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POLICY IMPLICATIONS OF EFSOS, EUROPEAN FOREST SECTOR OUTLOOK STUDY

(Item 4 of the provisional agenda)

Note by the secretariat

This document presents the status of the European Forest Sector Outlook Study. The Committee is invited to review and comment on the draft EFSOS main report, which will be distributed before the session.

1. Work continued at an intense pace on EFSOS during the year 2002/2003. The core analysis was done, for the outlook for trade and markets, for the forest resource and for the interactions between policies and the long-term outlook. Discussion papers on these and other topics (e.g. employment aspects, long term development of the forest resource, Russian Federation) were circulated in draft form and reviewed by the team of specialists and the Joint FAO/ECE Working Party on Forest Economics and Statistics. Full details of the meeting and documents are available on the EFSOS website, and a list of planned outputs is shown in the annex.
 2. The focus is now on preparing the EFSOS main report, which will bring together the more detailed analysis carried out so far and presented in detail in the Discussion Papers, present the broad lines of the outlook, and draw policy relevant conclusions. These conclusions, which are the *raison d'être* of the EFSOS work, should be presented to the Committee and the European Forestry Commission, reviewed by them and taken into account both when drawing up national policy, and when deciding on future ECE/FAO work. They should also be useful input into international policy discussions in other fora, notably the MCPFE, which will start drawing up its programme of work in October 2003, and could benefit from analysis and discussion of the structural trends and issues in the sector.
 3. The secretariat is at present drawing up a draft of the EFSOS main report, concentrating on the policy relevant conclusions. It will be distributed to the Timber Committee delegations before end-September 2003, and presented in some detail to the Committee session.
 4. **Delegations are invited to review and comment on the draft main EFSOS report in particular on the conclusions. Simultaneously this draft report was sent out to the EFSOS Team of Specialists (ToS)_ for comments. To this end, delegations as well as the ToS are invited to circulate the draft main EFSOS report among outlook study and policy experts as well as experts in other relevant policy sectors for comments, but not for quoting.**
 5. **The main report will be finalised after the Committee session and the comments by the EFSOS Team of Specialists have been received. The report will be published towards the end of the year. Delegations are requested to approve this plan of action.**
 6. The consequences of the EFSOS policy analysis for future ECE/FAO work should be the subject of full discussion during the Strategic Review process (see TIM/2003/7). Given the complexity of the analysis in EFSOS, and in particular its wide and cross-sectoral nature, touching many areas of expertise, and several policy communities, it appears that a single presentation to a high level body like the Timber Committee is not sufficient to transmit the ideas underlying the conclusions. The secretariat is therefore seeking to arrange a 2-3 day workshop for a wide range of policy experts and analysts, on implications for policy of the results of EFSOS, with special emphasis on cross-sectoral dimensions. The Committee will be informed of the status of this proposal.
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Annex

**Main EFSOS outputs
as of July 2003**

| Document No. | Title | Author | Status |
|---------------------|---|-----------------|-----------------------|
| ECE/TIM/DP/24 | Forecasts of GDP in European Countries for the Period 2000-2040 | Orlowski et al. | Published |
| ECE/TIM/DP/29 | Employment Trends and Prospects in the European Forest Sector | Poschen et al. | Published |
| ECE/TIM/DP/27 | Russian Federation Forest Sector Outlook Study | Burdin et al. | In publishing process |
| ECE/TIM/DP/30 | Modelling and Projections of Forest Products Demand, Supply and Trade in Europe | Baudin, Kangas | In publishing process |
| ECE/TIM/DP/34 | Driving forces for development of forest resources | Gold | In publishing process |
| ECE/TIM/DP/32 | Outlook for the Development of Forest Resources | Nabuurs et al. | Final editing |
| ECE/TIM/DP/33 | Major Impacts on the European Forest Sector | Thoeroe et al. | Final editing |
| ECE/TIM/DP/35 | Driving forces for development of timber markets | Solberg | Final editing |
| ECE/TIM/DP/.. | Common legal issues in national forestry legislation | Knivilae et al. | Final drafting |
| ECE/TIM/SP/... | Trends and Prospects of the European Forest Sector | | Final drafting |