It is the Secretariat's opinion that, given the minimum six months of lag time between the end of the year and the earliest publishing of data for that year, the companies concerned do not actually worry about data confidentiality. This can be seen by the extensive and immediate reporting of such data which is available from industry public sources. We assume that if there is sufficient information to tell a public source, i.e. an association, the figure, then the data are not really confidential. If it were possible to ask companies whether they would permit the release of data to the international organizations, they would probably have no objection.

62. *To what extent does statistical data confidentiality affect your country's ability to supply accurate figures? Does the Working Party accept our practices in this matter?*

### **Wood energy statistics**

63. This continues to be an area of great and indeed increasing interest. Please refer to the side paper being prepared for agenda item 6. We are certainly prepared to support the provision of currently collected data in a structured format to the Working Party or attempt to collect data not currently available through a questionnaire or other means. It must however be quite clear what is being sought and why the Timber Branch is the responsible body to do it. The objective should be to cover wood energy data needs, as defined by the Working Party, within existing resources (both national and secretariat).

### **Forest Fire Statistics**

64. Since 1980, the Joint FAO/ECE Working Party on Forest Economics and Statistics has been carrying out enquiries of forest fire statistics in the countries of the United Nations Economic Commission for Europe. The results of the enquiry have been published under the title *Forest Fire Statistics* in the Timber Bulletin and are also available at the Timber Committee website. The questionnaire concentrates on the "core" data: number of fires, area burnt by type of land and causes of fires. The definitions used are those of the FAO/ECE Forest Resources Assessment 2005. The latest enquiry was circulated at the end of 2004 and

the results will be available at the website shortly. The secretariat will review the entire database making it user-friendly and accessible.

65. The enquiry is part of a data collection and dissemination system where there is close cooperation between ECE, FAO and the EU, with no duplicate data requests and complete data sharing between all three organisations. The statistics on forest fire number and area are also used in the Forest Resource Assessment and as an indicator of sustainable forest management, for example for monitoring the implementation of Resolution S-3 of the Ministerial Conference on the Protection of Forests in Europe.

66. The enquiry was simplified in the mid 1990's when data on prevention and losses from fires were discontinued as a consequence of the absence of an agreed international method of assessment. At present, when analysing and compiling the results of previous enquiries on area burnt by type of land, the secretariat has difficulties in making international comparisons. This situation is due to the different criteria used in each country for data collection. The problem concerns mainly the breakdown of area burnt into "forest", "other wooded land" and "other land". In most cases "other land" is non-forest land such as agriculture land, pasture land, heathland etc. In order to clarify this situation countries have been requested to provide supplementary information indicating clearly whether or not their national statistics cover each type of land, if the data are not available, or if it is nil or negligible.

67. The UNECE/FAO integrated programme of work also includes the activities of the team of specialists on forest fire: organisation of seminars, drawing regional plans for assistance in combating fires and publishing twice-yearly International Forest Fire News in cooperation with the Global Fire Monitoring Service.

68. ***The Working Party is invited to comment and provide guidance on the forest fire statistics.***