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TIMBER COMMITTEE CONTRIBUTION TO ECE CROSS-SECTORAL WORK

(Item 6 of the provisional agenda)

Note by the secretariat

This document reports on activities and proposals for cross-sectoral activities involving the Timber Committee, and invites the Committee's guidance on these activities.

INTRODUCTION

1. The UN Economic Commission for Europe at its annual sessions in recent years has sought to find synergies in the multi-sectoral structure of its PSBs, and has urged all Committees to develop cross-sectoral activities with other PSBs (see report of the Commission, E/ECE/1387, paras. 27-36, < http://www.unece.org/commission/2001/56th_index.htm>).
2. This document reports on activities and proposals for cross-sectoral activities involving the Timber Committee, and invites the Committee's guidance on these activities.
3. Routine cooperation within the secretariat, notably the use of the *Economic Survey of Europe* for the introduction of the *Forest Products Annual Market Review*, is not mentioned in this document.

TRADE, ENVIRONMENT AND TIMBER

4. Finding synergies and mutual support between trade policies and environment policies is one of the major themes of the international dialogue in many forums, including the World Summit on Sustainable Development (WSSD) and the World Trade Organisation (WTO). Moreover, the Timber Committee secretariat is based in the Trade Development and Timber Division, which in turn encourages the initiation of cross-sectoral, policy relevant activities.
5. Trade and environment has also been one of the major themes of the global forest dialogue. There are many important and topical issues on the interface of policies for trade, environment and timber, including:
 - Sustainable consumption patterns for wood and other forest products;
 - Market access for forest products;
 - Implications of globalisation for the forest/timber sector;
 - Certification of sustainable forest management;
 - Illegal logging and international trade;
 - Prevention of unjustified non-tariff barriers to trade in forest products;
 - Support for sustainable forest management in the context of international trade law.
6. The cross-sectoral activities so far undertaken by the Timber Committee in the trade/environment/timber field are as follows:
 - Special topic discussion at the Committee session;
 - Discussion paper by F. Hirsch (ECE/TIM/DP/19);
 - The Timber Section Chief briefed the Committee on Environmental Policies, which nominated two experts to serve on the group guiding the EFSOS policy work (see below);
 - The Section Chief also briefed the Working Party on Technical Harmonisation and Standardisation Policies of the Committee for Trade Industry and Enterprise Development. Subsequently the Trade Division, with the Chairman of the Working Party and the Timber Committee bureau developed a project proposal for a workshop on options for systems to certify sustainable forest management in countries in transition (Annex);

- The programme for the seminar in Romania in March 2003 on sound use of wood (Annex to TIM/2002/6) gives prominence to trade and environment issues, including a special session;
- In addition, the project developed under the CTIED to promote capacity-building for trade and sustainable development of the Russian timber sector has regularly been reported to the Timber Committee.

7. There is considerable potential to intensify the work on trade/environment/timber as there are many important policy relevant topics, and there are indeed synergies to be found simply from bringing together different policy “communities” who tend not to be aware of each others’ preoccupations. The main constraint is resources. In this context, the bureaux, at their meeting in May 2002, considered that “There is scope for expanding the policy work, building on EFSOS results and profiting from cross-sectoral synergies in ECE. The trade/environment/timber work should be developed, providing new resources could be mobilised, from inside or outside ECE. As the subject was of high topical interest, donors might be found for a well designed and focused activity”.

CROSS-SECTORAL APPROACH IN EFSOS

8. It has been repeatedly pointed out, in academic circles and during the global and regional forest policy dialogues, that the forest and timber sector is strongly influenced by policy choices in other sectors including energy, environment, trade, rural development etc. This approach has been built into the policy study being prepared as part of the European Forest Sector Outlook Study (EFSOS). (See TIM/2002/6, under work area 3, and the addendum) A revised draft of the study will be posted on the EFSOS website in August 2002.

9. The policy study identifies scenarios for policy choices, mostly, but not exclusively in “other” sectors, and analyses their likelihood of occurring, and their possible impact on the baseline (“business-as-usual”) scenario. It is hoped that this will help policy makers (in forest/timber and other sectors) to base their decisions on a better understanding of interactions and consequences.

10. The Committee on Environmental Policies nominated two experts to participate in the guidance of this study and the CTIED is engaged in dialogue regarding trade and environment. It would be helpful if other PSBs and their secretariats also contributed expertise (and a different perspective) to the preparation of the study, and when it is complete, created an opportunity for it to be presented to their “community”, for instance at the annual session of the PSB.

SUSTAINABLE DEVELOPMENT

11. Sustainable development of the sector has been at the heart of the Committee’s preoccupations since its foundation, and explicitly recognised as an over-riding objective since the mid 1990s.

12. ECE is paying increasing attention to sustainable development issues, has contributed to preparing the World Summit on Sustainable Development (WSSD), and will contribute to implementing its decisions. It has been decided that sustainable development will be the theme of the Commission session, and of the Economic Survey for Europe in 2003.

