Agenda of the 36th Meeting of Intersecretariat Working Group on Forest Sector Statistics
Meeting hosted by ITTO, Yokohama, Japan
6th February-10th February 2023

1. ## Adoption of agenda

2. ## Review of the Joint Forest Sector Questionnaire activities and process in 2022

   a) Number and quality of replies
   b) Successes/problems
   c) Data dissemination
   d) Data validation - discrepancies identified:

   - Apparent consumption
   - Annual changes
   - Unit price
   - Global checks

   e) Data exchanges among partner organizations
   f) Ancillary statistical activities by individual organizations
   g) Pending issues

3. ## The JFSQ cycle in 2023

   a) 2022 JFSQ proposed revision/improvements

   - Change position of poplar and beech sawnwood on ECE-EU so it follows HS structure.
   - HS code assignment of "ex" codes in annex – see changes proposed for 3.2/4, and tropical on annex 2, JQ2 correspondence. Some items with ex codes (plywood, wooden furniture) not commented as they will change next year. See ECE cover letter and analysis of current ex-codes in JQ and what to do about them (annex 3)
   - Highlight (again) definition of removals which includes ALL wood – change top row of JQ1
   - At least two correspondents (Sweden and Netherlands) wanted to see "stemwood" as an item on JQ removals. This may be too hard for many countries but a special questionnaire might be useful, perhaps as part of a larger exercise on removals data practices in countries.
   - Conversion factors could be made part of JFSQ – some confusion between historical ones in definitions and FAO Yearbook and the 2009 (2020) study. The IWG suggested drawing attention to the FAO Conversion Factor Study (https://www.fao.org/documents/card/en/c/ca7952en) in cover letters and reviewing the issue at another IWG meeting.

   b) Deadlines and data exchanges

Agency	Eurostat	UNECE	ITTO	FAO
Send out JFSQ to countries	April 8	April 8	June 13	May 17
Deadline for countries responses	Sept 9	May 20	September 30	June 30

Internal deadline (last day for new data additions)	Sept 25	June 30	• Mar 2023 (for the Biennial Review) • Oct 1st for JQ 2021	Nov 15
Basic validation	Sept 30	July 1	• Mar 2023 (for the Biennial Review) • Oct 1st for JQ 2021	December 7
Analytical validation (last day for data changes)	Oct 25	July 15	• Mar 2023 (for the Biennial Review)	December 12
Dispatch to ECE	JQ as received			June 30 Provide COMTRADE data to ECE in JFSQ structure (and JQ3 and ECE-EU) with 100% mirror data
Dispatch to FAO (for checking and final)		No-mid year upload, send July 29 and Nov 15	Questionnaires as received ITTO items dataset in March 2022 and **1 December 2022**	
Dispatch JQ to ITTO	JQ originals for ITTO countries as received, eliminating any confidential elements	As received. Forecast data after committee meeting in November. Advise them when final data in Dec are available (3rd week)		Send all JQs to ITTO as received
Database upload	November	August / December?	February and July	December 15

    c)   Future: Ideas for "big bang" for JFSQ2022.

The Working Party in 2006 summarized the following for including new items in JFSQ (ECE/TIM/EFC/WP.2/2007/3, para 14)
The views of the Working Party <mark>expressed last year</mark> were conveyed to the IWG basic principles for the inclusion of new products:

       1.   a clear definition, including HS codes;

2.   potential to collect data;
3.   interest shown in having data;
4.   avoidance of duplication;
5.   continuity of data series over time; and
6.   changes are long lasting.

IWG discussed option of adding 4 additional rows (total veneer, total coniferous veneer, total non-coniferous veneer and total tropical veneer), separating out from veneer for plywood, to questionnaire which could be implemented at next "big bang" (IWG in 2023, when JQ2022 is aligned with HS2022). This would improve data in wood balance.

Total veneer
Coniferous veneer
Of which: used in plywood
Non-coniferous veneer
Of which: used in plywood
Of which: tropical veneer
Of which: used in plywood

Eurostat: Although it has been raised and rejected in the past, Eurostat proposes to change the name of the questionnaire indicating the year the data collection is carried out. This is the practice for all the other existing questionnaires at Eurostat. It would be definitely confusing in the beginning for some parties but it is also confusing at present for some (other) parties including submitting countries.

ITTO would prefer year of issuance, also pointed out to be consistent we should request all years (e.g. JQ 2019-2021).

FAO proposed making title more clear – JFSQ for Forest Sector Data for 2019-2020. ESS (FAO) sends 3 years in questionnaire (with pre-filled), calling it year of missing data. FAO suggests to maintain use as is.

ECE uses reference year (date for which we want data), as in JWEE and TFQ.

ECE will request suggestions from ToS and WP on possible new/dropped items.

