



Timber Committee
Economic Commission for Europe



European Forestry Commission
Food and Agriculture Organization

UNECE/FAO TEAM OF SPECIALISTS ON FOREST PRODUCTS MARKETS AND MARKETING

Support, Contributions, Accomplishments and Future Planned Activities

Annual report to the FAO/UNECE Working Party on Forest Economics and Statistics

And input to the Strategic Review of the Integrated Programme of Work of the Timber Committee and European Forestry Commission

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Introduction

The Team of Specialists on Forest Products Markets and Marketing (ToSFPM&M), established in 2000, has accomplished much over its short existence. More importantly, the Team is gaining momentum by leveraging past accomplishments to contribute in the future on fulfilling its mandate. This report describes these contributions and future planned activities.

Contributions and Support to the Timber Committee

The ToSFPM&M contributes annually to the Timber Committee Market Discussions by providing speakers and important topics/issues papers. In addition Team members are active participants in the TC forums and discussions, bringing unique insights and experiences that contribute to market discussions. The Team has led discussions and contributed continuously throughout the *Forest Products Annual Market Analysis*.

More recently, it was the Team, acting on its mandate, which brought to light the effects of illegal logging and trade of illegally-sourced forest products on the UNECE Region's forest products markets. The expert paper presented by Carl-Éric Guertin from Q-WEB *on Illegal Logging and Illegal Activities in the Forestry Sector* demonstrate the need to better quantify the extent of the problem but particularly the need in trying to get more reliable data and from more reliable sources. In 2003, the Team led the discussions based on Guertin's paper and presentation, and will contribute to both the UNECE/FAO workshop and TC/EFC seminar on the same topic in 2004.

The Team also has a leadership position in producing the "UNECE/FAO Forest Products Annual Market Analysis". Selected members have been authors and all members are contributors. For example, members have been active in providing suggestions and reviews for many different chapters. Two key chapters that were drafted with Team inputs are:

1. "Recovery of forest products in the UNECE Region: Overview of forest products markets and policies, 2002-2004"
2. "Policy Implications of Forest Products Market Developments in 2002 and 2003".

Other chapters where team members have either led or contributed include:

1. Sawn softwood
2. Sawn hardwood
3. Wood-based panels
4. Certified forest products
5. Paper, paperboard and woodpulp
6. Housing, engineered wood products
7. Value-added products

In addition, the team members have written former special chapters on countries and products. Team members have also entirely written three market related "Geneva Timber and Forest Discussion Papers" in 2003-2004:

1. Tropical Timber Markets (by ITTO members)
2. Value-added Wood Products Markets (by ITC and USFS members)
3. Serbia's Forest Products Markets

Team members contributed extensively to other Discussion Papers currently being drafted:

1. Forests, Wood and Energy: Policy Interactions. Proceedings and Summary of Discussions from the UNECE Timber Committee Session 2003.
2. Forest Certification Update in the UNECE Region, 2003

Additional Contributions and Supporting Activities

The Team conducted a preliminary review of market-related publications and information sources that have been generated in Team member countries, and is prepared to execute a broader extensive survey when given the mandate.

The Team hosted and presented papers at the TC/EFC seminar on Strategies to Stimulate and Promote the Sound Use of Wood and Other Forest-based Products as Environmentally Friendly and Renewable Resources in Brasov, Romania in March 2003. This was co-sponsored by UNECE, FAO and the Romanian Ministry of Agriculture, Food and Forestry. Networking at the session enabled a very comprehensive set of presentations to be made as well as a very coordinated response from the various working groups and to the final conclusions.

Work in Progress and Future Activities

One major achievement has been the establishment of a "Current Issues Forum" intranet web-site for the posting of information pertinent to the activities of the ToSFPM&M. The issues we are currently tracking are Illegal Logging, Global Markets and Marketing, eBusiness/eCommerce, and Biofuels. The site has articles, news, discussion board, presentations, databases, etc. for each of these areas. The Team continues to contribute timely information for use by all Team members in these areas. The Team plans to transition this intranet into a public website to further disseminate and increase accessibility of important market and issues information.

Activities carried out in the respective EU working groups for these topics will be posted to the intranet site as soon as the 2003 annual reports for those groups are approved.

The Team's work in this area makes a useful contribution to identifying and disseminating existing information and generating new information on the four main themes given in its mandate, as well as providing, through the intranet facility, a means of posting and spreading relevant information more widely.

In the past few years, many initiatives have been developed to promote increased wood utilization. Those initiatives, typically in the form of promotional campaigns, have been running in many countries and supported by a variety of trade associations, governments and individual companies. As a marketing specialist group, it was felt that an evaluation of those promotional campaigns should be undertaken. Construction of an evaluation matrix was proposed to evaluate these campaigns. It was also proposed to see what has been done by the Forest Communicators Network in terms of promotional evaluation. A preliminary comparative survey on market promotion schemes for forest products, including the utility of certified products was conducted. This evaluation process will continue as new programmes are developed and launched in UNECE member countries. It could be argued that the Team lent a certain authority to the work being carried out, which contributed to the success of this and other related activities.

It is also proposed that Carl-Éric Guertin (Q-WEB) in collaboration with Dr. Ewald Rametsteiner (INNOFORCE, University of Agricultural Sciences, Vienna) will try to do a wide compilation of data on illegal logging and illegal trade in the objective of getting more reliable data and source.

Summary and Conclusions

Given the scarce resources of the ToSFPM&M, in terms of staffing and funding, members have worked well in achieving notable results as progress towards the mandated tasks. Rigorous efforts were made to overcome limitations and challenges to present useful information, reports, and other deliverables in a clear, efficient and timely manner.

In the short period since its inception, the ToSFPM&M has been very successful and, as such, has exceeded mandated programme of work. The Team has become a critical pillar to support Work Area 1. Markets and Statistics. In addition, the Team also provides significant support for Work Area 3 on European Forest Sector Outlook Studies by providing timely input to the EFSOS leader (Volker Sasse) and by reviewing drafts when requested.

In reality, one might say "we've only just begun!" For example, the intranet website has been a vehicle for driving activity of the Team. Its successful launch will be followed by an ample provision of information to it. In addition, with continued input from the Team and non-Team stakeholders in the first half of 2004, a future work programme, including activities, such as workshops, papers, presentations, etc. is being developed.

We hope that this report supports the need to extend the ToSFPM&M mandate until 2008 so that ongoing work can be concluded and new issues and activities can be addressed and acted upon in the future.