



1 February 2007

## CONCLUSIONS AND RECOMMENDATIONS

of the workshop:

### **Mobilizing Wood Resources**

11 - 12 January 2007, Geneva

#### **Conclusions**

1. **Demand for wood is growing**, driven both by the wood-processing industries and the energy generation sector. Relevant policies should therefore balance the needs for energy security and the mitigation of climate change by reducing emissions from fossil fuels and guaranteeing the competitiveness of European industry put in the context of sustainable regional development. It should be kept in mind that wood is a valuable and versatile raw material and energy source. Wood's life cycle requires low energy input, it is carbon neutral when sustainably managed, and can be recycled and is renewable.
2. To **broaden the base for wood supply** and thereby decrease the competition between sectors for raw material, the potential of every component should be developed. In the medium term, wood supply in Europe to all end-users can be increased through more intensive use of existing forest resources, including:
  - (a) The use of wood assortments that are not currently used;
  - (b) The use of currently uncollected forest-based and related and industry residues;
  - (c) Expansion of the harvested forest area;
  - (d) The greater use of woody biomass from outside the forest;
  - (e) The wider use of post-consumer recovered wood products;
  - (f) The development of additional sources of non-wood biomass for energy purposes;
  - (g) The development of short-rotation, wood biomass crops on agricultural land.

In the longer term, wood supply can be increased through:

- (a) Expansion of the forest area;
- (b) Enhancements in the productivity of forest resource, including silvicultural and genetic innovations.

3. It is **not yet well known how much wood can be mobilized** in Europe on a sustainable basis while respecting environmental, social and economic constraints. Many factors should be taken into account in the complex analysis which will henceforth be needed, including but not exclusively:
- (a) The dynamics of forest growth and harvesting;
  - (b) The accuracy, periodicity and comparability of national and regional forest inventories as well as the assortments they cover, including forest age-class structures, and wood categories (species, dimensions, quality, etc.);
  - (c) Forest ownership structures, attitudes, goals and motivations, which may affect wood production and mobilization;
  - (d) The likely structure and size of demand;
  - (e) The fact that forests are not the only source of wood: woody biomass outside the forest, wood from short-rotation plantations on agricultural land, industry residues and post consumer wood products may all supply significant volumes.

Therefore, there is an urgent need for reliable information on the realistic potential for future wood mobilization from these sources.

4. If demand were to outstrip supply, this would lead not only to **higher prices** for wood as a whole - especially low-quality wood - but also to an **increasing amount of wood imports**.
5. The workshop in Geneva made it possible to compare a wide range of perspectives and to analyse diverging interests.
6. To **enhance better mobilization**, one must address not only the above factors, but also:
- (a) Forest owners' willingness to harvest and sell their wood;
  - (b) Physical access to the forest, non-forest and recovered wood resources;
  - (c) The existence and availability of resource and market information;
  - (d) Cost and viability of harvesting and transport, including infrastructure;
  - (e) The effectiveness and efficiency of wood harvesting and marketing;
  - (f) The availability and motivation (including satisfactory remuneration and working conditions) of an adequately trained, skilled and equipped work force, including contractors.
7. The current situation presents, on the one hand, challenges in determining the way the factors mentioned above interact, but on the other, opportunities to **find constructive "win-win" solutions** for stakeholders. Resolving these issues in the right ways, and avoiding possible conflicts, will have major positive consequences for jobs, income and biodiversity in many parts of Europe.

## Recommendations

### Principles:

1. Strategies and measures to increase wood mobilization must be within the **limits of sustainable forest management**, keeping relevant environmental, social and economic constraints in mind.
2. Policies and practices should **avoid contradictory signals** and unwanted outcomes, including undue market distortions, while encouraging efficiency in fiscal policy and the use of public funds. In particular, Governments should use incentives and disincentives in a targeted and prioritized manner.
3. There should be **equity of treatment** between imported and domestic wood in terms of regulatory, technical and other requirements, as well as between forest and agricultural products for the biomass-based energy market.
4. All systems, whether for bioenergy or wood processing, should, as far as is practically possible, satisfy high standards for **energy and resource efficiency**, cost-effectiveness and environmental performance.
5. Bearing in mind the marked variations between and within European countries, **country-specific issues** should be examined and country-specific solutions should be sought.

### Specific elements for implementation:

1. Governments, with the participation of all stakeholders, should take the lead to develop **policies and strategies** which are holistic and inclusive, co-ordinated with frameworks for other sectors and address issues at the appropriate level (local, subnational, national regional), and based on sound information. In particular:
  - (a) Strategies for the development of woody biomass-based energy should recognize the place of all actors, including the existing forest-based and related industries and the role that forestry and forest-based and related industries can play in fulfilling these strategies. Issues relating to bioenergy should be integrated into existing and emerging planning frameworks, such as national biomass plans, with the aim of securing sustainable development.
  - (b) Strategies for the efficient utilization of forest resources should be developed with reference to the national forest programmes (NFPs), including environmental and social impact assessments.
  - (c) Regional development plans, and programmes should be used in particular to facilitate small and medium-sized enterprises (SMEs), including forestry contractors.
  - (d) Governments should verify that strategies and legislation outside the forest policy area, do not have a negative effect on wood mobilization.