4. Global classifications:

a) HS2022 codes insertion into the JFSQ.
b) HS2027 round – review list of proposed changes.
c) Code for post-consumer recovered wood in CN. Definitions of post-consumer recovered wood.
d) Fibreboard and secondary wood products in HS: headings 4411, 4412 and 4418. Issues of misclassification.
e) Revision of units of measurement in HS
f) conversion factors in ITTO/COMTRADE
g) Annex to chapter 44 "Appellation of certain tropical woods"
h) SIEC revision
i) Update from CPC ver.3 and ISIC 5

5. Other Business

a) Inclusion of engineered wood products as a JQ4 in the future. To be discussed at next IWG. **ECE will send questionnaire and data from 2018 EWP.**

b) COMTRADE data versus trade data submitted by countries
c) Understanding and managing negative consumption
d) EPF wood construction survey request. There is interest at political level and **ECE/FAO will pursue at next ToS meeting**.
e) Organizational and staff changes
f) National correspondents
g) Place and date of 37th IWG meeting (2023) (or in-between)

6. Meetings of Interest to IWG

	Pending issue/action point	Status
	ECE will continue to work on improving the definition of chips and particles.	Transferred to Team of Specialists for further discussions. Still open issue 2022.
	[Canada chip production] Should be revised backward or fixed from 1998 onwards and wood residues production from 1993 onwards. **Postponed to 2020.**	Not done in 2021.
	ECE will be trying to fix this [IRW data 1964-1989] and will share the correction file with FAO. **In progress.**	Continued.
	Ex-codes problems in item 3.2 and 4 cause problems for countries. Since this will not be fixed in HS2022 we should **consider other solutions at next IWG meeting**	ECE proposed that we include a specific solution (50/50 split) in JFSQ annex and cover letter. Also plywood C/NC could split along ratio of known C/NC
	FAO is discussing internally with FAOSTAT and *will provide updated flags to partners.*	Under internal discussion at FAO and raise at Working Party
	Stemwood, roundwood, removals and wood fuel: broad definitions. ECE will pursue this in a Team of Specialist sub-group.	Not yet started 2022.

Annex 2 - HS 2027 – Final list for proposals
[FAO to insert the official list for the WCO joint proposal]

Annex 3- Ex-codes and what to do with them

The most important point with the ex-codes is that we don't undercount data (by not including it) and we don't doublecount it (by including in each parent JQ item).

Tropical items (1.2.NC.T, 6.NC.T, 8.1.NC.T)
We managed, in HS2017, to put ALL the tropical items into single HS groups for each product. Before that they were in an "other" category that combined with non-tropical non-coniferous.
The codes that are left for 1.2.NC.T and 6.NC.T are pretty minor (4403.12, 4406.12)
For plywood it can still be significant. However this should be fixed in HS2022.
In any case, the "recommended" procedure for all tropical items is to look at the imports from tropical countries for the total non-coniferous category and not to rely on assuming the goods have been correctly classified as tropical/non-tropical. The countries should be those ITTO classifies as tropical producers (https://www.itto.int/about_itto/members/). This does imply pretty significant work.

Wood residues and recovered post-consumer wood (3.2 / 4)
This code can't be easily split. We tried to get recovered wood into HS2022 and were rejected because we could not provide a good enough distinction.
Ideally a country will have some study or analysis which would give a level for the amount of traded recovered wood. Also, if there is no sawmilling industry we could assume almost all the exports would be recovered wood.
Countries give data sometimes for only 1 item (typically 3.2). In this case we can just leave item 4 empty (not zero).
The secretariat could analyze data that seems correct and calculate a standard split. This can be tricky because the data from countries that are "correctly" reporting may not be typical of all countries with different industry structure.
Failing all else, we can just divide the data for 4401.40 equally across both JQ items. As we have different units (m3 /mt) the source data should be converted correctly.

Plywood coniferous and non-coniferous (8.1.C, 8.1.NC)
We can leave this alone for time being, the HS2022 codes will include a more comprehensive split of coniferous and non-coniferous.

Fibreboard (8.3.2, 8.3.3)
We assigned, in 2017, code 4411.14 to both of these items and asked countries to make the split as they could (see note on annex sheet in JFSQ). We don't need to change the note now and should review it in HS2022.
If the country has data (more detailed trade classification or perhaps on production), it can make its own expert judgement.
Failing all else, if we have to make a decision on splitting 4411.14, we currently say to put it all into 8.3.2 (MDF).

Wooden furniture (13.5)
We can leave this alone for time being, the HS2022 codes will include a split of these items into wooden and non-wooden furniture parts.

Printing and writing paper, ready for use (14.5.1)
This is quite unclear as to how much actual printing and writing paper winds up here. We don't have enough knowledge to propose anything.

ECE cover letter comments on handling "ex" codes

Changes to the HS classification introduce a number of "ex" codes, codes that only partially apply to a specific JFSQ item. The IWG suggests that HS "ex" codes be divided amongst JFSQ items by one of the following procedures (listed in order of preference):

• 	The preferred solution is to use a more-detailed national classification system (where this exists) to assign subcodes of the "ex" codes into the correct JFSQ item;

• 	Use expert judgement to assign the volume and value of trade in the "ex" codes to the correct JFSQ item;

• 	Divide the data for volume and value of trade of the "ex" codes amongst the JFSQ items to which they apply.

• 	Correspondents are requested, when completing JQ2, to cross-check the data classified by HS code in national trade statistics as "tropical" with the data classified by actual country of origin.