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ECONOMIC COMMISSION FOR EUROPE  
Timber Committee

FOOD AND AGRICULTURE ORGANIZATION  
European Forestry Commission

**JOINT FAO/ECE WORKING PARTY ON FOREST ECONOMICS AND STATISTICS**  
Twenty-third session, 14-16 May 2001

**Forest Products Marketing Programme: outputs and methods of work**

(Item 5 of the Provisional Agenda)

Note by the secretariat

This ECE/FAO Forest Products Marketing Programme groups all the Timber Committee's marketing related activities. In light of the changes in the integrated programme of work, and the review of this work area by the Working Party, the paper attached is for information and consideration.

## **Introduction to the Forest Products Marketing Programme (FPMP)**

From their foundation, both the Working Party and the Timber Committee have been active in the area of analysis of forest products markets and marketing of forest products. Indeed these activities, with outlook studies and forest resource assessments have been at the heart of the ECE/FAO programme over the 50 years of its existence. At present the main activities in this field are as follows:

1. Analysis of market developments and trends
2. Annual market discussions at the Timber Committee (TC) sessions
3. Collection and distribution of statistics and information
4. Marketing workshops and seminars for central and eastern European countries
5. Teams of specialists relating to marketing

These activities have not in the past been presented as a single coherent programme despite their evident links. It now appears desirable to group these activities as the “Forest Products Marketing Programme” and to explicitly discuss its objectives and strategies. That is the goal of the present paper.

### **Objectives of the programme**

The programme should be explicitly linked to achieving the sustainable development of the forest and forest products sector as a whole, as laid down at Rio, Helsinki, Lisbon and elsewhere. The secretariat proposes, for the Working party’s consideration the following objective:

“The objective of the Forest Products Marketing Programme is to promote sustainable forest products markets, i.e. with products meeting customers’ demands, while maintaining production capacity and a continued demand for forest products, based on forests sustainably managed in economic, social and ecological terms.”

### **Strategies of the programme to achieve its objectives**

To achieve its objectives, the FPMP monitors and analyses trends in forest products markets in the ECE region, and trading partners with the region, and shares information and experiences on all aspects of forest products markets.”

### **Activities in support of the strategies (not in order of priority)**

1. Analysis of market developments and trends
2. Annual TC market discussions
3. Collection and distribution of statistics and information
4. Marketing workshops and seminars for central and eastern European countries
5. Teams of specialists relating to marketing

## **1. FPMP outputs**

### **1.1. Analysis of market developments and trends**

The area consuming the major resources of the FPMP is the analyses of forest products market developments and trends. These analyses are published (printed and on the TC website) as market sector reports in the *Forest Products Annual Market Review*.

### **1.2. Annual TC market discussions**

Arising from the TC market discussions, market forecasts are published (in print and on the website) as an issue of the *Timber Bulletin*, next, "Forest products markets in 2001 and forecasts for 2002" and as a press release from the TC annual market discussions.

### **1.3. Distribution of statistics and information**

Statistics are disseminated as described in the secretariat note on agenda item 4.

### **1.4. Marketing workshops and seminars for central and eastern European countries**

A series of workshops on marketing of forest products are being conducted in CEECs and other countries. Teams of specialists have conducted workshops on their area of expertise, for example the team and workshop on recycling, energy and market interactions. Marketing workshops are conducted in accordance with the host country needs and the donor organizations.

*The WPFES is invited to review the outputs of the FPMP, and indicate whether changes are necessary.*

## **2. FPMP methods of work, sources of information and resources**

### **A. Methods of work**

The FPMP is implemented in several ways:

- The Timber Committee's annual market discussion based on quantified forecasts by countries
- Preparation of information and analysis by the secretariat and its partners, and its distribution in paper form and through the web
- Workshops
- A network of country correspondents on markets for certified forest products, set up after the extended bureaux meeting in February 2001 on the strategic review of the ECE/FAO programme of work

### **B. Sources of information**

#### **2.1. Analysis of market developments and trends**

#### **2.2. Annual TC market discussions, and**

#### **2.3. Collection of statistics and information**

The basis of market analyses, both historical and forecasting, is information collected via the JFSQ and the TC Questionnaire respectively (see Item 4 note for detailed information on both of these questionnaires). Additional market information comes from country market statements prepared for the annual Timber Committee market discussions and the FAO Advisory Committee on Paper and Wood Products. Further information will come via the new Forest Products Marketing Team of Specialists and the new informal network of country correspondents on certified forest products. Secondary information is collected through trade journals and trade associations. Trade associations participate in the TC market discussions and are regularly consulted in preparing analyses.

Information collected from the sources described above is transferred, both horizontally (between specialists) and vertically (between users of information, including the TC and EFC, and providers, including the specialists and the correspondents). Distribution is by printed means, e.g. in the *Timber Bulletin*, and by electronic means, e.g. the TC website and Internet listservers. The website now has a Market Information Service (MIS) where all market-related information on the website is grouped, and where users can link to additional websites on certification of sustainable forest management and certified forest products markets (non-commercial sites only). Additional information is gathered and distributed at meetings on forest products markets, for example the TC market discussions and the annual meetings of the FAO Advisory Committee on Paper and Wood Products.