2. There is an urgent need for **reliable information** on the realistic potential for and consequences of increased wood mobilization. Key areas are:
  - (a) Existing and future wood resources (forest, woody biomass outside forests, short-rotation plantation on agricultural land, residues and post-consumer material) as well as the potential to mobilize it, including not only physical availability but the economic, social and environmental conditions which must be satisfied to achieve higher levels of wood supply. UNECE/FAO should take the lead in bringing together partners to assess the feasibility of an international study to address these issues. To the extent possible, this should be aligned to current reporting processes, in particular the Forest Resource Assessment (FRA). In this analysis, there should be a clear distinction between woody and non-woody biomass.
  - (b) Best practices in wood mobilization: there is a need for a comprehensive and structured exchange of information, possibly through a website, cooperating with educational institutions and professional associations.
  - (c) Opportunities and threats for the energy sector resulting from the mobilization of wood resources, including the existing and potential wood-to-energy pathways with their respective economic and technical prospects and constraints.
3. There is a need to **empower forest owners** to form “clusters” and improve wood-supply capacities, by cooperation and servicing professional units (cooperatives). A focus should be given to providing information and educational programming to forest landowners so that they can make informed decisions about forest management. Special attention should also be paid to the millions of small-scale forest owners, especially those created by the restitution programmes in several transition countries. Absentee forest owners need to understand what they own and the possibilities to use their resources. Associations and wood buyers could reach out to more forest owners using cadastral/ownership records, although, in the end, each forest owner should decide independently on the utilization of their forests, within the legal and institutional environment of the country.
4. **Education and training** should play a central role in mobilizing wood resources. Governments, academic institutions and professional bodies should address education, training and the need for the sensitization of forest owners, the forest workforce, SMEs involved in forest operations, and energy consumers with regard to skills and entrepreneurship. Wood energy issues should be introduced into national forestry training curricula.
5. Governments and industry should facilitate **access to and utilization of forest resources** by improving or securing:
  - (a) Transport and handling infrastructures, including forest road capacities and network railway systems;
  - (b) Transport and infrastructure limitations, e.g. allowable axles, lorry weights, road and railways capacities and dimensions;
  - (c) The availability of a competent forest workforce.

6. Governments, the research community and industry should **stimulate knowledge development**, identification and transfer, as well as innovation, by:
  - (a) Supporting research and development throughout the value chain, including development of new value-added products;
  - (b) Promoting the use of the best available technologies and practices. In particular, there is a need for a comprehensive and structured exchange of information on wood mobilization, possibly through a website to foster cooperation between forest owners and contractors, industry, educational institutions, professional associations and others throughout the value-added chain;
  - (c) Promoting, developing and applying models for forest resources and the forest sector.
7. The potential of **forest certification** systems requires analysis, to secure a level playing field for wood and woody biomass markets.

## **Message for the Ministerial Conference for the Protection of Forests in Europe, to be held in November 2007**

Participants noted that all workshop presentations, discussions and conclusions were highly relevant to the input needed for MCPFE resolutions, notably the proposed general declaration and draft resolution on wood and energy. Workshop participants prioritized the following topics for the attention of the MCPFE conference organizers:

1. **Policy coherence** is needed, in particular the integration of wood mobilization strategies with biomass action plans, to avoid market distortions, particularly through the perverse (i.e., contradictory or leading to unintended consequences) use of incentives and disincentives, as well as fiscal measures.
2. An involvement of the **whole wood supply chain** is needed to develop and implement European, national and regional policies and regulations promoting renewable energy sources - in particular biomass action plans - in order to find optimum solutions for the increasing demand for wood.
3. Strategies and measures to increase wood mobilization must be within the **limits of sustainable forest management**, keeping environmental, social and economic constraints in mind.
4. There is a need for much more **comprehensive and reliable statistical information** on and analysis of available wood resources, as well as the realistic potential for their mobilization. Identification and exchange of information on best practices is also needed.
5. **Forest owners** should be empowered to form "clusters" and improve supply capacities, by facilitating cooperation and servicing professional units (cooperatives).
6. There is a need to recognize **specific regional, national and subnational conditions** and objectives, and to develop level specific solutions.
7. The present situation represents a **major opportunity for the sector** to find new roles and to contribute to the security of energy supply and to the mitigation of climate change, by replacing fossil fuels and by sequestering carbon in forests and in forest products.