

## **CHAIR'S CONCLUSIONS AND RECOMMENDATIONS**

### **Workshop on Harvested Wood Products in the Context of Climate Change Policies**

*The conclusions and recommendations are based on the presentations and discussions at the workshop. The text was initially presented and discussed with the participants at the final session of the workshop. A second version was circulated by email to the participants for comments and then finalized by the UNECE/FAO secretariat. The conclusions and recommendations are drafted on the Chair's responsibility.*

#### **Preamble**

Forests play manifold roles in climate mitigation:

- a) They sequester carbon from the atmosphere when they grow, store carbon in living and dead biomass and forest soils.
- b) They deliver wood as raw material which offsets greenhouse gas (GHG) emissions due to substitution of more energy and emission-intensive, non-renewable material.
- c) They produce wood for energy which can substitute fossil energy.
- d) Wood products are a pool of carbon that delays its release to the atmosphere.

The different aspects of forests and forest products in reducing GHG (carbon stored in forest, in harvested wood products and wood-based biofuels) are inherently connected.

## Conclusions

1. In most countries, the substitution effect of Harvested Wood Products (HWP)<sup>1</sup> is considered to be their key impact in climate change mitigation.
2. Carbon stock in HWP has been increasing significantly in many countries over the last years and is likely to increase further in some countries. Thus, HWP stock changes influence the atmospheric carbon balance in the short and medium term, although their contribution to the global carbon balance is still relatively small. In a long term perspective, HWP stocks will eventually reach a steady state.
3. Existing data from national and international datasets, including FAO / UNECE data, can be used to calculate HWP stock changes and flows by using the existing approaches on forests and HWP. Reporting on HWP will eventually lead to improved data on HWP, especially for final products and disposal for which data quality is lower, and geographical data coverage of HWP will increase.
4. The suggested HWP accounting methods improve the accuracy of GHG balances compared to the IPCC default approach. An important difference between the different HWP accounting approaches is to whom the responsibility for the carbon emissions from HWP is assigned, in particular with respect to trade.
5. Considering the time schedule of the climate negotiations, countries have to explore the implications of the different approaches on how to account for HWP before mid 2009 in order to still be able to address HWP treatment in a potential agreement in Copenhagen in December 2009.
6. In certain circumstances, for instance in areas with high growing stock in managed forests with species not fully site-adapted, further increase of growing stocks can lead to increasingly severe impacts of risks from natural disturbance (e.g. storm, insect calamities, fires) leading to release of GHG emissions. Direct accounting for HWP can be an incentive for silvicultural measures and harvest, which could lower this risk.
7. A “cascaded” use of harvested wood – first for wood products that can be recycled, then for energy – is in most cases preferable to the direct use of wood for energy from the point of view of GHG emissions. Accounting for carbon stored in HWP can be an incentive to use wood as material before using it for energy generation following “cascade” principles.
8. Consumers and the general public are often not aware of the role of HWP in GHG balance.

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<sup>1</sup> HWP includes all wood material (including bark) that leaves harvest sites. Slash and other material left at harvest sites should be regarded as dead organic matter [...] and not as HWP. (IPCC 2006 guidelines)

## **Recommendations**

1. When drawing up national responses to climate change through the forest sector, different strategies including carbon sequestration by forests, storage in wood products, and substitution of fossil fuels and energy-intensive materials could be considered and combined.
2. Coordination, cooperation and mutual information between climate change country focal points and the forest sector is needed, as well as within the forest sector, while recognizing that reporting must be fit for the purpose.
3. International organizations should work together to improve and harmonize reporting on forests, forest products including HWP, taking into account the existing reporting requirements for parties to the UNFCCC.
4. Simple, but feasible accounting approaches for HWP should be preferred to sophisticated solutions, which are difficult to implement
5. Accounting for HWP or incentives to increase the use of wood must not compromise sustainable forest management domestically or in other countries.
6. Some participants advocated that the following principles would be appropriate to apply:
  - a) Reporting of HWP in national GHG emission inventories under the UNFCCC should be consistent with the whole reporting system of the Land Use, Land-Use Change and Forestry sector. HWP accounting should be grounded on the above basic reporting system.
  - b) Countries that elected forest management as additional activity under Article 3.4 of the Kyoto Protocol should also be able to account for HWP in order not to penalize forest management in the future.
  - c) Countries choosing to account for HWP should also account for forest management in order not to compromise sustainable forest management.
  - d) If HWP is accounted for in the future, countries have to ensure that the imports that they account for come from sustainable sources to avoid perverse incentives.
7. Governments should consider whether the benefits in terms of GHG emissions of an HWP accounting system outweigh the accounting and negotiation costs.
8. Governments, with the participation of all stakeholders, should take the lead to develop policies and strategies to strengthen the “cascaded” use of wood.
9. Governments and sectoral associations should cooperate to communicate the benefits of wood use to consumers and the general public.