



Timber Committee
Economic Commission for Europe



European Forestry Commission
Food and Agriculture Organization

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

Accomplishments and Future Planned Activities

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

By **Dr. Richard P. Vlosky, Leader**

March 2008

I. Overview of the Team's work

The Team of Specialists on Forest Products Markets and Marketing (ToSFPM&M), established in 2000 by the UNECE Timber Committee (TC) and the FAO European Forestry Commission (EFC), contributes to the sustainable development of forest products markets in the UNECE region through its mandate (Annex 1).

The Team's main meeting was at the time of the annual Timber Committee and International Softwood Conference (ISC) Market Discussions in Geneva in October, beginning with the Market Discussions and extending for 2 days afterwards. Team members participated in those discussions as both expert speakers and participants.

The Team's work was conducted by two subgroups: Responsible Trade and Emerging Markets for Forest Products. Following are brief summaries of ongoing activities for each subgroup.

Responsible Trade Subgroup

Led by Mr. Carl-Éric Guertin (Canada), the subgroup is working on these issues:

1. Green building. Following the focus in the 2006 TC policy forum on public procurement policies, the subgroup wants to bring out the impacts of green building policies, which is a similar issue in North America, as well as Europe. The Team, specifically Mr. Sylvain Labbé (Canada), presented "Wood in green building" at the joint TC and ISC Market Discussions in 2007. Along with the Emerging Markets Subgroup, they have proposed to the Bureaux (officeholders) of the TC and EFC to conduct a policy forum during the European Forest Week to be held 20-24 October 2008.
2. Corporate Social Responsibility (CSR). The TC has been encouraged at the last two TC Market Discussions to undertake work in CSR, and to consider applications in the UNECE region. Team members contributed a section in the *Forest Products Annual Market Review, 2006-2007*, as they believe that CSR influences the forest products markets.

Emerging Markets Subgroup

Led by Mr. Jeremy Wall (European Commission), the subgroup is working on these issues:

1. Wood energy. The subgroup contributes to work on improving the collection and dissemination of information on wood energy. As regards statistics in this field, the subgroup liaises with the Working Party on Forest Economics and Statistics. The subgroup members advised the secretariat on the programme for the workshop on improving wood energy information in conjunction with the WPFES in March/April 2008. They are assisting in the workshop by chairing, organizing and giving a presentation. Team members contributed directly to the wood energy chapter of the UNECE/FAO *Forest Products Annual Market Review*.
2. Enhanced use of wood. The subgroup is considering expanding to non-EU UNECE countries, including North America, an existing EU survey on education and training in and around the woodworking industries (i.e. both in the industries themselves and in key linked occupations). An EU-27 survey was carried out in 2005-6 covering three levels: operatives, technicians and tertiary (graduate) and the results were discussed in a workshop in March 2007 with concrete recommendations for remedial actions.
3. Green building. The subgroup also contributed significant inputs to the planning of a special Team event on green building and its effects on the forest sector, as part of the European Forest Week.
4. Capacity building for forest products marketing. The subgroup continued to support UNECE/FAO programme of assistance in forest products marketing by participating directly in two Balkan region workshops in 2007, and is involved in their follow-up, including other workshops in 2008. Specifically a workshop on wood energy is planned in Romania on 10-12 June 2008, which could also be linked to the European Forest Week.
5. Part of the follow-up from three capacity building workshops is the intention to create a Balkan region marketing information system (MIS). The Team provided input to the Timber Section project on MISs during the summer of 2007, which was led by Ms. Lindsey Farqharon, student intern. The Team is supporting development of a Balkan region MIS.
6. The Team guided development of a “distance learning and training” website, with the objective of identifying forest products marketing training available on the Internet. The site is on the TC/EFC website at www.unece.org/trade/timber/mis/forest-products-marketing-links.htm
7. CSR. Together with the Responsible Trade Subgroup, this subgroup supports TC work on this issue.
8. Emerging markets. The subgroup is considering, contingent on finding adequate resources, studies on:
 - a. the technical aspects of innovative wood-based materials and products, e.g., composite materials, and their technical and environmental performance (e.g. the compensation for loss of thermal mass);
 - b. the effectiveness of wood promotion schemes.

