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**Food and Agriculture Organization
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Committee on Forests and the Forest Industry

European Forestry Commission

**Joint ECE/FAO Working Party on Forest Statistics,
Economics and Management****Forty-second session**

Geneva, 22-24 March 2021

Item 5 (b) of the Provisional Agenda

Guidance on Work Areas**Work Area 2: Policy dialogue and advice****Note by the secretariat***Summary*

In accordance with its mandate, the Working Party is expected to provide guidance on Work Area 2: Policy Dialogue and Advice. This document provides information about activities in this work area since the Working Party's last session in March 2019, as well as plans for 2020, drawing the Working Party's attention to any specific issues where guidance is needed.

I. Forest Policy**A. Implementation by the Joint Section**

1. The joint session of the ECE Committee on Forests and the Forest Industry (COFFI) and the FAO European Forestry Commission (EFC) "Forêt2019" took place at the Palais des Nations, Geneva, on 4-7 November 2019. More than 180 participants registered for the meeting. In addition to separate COFFI and EFC matters, the joint session discussed policy and technical issues relevant to forestry in the region, in particular, global and regional forest policy developments and related regional implications; forests and circular economy; forest products and services; markets and investments; and forest landscape restoration. The joint session also reviewed the Warsaw Integrated Program of Work (WIPoW) activities and the work of the Team of Specialists (ToS).

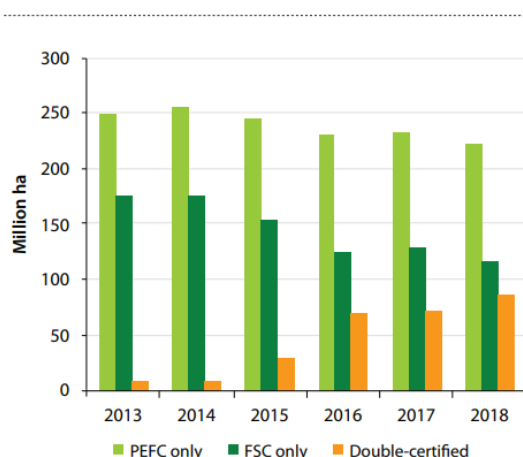
2. The Commission and the Committee requested that the ECE and FAO (within their existing mandates) continue to support countries in the implementation of the Sustainable Development Goals (SDGs) and the 2030 Agenda for Sustainable Development, including to accelerate action and delivery, as they relate to forests, and the UN Strategic Plan for Forests 2017-2030; to update member States and other stakeholders on the current status of forest-related global and regional policy developments; and to continue the work on forest

monitoring and outlook in the region. The Committee and Commission also approved the merging of the ToS on Forest Policy with the ToS on Forest Sector Outlook and approved the new Terms of Reference of the ToS on Forest Sector Outlook.

3. The Joint Section organised two informal consultation meetings on the possible resumption of negotiations on the Legally Binding Agreement on Forests in Europe, on 31 October-1 November 2019 and on 27-29 January 2020 respectively. During informal consultations, member States discussed and revised draft elements for the Executive Committee of the Economic Commission for Europe (ECE EXCOM) draft decision and the draft Terms of Reference of the negotiation group. The second informal meeting concluded with a “non-paper of the informal consultation” which remained subject to the agreement by participants.

4. The *Forest Products Annual Market Review* includes a chapter on “policies shaping forest products markets”. Topics analysed in the chapter cover a wide array of issues and the main focus changes from one year to another. In 2019, the Joint Section was again able to provide a detailed assessment of the development of forest certification in the ECE region. The area of double-certified forest increased from 71 million ha in mid-2017 to 86 million ha in mid-2018. The two dominant certification schemes (PEFC and FSC) reported a combined total of 510 million ha of certified forest, as of mid-2018; after accounting for double-certification, the total net certified forest area was 424 million ha. This represents a decrease of 7 million ha in the total area compared with the previous reporting period. There is double-certified area in 32 countries, and the graph below shows that the growth in double-certification is significant. Certified forest lands appear to have peaked and are now shrinking. The Joint Section will continue to follow up on these developments in the future.

