

# UNECE/FAO Timber Section

United Nations  
Economic Commission for Europe



Food and Agriculture  
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United Nations

## Conclusions and Recommendations of the Workshop on Mobilizing Wood Resources Palais des Nations, Geneva, 11-12 January 2007

The UNECE/FAO Timber Section, FAO/Rome, CEPI, EFI, MCPFE and the joint FAO/ECE/ILO Experts' Network, with support from the Swiss Federal Office for the Environment, organized a workshop on resource mobilization and comprehensive wood utilization strategies in support of sustainable forest management. The event was held in Geneva from 11 to 12 January 2007.

Over 100 decision-makers from governments, industry, forest owners and non-governmental organizations (NGOs) participated in the workshop. On the first day, speakers from various sectors gave presentations on relevant background information, case studies in Europe and possible strategies to approach the issue. The presentations formed the basis of fruitful discussions in working groups on the second day. At the end of the workshop, participants drafted conclusions and recommendations to policy makers and the Ministerial Conference on the Protection of Forests in Europe (MCPFE).

The conclusions and recommendations are presented below:

### Conclusions

1. Demand for wood is growing, driven both by the wood-processing industries and the energy generation sector. Relevant policies should therefore balance 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, 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;

*(Continued on page 2)*

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## Did you know...

### the effects of the January 2007 storms in Northern Europe

Fierce storms swept the north of Europe in early January, damaging forests as well as killing people and damaging infrastructure.

The UNECE/FAO Timber Section collected information about the January storms for use of the international forest community.

In Belgium (Wallonia), the damage was estimated at 300.000 m<sup>3</sup> for the whole of the Wallonia region.

For France, data were incomplete, but apparently less than 300.000 m<sup>3</sup> (approximately 150.000 m<sup>3</sup> in public forests and less in private forests because of the region where the storm hit).

In Germany, storm damage was estimated to amount to 22-25 million m<sup>3</sup>. Most affected areas were concentrated in the central parts of the country.

In Sweden, damage was estimated at about 12 million m<sup>3</sup>.

In the United Kingdom, damage levels are relatively low, about 50,000 m<sup>3</sup> with Wales and Scotland reporting minor sporadic wind blow damage.

More information are available from our website:  
<http://www.unece.org/trade/timber/>



Photograph courtesy of B. Rérat.

(Workshop on Mobilizing Wood Resources, from p.1)

- (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) Enhancement of 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 not only be geared, if at all, towards 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 adequate 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 the way the factors mentioned above interact, but on the other, opportunities to find constructive "win-win" solutions, instead of conflicts between stakeholders which could harm the sector as whole. How these issues are resolved 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 perverse outcomes, including undue market distortions, while encouraging efficiency in fiscal policies 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 in particular 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 whether strategies and legislation outside the forest policy area, 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. Empower forest owners to form “clusters” and improve wood-supply capacities, by cooperation and servicing professional units (cooperatives). Provide 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 it. Associations and wood buyers may reach out to more forest owners using cadastral/ownership records, although, in the end, each forest owner decides 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 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 included 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 axle and 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. Analyze the potential of forest certification systems 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 as part of 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:

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. Empower forest owners 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.

## Seminar on Marketing in Forestry and the Wood Industry Dubrovnik, Croatia, 7-8 December 2006

The seminar held in Dubrovnik on 7-8 December 2006 attracted participants from Croatia, Bosnia and Herzegovina, Serbia, Slovenia and the Former Yugoslav Republic of Macedonia. About 80 people attended, including several prominent speakers from Europe and North America as well as experts from the region. Local organizers were Ana Urukalo from the Wood Development Centar in Rijeka and Prof. Darko Motik of the University of Zagreb. Working together, they secured funding from the Ministry of Agriculture, Forestry and Water Management and the Croatian Chamber of Economy which, combined with funding from the Austrian Government, enabled this important event to take place. Further organization came from the UNECE/FAO Team of Specialists on Forest Products Markets and Marketing.