Special market studies are disseminated as chapters in the *Forest Products Annual Market Review* and periodic issues of the *Geneva Timber and Forest Discussion Papers*. While some special studies are written by the secretariat, and all are edited by the secretariat, most special studies are done by consultants, both voluntary and paid.

At the 1999 session of the WPFES the possibility of countries supplying statistics on markets for certified forest products (CFPs) and area of forest certified for sustainable forest management was discussed. Only one country thought that some statistics on production of certified roundwood would be available within the near future.

***The Working Party is requested to consider what type of information should be collected on certified forest products and whether it is reasonable to request official statistics on either trade or production of CFPs and on area of forest certified.***

#### **2.4. Marketing workshops and seminars for central and eastern European countries (CEECs)**

Marketing workshops are designed to introduce forest products marketing principles to representatives from government, trade associations and universities in central and eastern European and western Asian countries in the ECE region. Conducting workshops depends foremost on securing sponsorship from donors outside of ECE and FAO. Hosts for future workshops have been identified at past workshops where invitations are frequent. The challenge for the secretariat is to match sponsors and hosts. Primary participants are from CEECs and most speakers are from western countries, often self-supported. Publishing of proceedings is the responsibility of the hosts and sponsors. It is envisaged that the new Forest Products Marketing Team of Specialists will contribute to future workshops.

## **2.5. Teams of specialists**

A number of teams of specialists have in the past contributed to the Forest Products Marketing Programme objective. Recently, it has been proposed that a team of specialists be formed on forest products marketing, whose main aim is to guide the secretariat in the implementation of the FPMP. It is expected that the bureaux, meeting the week before the Working party will approve the formation of this team, with the mandate attached to the present document (annex 1).

*The Working Party is invited to review the draft mandate and make any suggestions for improvement.*

## **C. Resources**

The revision of the 2001 integrated TC and EFC programme of work decided that 25% of secretariat resources should be assigned to markets and statistics, of which 13% to statistics on production, trade and prices. This is rather less than in the past, although still the largest share of any work area. Currently there is one full-time marketing specialist, plus periodic assistance from other professionals within the Section, the statistician and other support staff. Resources are multiplied greatly by contributions of statistics and other information, plus experts and expertise, from countries in the ECE region plus other international organizations, trade associations and private consultants. In order to complete the proposed marketing work in the revised programme of work, the secretariat has prepared a proposal for an associate professional officer in forest products marketing (available from the secretariat).

*The Working Party is invited to suggest sources of additional resources for the FPMP.*

## **3. Conclusion**

The Forest Products Marketing Programme is based primarily on information gathered through the questionnaires as well as formal and informal networks in order to provide analyses, disseminate information and respond to users' needs for marketing information. The objective is to maintain forest products markets in order to ensure demand for forest products and services and hence, facilitate sustained forest management. The secretariat is grateful for the dependable support of the member countries.

*The Working Party is invited to review the programme as a whole, including objectives, methods, outputs and resources and indicate whether any changes are necessary*

## **4. Annex**

**Timber Committee**  
**Economic Commission for Europe**

**FOREST PRODUCTS MARKETING TEAM OF SPECIALISTS**

**A. TERMS OF REFERENCE** (draft as of 3 May 2001)

**ESTABLISHED BY:** ECE Timber Committee (TC)

**MANDATE:** To contribute to the sustainable development of forest products markets in the ECE region, the TC establishes this team to:

1. Monitor forest products market developments.
2. Provide a forum for discussion of forest products marketing in the ECE region.
3. Undertake studies on marketing issues, emerging markets, market developments, etc.
4. Provide assistance in marketing to central and eastern European countries through information collection, analysis and dissemination, including marketing workshops.
5. Prepare and participate in the Committee's annual market discussions.
6. Guide the Committee on its market-related publications, specifically these issues of the *Timber Bulletin*: "Forest Products Annual Market Review", "Forest Products Markets in (present year) and Prospects for (next year)", "Forest Products Prices", "Forest Products Trade Flow Data" and "Forest Products Statistics".
7. Contribute information to the Committee on markets for certified forest products for the annual discussion of this sector, the chapter in the *Forest Products Annual Market Review* and the *Geneva Timber and Forest Discussion Paper* series on the "Status of Forest Certification in the ECE Region".
8. Analyse market trends and forecasts for the Committee's forest sector outlook studies.
9. Advise the secretariat on the ECE/FAO Forest Products Marketing Programme, including dissemination of information through the Market Information Service on the Committee's website.

**DURATION:** Until October 2003

**APPROVED BY:** Office holders of the Timber Committee in February 2001, following preliminary discussion at the Joint Timber Committee and European Forestry Commission Session in 2000.

**REPORTING:** The team reports annually to the Timber Committee session.

**EXPECTED OUTPUT**

**IN THE NEXT 18 MONTHS:** Conduct initial meeting, elect officers, develop its programme of work and establish its methods of work.