FSC and the PEFC certified forests areas, 2013-2018



B. Meetings/Events (excluding capacity-building¹)

1. Forest Landscape Restoration in the ECE region

5. A meeting on Forest Landscape Restoration was organized in the margins of the Forest Congress for the Caucasus and Central Asia (May 2019 in Issyk-Kul, Kyrgyzstan). All eight countries of the region participated in the meeting, exchanging experiences and progress towards their pledge² and the implementation of the Astana Resolution³. During the meeting in Issyk-Kul, Azerbaijan announced its intention to join the initiative, which brought the current overall commitment to restore forest landscapes in the region to almost 3 million ha.

¹ Capacity building related events are reported ECE/TIM/EFC/WP.2/2020/6.

² www.unece.org/fileadmin/DAM/timber/meetings/2018/20180621/Astana_Roundtable_Summary_Report_ENG.pdf.

³ www.unece.org/fileadmin/DAM/timber/meetings/2018/20180621/Resolution_ENG.pdf.

6. Moreover, the ECE became a member of the Global Partnership on Forest Landscape Restoration (GPFLR). The Joint Section attended its annual meeting on 31 November 2019 and presented progress to date.

2. ECCA30, a regional initiative to restore 30 million hectares of degraded land in Europe, the Caucasus and Central Asia by 2030

7. ECCA30 was launched during the Secretary-General's Climate Action Summit held in New York in September 2019. The ECE is part of the Secretariat of the initiative. ECCA30 was developed as a regional initiative aimed at restoring 30 million ha of degraded and deforested land in Europe, the Caucasus, and Central Asia by 2030. The initiative was also announced at the preparatory meeting for the Ministerial Roundtable on Forest Landscape Restoration for eastern and south-east Europe (Belgrade, December 2019). The Ministerial Roundtable, will provide a platform for governments from the region to announce their pledges, raise awareness on forest landscape restoration, and build capacity of experts from relevant Ministries in eastern and south-east Europe.

3. Strategy for Landscape Restoration and Greening the Infrastructure of the Caucasus and Central Asia

8. During the Secretary General's Climate Action Summit held in September 2019, ECE called for development of a regional strategy for landscape restoration in the Caucasus and Central Asia and registered it as an accelerated action (part of nature-based solutions to climate change track). On the basis of this, and with the support of the Joint Section, countries of Central Asia and the Caucasus developed a strategy for landscape restoration and greening the infrastructure in the region.

C. National Forest Policy Dialogue

9. During the reporting period, the Joint Section supported the organization of national forest policy dialogue workshops in Azerbaijan and Kazakhstan.

10. The Ministry of Ecology and Natural Resources of Azerbaijan, with the support of the Joint Section and FAO Partnership and Liaison Office in Azerbaijan, organized a National Forest Policy Dialogue workshop on "Technical support for the revision of National Forestry Program and modernization of forest management system in Azerbaijan" (July 2019, Baku, Azerbaijan). Participants reviewed the draft National Forestry Program (NFP) and its Action Plan. After the workshop, the final version of the NFP and Action Plan was submitted to the government for further approval.

11. The Committee on Forestry and Wildlife of the Ministry of Ecology, Geology and Natural Resources of Kazakhstan, with the support of the Joint Section, developed a "Master Plan for the Development of the Forestry Sector of the Republic of Kazakhstan until 2030" at a technical meeting in Nur Sultan, Kazakhstan (April 2019). A group of four national consultants, representatives of the Joint Section, an international consultant, and experts from the Committee of Forestry and Wildlife, worked on the development of the Master Plan and action plan for its implementation prior to the meeting.

12. The Committee on Forestry and Wildlife of the Ministry of Ecology, Geology and Natural Resources of Kazakhstan with the support of the Joint Section, organized a National Forest Policy Dialogue (4 March 2020) to review and suggest improvements to the "Master Plan for the Development of the Forestry Sector of the Republic of Kazakhstan until 2030".

13. The Joint Section will continue to support Kazakhstan, Armenia and possibly Turkmenistan in 2020 to develop national forest strategies.

D. Green jobs in the forest sector

14. The Joint Section continued the implementation of the project on "Improving the capacity of the ECE member States to create green jobs in the forest sector". The activities undertaken in the reporting period included the following:

- A knowledge-sharing workshop, “Green Forest Jobs: Facing Challenges, Exploring Opportunities and Increasing the Capacity of ECE Member States” (25-26 June 2019, Madrid, Spain). The workshop explored how the forest sector can face challenges and adapt to emerging opportunities for developing new jobs in the forest sector, in the context of growing demand for sustainable products and ecosystem services. Almost 30 experts across the ECE region participated in the workshop, including seven funded participants from eastern and south east Europe and Central Asia. The event was organized in cooperation with the ECE/FAO Team of Specialists on Green Jobs in the Forest Sector (Joint ILO/ECE/FAO Expert Network) and was hosted by the Forestry Engineering School, Universidad Politécnica de Madrid.