Perhaps not surprisingly, the seminar identified much common thinking along with similar challenges being faced by the countries taking part. Among these were the needs to promote wood as a material, in construction, to raise awareness of wood's green credentials, and to help stimulate demand for wooden products. There was concern about public attitudes to forestry, including a general observation of mistrust. Many of those present believed that one of the main challenges for the industry was to restore public confidence by explaining clearly the progress that has been made in working towards sustainable management of forests throughout the region.

The description of a proposed Marketing Information System for forestry and forest products, in the early stages of development in Serbia, was met with a lot of interest. There was wide acknowledgment of the need for better information to be made more freely available about the volume of market activity as well as price data. In addition, there was broad support for some kind of "wood stock exchange" to be developed which would allow buyers and sellers to identify each other more easily and that, through time, might allow electronic trading.

Speakers from Finland and Bosnia and Herzegovina explained the benefits that come from association, i.e. allowing sectors of the industry to have stronger representation with different stakeholders. The development of clusters of common interest, even among businesses that might at one time have viewed one another as competitors, can lead to a stronger industry, one that is better able to respond to the challenges that lie ahead.

The final conclusions and recommendations are still in preparation, but will be available soon via a link from [www.unece.org/timber](http://www.unece.org/timber). There was strong support for this type of meeting to become a regular event, perhaps rotating between the countries on an annual basis. Work is continuing to find partners and donors who recognize the value of this kind of exchange between forest owners/managers and the wood-processing sector at the regional level, and who might be willing to help by sponsoring future events.

## Joint FAO/UNECE Working Party on Forest Economics and Statistics, Geneva, 20-22 March 2007

The Joint FAO/UNECE Working Party on Forest Economics and Statistics will meet in Geneva from 20 to 22 March. This meeting will bring together delegates from the UNECE member States to review statistical issues in forestry, share information and provide guidance to the work of the secretariat. The Working Party is chaired by Ms. Susan Phelps (Canada).

The focus of this year's meeting will be on reviewing the outcome of the Joint Wood Energy Enquiry, mandated last year by the Working Party, and the direction this work should take in the future. In addition, the Working Party has been asked to provide guidance to the work areas of markets and statistics, forest resources and outlook studies.

Attendance at the meeting is open to UNECE member country Governments and organizations. More information and meeting documents can be found at our website, <http://www.unece.org/trade/timber/docs/stats-sessions/stats-29/stats-29.htm> or by writing to Alex McCusker ([alex.mccusker@unece.org](mailto:alex.mccusker@unece.org)). Reports from previous meetings are also available on the website.



### Current and upcoming events

- Wood Mobilization Workshop, Geneva, 11-12 January
- EU-Council Working Group on Forestry, Brussels, 16-17 January
- Implementation of the Forest Action Plan, Brussels, 30 January
- Expert meeting on Sustainable Forest Management, Rome (date to be determined)
- International workshop on national forest programmes - a tool for strengthening science-policy interface in practice, Zagreb, Croatia (date to be determined)
- MCPFE Expert Level Group's Drafting Meeting, Warsaw, Poland, 1-2 February
- EU-Council Working Group on Forestry, Brussels, 5 February
- Multi-year programme of work on UNFF: Charting the way forward to 2015, Bali, Indonesia, 13-16 February
- Inter-secretariat Working Group on Forest Sector Statistics, Geneva, 14-16 February
- EU-Council Working Group on Forestry, Spain, 1-2 March
- 18th Session of the FAO Committee on Forestry, Rome, 13-16 March
- 29th meeting of the Joint FAO/UNECE Working Party on Forest Economics and Statistics, Geneva, 20-22 March
- United Nations Forum on Forests 7th Session, New York, 16-27 April
- Workshop: Exchange of experiences on forest policies and institutions in Eastern European Countries, Krtiny, Czech Republic, 14-18 May