13. It is likely that the Timber Committee secretariat will be called on to contribute to this ECE-wide exercise, possibly by presenting the forest/timber sector as a case study for sustainable development, and cross-sectoral interactions. This would be a good opportunity to present the EFSOS policy analysis mentioned above.

CONCLUSION

14. *The Timber Committee is invited to:*

- *Welcome the cross-sectoral activities described above;*
 - *Reaffirm the importance it attaches to the cross-sectoral, holistic approach endorsed by UNFF;*
 - *Confirm the bureaux' opinion that extra budgetary funding should be sought for cross-sectoral work, which should not be carried out at the cost of a reduction of the quality of the Committee's core work;*
 - *Review the proposal (Annex) for a workshop on options for systems to certify sustainable forest management in countries in transition and urge potential donors to fund this project;*
 - *Welcome the holistic, cross-sectoral approach of the EFSOS policy study, urge other PSBs and their secretariats to contribute to its preparation, and, when it is complete, to make opportunities for it to be presented to their respective policy communities;*
 - *Urge the secretariat to contribute actively to ECE work on sustainable development.*
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Annex

Proposal for a workshop on options for certification systems to certify sustainable forest management in countries in transition

(under joint auspices of Timber Committee and CTIED Working Party on Technical Harmonisation and Standardisation Policy)

BACKGROUND

Certification that forest products come from sustainably managed forests is one of the major developments of the 1990s, has had a profound influence on the sector's way of thinking, and caused passionate debate. By 2002, there are several competing international systems in place, over 75 million ha of forest have received third party certification and certified products are appearing on shelves in several major markets. Some observers believe that it will soon be impossible to market uncertified products in certain west European markets. Yet the process of preparing an individual forest holding, or the forest sector of a region, for certification is complex, long, can be expensive, and requires strong institutions. Many countries in transition are faced with serious dilemmas:

- Is the expense of undergoing certification worthwhile?
- If it is, which system is more appropriate to their needs?
- What institutions will be necessary to set up and operate a certification system in their country, with conformity assessment, standard setting, public participation and chain of custody guarantees?
- How should the systems proposed for certification of sustainable forest management cooperate with existing systems of standardisation and conformity assessment?
- What consequences could decisions on forest products certification have on commitments in other fora, notably the World Trade Organisation?

Forest/timber sector policy makers in transition countries, especially those with significant exports of forest products, have expressed the wish to have support from international organisations in addressing these issues.

The ECE at its annual session in 2001, urged the Committees on timber and on trade industry and enterprise development to develop activities in the trade/environment/timber field. In the view of the secretariat the issue of certification of forest products is the most prominent one in this intersectoral area.

ROLE OF ECE BODIES

The ECE **Timber Committee** monitors and analyses policy and market developments in the sector and has a brief to monitor developments in markets for certified forest products, by issuing an annual update, and holding an annual discussion at the Committee session.

The **Working Party on Technical Harmonization and Standardization Policies**, which reports to the ECE Committee for Trade, Industry and Enterprise Development, is a forum for exchange of experience between

international and national authorities and actors in the field of standardization, conformity assessment, metrology, laboratory accreditation and related matters.

So far, at the international level, there has been relatively little exchange of ideas between the communities represented by the Committee and the Working Party. The secretariat considers there may be synergies to be found in bringing together the two communities.

PROPOSAL FOR A WORKSHOP

It is proposed that a workshop be held, in a transition country, under the auspices of the Committee and the Working Party, on the theme:

Certification of sustainable forest management: dilemmas facing countries in transition

The workshop could have the following features:

- Duration 3-5 days, possibly with one day excursion;
- Number of participants (including invited speakers): 30-50;
- Speakers and participants should be drawn from both communities (forest/timber sector policy and management, standardisation and conformity assessment);
- Representatives of major certification systems (e.g. FSC, PEFC) should be invited;
- There should be several (about 5) keynote speeches, but most of the time should be devoted to discussion, possibly in working groups, so that transition country participants can raise and discuss the issues which are important to them;
- Proceedings, including the keynote speeches and the conclusions/recommendations of the workshop, should be published very soon after the workshop and made widely available.

RESOURCES NECESSARY

The organisation of the workshop would require the following resources:

- Meeting facilities;
- A facilitator/meeting organiser to lead preparations, make arrangements and service the workshop (say, 6 months, not full time);
- Travel expenses for selected participants (perhaps one participant from each of twenty transition countries, with further participants bearing their own expenses);
- Costs of speakers, secretariat travel, translation/interpretation (if considered necessary) etc.

The ECE secretariat is in a position to provide policy guidance, oversee preparations and help with contacts, but not, unfortunately, to absorb the organising burden of the workshop or to pay participants' travel expenses.