- The finalization of the “Guidelines on the promotion of green jobs in forestry”. The final draft was approved at the Joint COFFI/EFC session held in November 2019 in Geneva. The guidelines will be published this year and are the joint product of ECE, FAO and Forest Europe.

15. A Discussion Paper on “Green Jobs in the Forest Sector”, issued in June 2018, was disseminated at several international fora:

- At the workshop on international cooperation in research and innovation for the future European forest-based sector organised by Standing Committee on Agricultural Research on 5 February 2019 in Brussels, Belgium;

- At the 6th Conference on the Regulating for Decent Work organised by ILO on 8 – 10 July 2019 in Geneva, Switzerland;

- At the IUFRO 2019 on 29 September – 5 October 2019 in Curitiba, Brazil.

16. The Joint Section finalised the publication on the “Forest Sector Workforce in the ECE Region” (available in mid-2020).

E. Follow-up to the implementation of the Rovaniemi Action Plan for the Forest Sector in a Green Economy

17. The Joint Section continued promoting and monitoring the implementation of the Rovaniemi Action Plan for the Forest Sector in a Green Economy. For instance, the work on “Measuring the value of Forests in a Green Economy” was presented at one of the technical sessions during IUFRO 2019 on 29 September – 5 October 2019 in Curitiba, Brazil.

18. The Rovaniemi Action Plan: Mid-Term Review was published in June 2019.

19. The Joint Section has been looking into tools for the implementation of green economy and circular concepts in the forest sector. A proposal was presented to “Forêt2019” and is available in the background document on “Forests and the Circular Economy”. As a result, the Joint Section received a mandate for further work in this area.

F. United Nations Forum on Forests Process

20. The Joint Section participated in the 14th session of United Nations Forum on Forests (UNFF14) (May 2019, New York, USA). The Joint Section organized a side event on “State of Forests in Caucasus and Central Asia” during UNFF14. Representatives of Armenia, Georgia, Kyrgyzstan and Uzbekistan presented their country overviews during the meeting.

21. In response to the request from UNFF, the Joint Section prepared a contribution on good practices, success stories and lessons learned on the implementation of the UN Strategic Plan for Forests and the Global Forest Goals.

22. The Joint Section provided inputs on the contribution of the Warsaw Integrated Program of Work (WIPoW) to the UNFF regional/sub-regional partners reporting on progress towards the implementation of the United Nations Strategic Plan for Forests 2017–2030 and the United Nations Forest Instrument.

G. Team of Specialists on Forest Policy (FPN-Forest Policy Network)

23. The 5th meeting of the Team of Specialists on FPN took place in Geneva (March 2019) during the meeting of the joint Working Party on Forest Statistics, Economics and Management. The ToS reviewed the global and regional policy developments with a view to share the information and discuss potential contributions to the forests related SDGs within the scope of the Warsaw Integrated Programme of Work (WIPoW). Considering the lack of interest from member States and other partners, the session also included a brainstorming session specifically focusing on the question of whether the ToS on Forest Policy should be merged with ToS on Forest Sector Outlook. The FPN discussed the issue based on the information provided by the Joint Section and agreed with the proposal to merge the ToS on Forest Policy Network with ToS on Forest Sector Outlook Studies.

24. The joint session of the ECE Committee on Forests and Forest Industry (COFFI) and FAO European Forestry Committee (EFC) approved the merging of both ToSs under the name of ToS on Forest Sector Outlook at the meeting of the Joint Session in November 2019. In January 2020, the Joint Section invited ToS FPN members to join the new team and provide their contributions under the new structure.

H. Team of Specialists on Boreal Forests

25. During their joint session held in Geneva, Switzerland, in November 2019, the ECE Committee on Forests and the Forest Industry (COFFI) and the FAO European Forestry Commission (EFC) established the Team of Specialists (ToS) on Boreal Forests for the period 2020-2021, which was approved by EXCOM in December 2019. The objective of the ToS is to contribute to science and policy cooperation on boreal forests, to increase collaboration with existing boreal-related research organizations, and to improve awareness of the important role boreal forests play in global issues such as climate change and the bioeconomy.

I. Cross sectoral work on forest and wood issues within the ECE Nexus' work

26. The 2030 Agenda with the Sustainable Development Goals (SDGs) provides an ambitious and comprehensive framework that provides new perspectives for policy-making and international cooperation. Its integrated character calls for an assessment of the linkages and complementarities that exist between different goals and targets. The challenges facing the ECE region cut across most SDGs. These challenges cannot be tackled through an exclusively sectoral focus, as this would fail to capitalize on opportunities for enhanced impact of a more integrated approach.

27. In order to strengthen the impact of ECE contribution to SDG implementation in the region, internal cross-sectoral cooperation across SDGs should be enhanced through a nexus approach. In this regard, cross-divisional teams were created for areas where multiple SDGs converge:

- (a) Sustainable use of natural resources;
- (b) Sustainable and smart cities;
- (c) Sustainable mobility and smart connectivity; and
- (d) Measuring and monitoring the SDGs,

as flexible arrangements to strengthen established synergies/complementarities among ECE sub-programmes and identify opportunities for possible new activities in high-impact areas.

28. The key objective of the Nexus approach is to support ECE member States in tackling the cross-sectoral and multidisciplinary dimension of the 2030 Agenda for Sustainable Development. The Nexus will enable an integrated and holistic approach to respond to challenges in the ECE region, as well as jointly implement existing activities. The lessons learned from this approach will be used by the Joint Section to further integrate sectoral

workplans, strengthen internal cooperation, partnerships with other UN and regional organizations at the transboundary and regional levels, and where ECE is expected to support integrated programming based on substantive regional analysis to the UN Development Assistance Frameworks (UNDAFs).

29. The Joint Section took active part in the Nexus approach, notably in the Team on Measuring and Monitoring the SDGs, and in the Team on Sustainable Use of Natural Resources, whose work was coordinated by the Joint Section. More information about this work and results achieved so far will be provided to the Joint Working Party at the meeting.

J. Key questions for guidance and discussion

30. See ECE/TIM/EFC/WP.2/2021/4.

II. Forest Sector Outlook

A. Implementation by the Joint Section

31. During its forty-first session, the Joint Working Party on Forest Statistics, Economics and Management welcomed the proposal of three outputs for the outlook study: a methodology report, describing the assumptions, model and scenarios; a web page containing all modelling results (by region and individual countries); and the main Forest Sector Outlook Study (FSOS), which will be a concise publication directed at policy makers with a focus on two aspects, climate change and structural changes. Furthermore, the Joint Working Party provided feedback on model results and stressed the importance of having concise messages that can be communicated to sectors other than forestry.

32. Following this guidance, the Joint Section prepared a chapter outlines, which were reviewed and further refined by the leaders of the Team of Specialists on Forest Sector Outlook. Subsequently, the Joint Section contacted a range of possible contributing authors and lead and contributing authors were secured.

33. Developing of the chapter on global structural changes is led by a US-based modelling team supervised by Mr. Jeffrey Prestemon. The chapter is closely linked to markets and trade, and therefore to the scenario results of the Global Forest Products Model.

34. The chapter on climate change was written through cooperation with the Forest Management Scenarios for Adaptation and Mitigation (FORMASAM) project. FORMASAM is funded by the European Forest Institute (EFI) under the EFI Network Fund and runs from 2018 to 2020. Its objective is to develop future forest management scenarios allowing to explore climate mitigation and adaptation options for the European bioeconomy. The project brings together modellers and forest management experts from all over Europe, including eastern and south-east Europe. Its coordinator, Mr. Christopher Reyer, agreed to be the lead author of the chapter on climate change, with the support of a range of contributing authors from the FORMASAM network. The Joint Section took over the responsibility for the introduction chapter and the chapter on global trends affecting the forestry sector.

35. The Joint Section organized a meeting of authors back-to-back with the third FORMASAM meeting (Zvolen, Slovakia, September 2019). The lead authors, several key contributing authors and the Joint Section discussed first draft chapters, refining the approach for various sub-chapters and agreeing on the timeline for the remaining part of the work.

36. As of February 2020, a preliminary draft for the chapter on global structural changes was reviewed jointly by the contributing authors and the Joint Section (the text is currently being revised). For the chapter on climate change, a draft subchapter on climate change impacts (e.g. impacts on natural disturbances and forest productivity) has been reviewed jointly by the authors and the Joint Section.

37. The Joint Section attended the fourth FORMASAM meeting: “Managing forests in the 21st century” (March 2020, Potsdam, Germany). The conference brought together experts on forest management from all over Europe facing very specific management challenges.

The conference provided an opportunity to meet and coordinate with authors from the FORMASAM network who were working on the climate change chapter. The Joint Section took advantage of the presence of many members of the ToS on Forest Sector Outlook and organized a side meeting with the contributing authors of the upcoming Forest Sector Outlook Study.

B. Team of Specialists on Forest Sector Outlook

38. On 15 November 2019, the Joint Section organized a WEBEX meeting for the Team of Specialists on the Forest Sector Outlook. During the meeting, lead and contributing authors provided a progress report to a group of experts and asked for their feedback. The minutes of the meeting can be found on the ECE/FAO website: <https://www.unece.org/forests/outlooknov2019>. The annual report of the Team is annex of this document.

C. Key questions for guidance and discussion

39. See ECE/TIM/EFC/WP.2/2021/4.

Annex

Report by the Team of Specialists on Forest Sector Outlook

Items for regular reporting to the Joint Working Party on Forest Statistics, Economics and Management (JWPFSEM)

1. Name:

Team of Specialists on Forest Sector Outlook

Team website: <https://www.unece.org/forests/areas-of-work/policy-dialogue-and-advice/forest-sector-outlook/methods-and-processes/team-of-specialists-on-forest-sector-outlook.html>

2. Period covered:

April 2019 – March 2020

3. Leader/Deputies and Secretary:

Leader:

Deputies: Mr. Jeffrey Prestemon, Mr. Ragnar Jonsson

Secretary: Ms. Lia Fain seconded by Mr. Tristan Herrmann

4. Members:

42 (as of 22 January 2020)

5. Countries:

14 countries: (as of 22 January 2020) Austria, Czech Republic, Finland, Georgia, Germany, Netherlands, Poland, Spain, Sweden, Switzerland, Turkey, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America

6. Meetings held:

Meeting of the Team of Specialists on Forest Sector Outlook (November 2019, virtual WEBEX meeting)

7. Outputs and impacts achieved during last year:

- Background document for the current Outlook study, available at the 41st Meeting of the Joint Working Party on Forest Statistics, Economics and Management, 27-29 March 2019, in Geneva;
- Presentation of preliminary results to the JWP at the meeting 27-29 March 2019;
- Contract executed to have Mr. Prakash Nepal prepare a Background Methodology Report as an adjunct to the full draft of the 2020 Forest Sector Outlook Study (December 2019-February 2020).
- Full draft of the 2020 Forest Sector Outlook Study completed (March 2020).

8. Outputs and impacts expected for coming year:

- Presentation of the results of the 2020 Forest Sector Outlook Study to the Joint Working Party on Forest Statistics, Economics and Management (18-19 June 2020);
- Review of the full draft of the 2020 Forest Sector Outlook Study (June 2020);
- First meeting of the new Forest Sector Outlook-Forest Policy Team of Specialists (date tbd.);
- Revisions of the 2020 Forest Sector Outlook Study (June-September 2020);
- Publication of the 2020 Forest Sector Outlook Study (October 2020);
- Public presentations of the 2020 Outlook (venue to be determined).

9. Issues for the attention of the Working Party:

- Request country reviews of the 2020 Forest Sector Outlook Study;
- Request possible venues for presentations of the 2020 FSOS;
- Request guidance on specific issues and activities in the coming term for the newly merged FSOS-FP ToS;
- New leadership team needed for the newly merged FSOS-FP ToS: Leader, Deputy Leaders (2).

10. Other comments: (e.g. collaboration with other ToS, justification for not holding a meeting, etc.)

The ToS welcomes Mr. Tristan Herrmann as Interim Secretary to the team, taking up duties of Secretary Ms. Lia Fain.

Vice Leader Jeff Prestemon will complete his participation in the ToS upon the publication of the 2020 Forest Sector Outlook Study.