II. Accomplishments in 2007-2008, by mandate item

Overall, the Team has the mandate “*To contribute to the sustainable development of forest products markets in the UNECE region.*”

Mandate item 1. *Provide a forum for discussion of forest products marketing in the UNECE region. In particular, contribute to the Committee's annual market discussions and thereby advise the TC and EFC on forest products market developments.*

The ToSFPM&M contributes annually to the Timber Committee Market Discussions and in 2007 Team members 1. Provided speakers for the joint TC and ISC Market Discussion; 2. Participated actively in the discussions and; 3. Contributed to the principal meeting publication, the UNECE/FAO *Forest Products Annual Market Review* by contributing information and ideas and by authoring and reviewing most of the chapters:

1. Overview of forest products markets and policies
2. Policy issues influencing forest products markets
3. Economic and construction developments
4. Wood raw materials, including wood energy
5. Sawn softwood
6. Sawn hardwood
7. Wood-based panels
8. Paper, paperboard and woodpulp
9. Wood energy
10. Certified forest products
11. Value-added products including engineered wood products
12. Tropical timber markets

In addition, Team members contribute marketing insights and experiences during TC and European Forestry Commission (EFC) forums and discussions, contributing unique marketing insights and experiences. For example, the Team contributed a presentation at the last policy forum on “Wood Energy Mobilization in the UNECE Region”. Based on the success of the 2006 policy forum titled “Public procurement policies for wood and paper products and their impacts on sustainable forest management and timber markets.” the Team proposed to organize of a subsequent forum on green building policies and their market impacts.

Mandate Item 2. *Advise on implementation of Work Area 1, focusing on its products and publications and undertaking studies as appropriate.*

The Team continues to support the secretariat in carrying out the projects in Work Area 1. The Team’s Current Issues Forum website (www.rnr.lsu.edu/lfpdc/unece) is periodically updated and information distributed to their network, and to a broader audience. The issues currently included on the website are illegal logging/responsible trade, global markets and marketing, supply chains, certification and the environment, and biofuels. The site is populated with over 450 reports, presentations, databases and information links. The website has received nearly 6,000 visits since launching in 2004.

Mandate Item 3. *Provide assistance in marketing in the UNECE region, especially to central and eastern European countries, through information collection, analysis and dissemination, including workshops.*

Team members have generously hosted marketing workshops in their countries (Croatia, Czech Republic and Serbia) since October 2005, with participants from many southeast Europe and CIS

countries. Many Team members were active in workshops' organization and provided key presentations. The Team is involved in planning follow-up workshops and other work in this area.

As mentioned in the Team's previous report to the WPFES, one of the recommendations from the workshop held in Novi Sad in April 2006 was to establish a marketing information system (MIS) for forest products for the Balkan region. This recommendation has been echoed in all subsequent workshops. Following a request from the State Secretary for Agriculture of the Republic of Serbia for assistance in devising a MIS for forest products, work is being initiated.

III. Revision of Team mandate

At the present time the TC and EFC are conducting a Strategic Review of their Integrated Programme of Work, and planning their work in 2008-2013. The Team recommends renewal of their mandate, with update of the expected major outputs. The Team proposes the revision in Annex 2.

IV. Next Team meeting

The Team will meet in conjunction with the joint TC and EFC Market Discussions during the European Forest Week on 20-24 October 2008. They will participate in the 22 October joint TC and EFC Market Discussions and the Green Building special events during that week. There are possibilities of subgroup meetings in conjunction with other venues.

Annex 1. Former mandate of Team, 2004-2008



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UNECE/FAO TEAM OF SPECIALISTS ON FOREST PRODUCTS MARKETS AND MARKETING Reference to Integrated Work Programme: Work Area 1, Programme elements 1.1, 1.2, 1.3, 1.4	
A. OBJECTIVES	
To contribute to the sustainable development of forest products markets in the UNECE region. 1. Provide a forum for discussion of forest products marketing in the UNECE region. In particular, contribute to the Committee's annual market discussions and thereby advise the TC and EFC on forest products market developments. 2. Advise on implementation of Work Area 1, focusing on its products and publications and undertaking studies as appropriate. 3. Provide assistance in marketing in the UNECE region, especially to central and eastern European countries, through information collection, analysis and dissemination, including workshops.	
EXPECTED MAJOR OUTPUTS: 1. Contribution to Timber Committee market discussions and workshop(s) on extent and cause of illegal logging and trade 2. Survey, and advise on market-related publications and products. 3. Study on possible effects on forest products markets of measures to ensure forest law enforcement and governance	
B. BACKGROUND	
ESTABLISHED / APPROVED BY	Joint Session of the UNECE Timber Committee and FAO European Forestry Commission, Geneva, 5-9 October 2004
DURATION	From 2005 to 2008
METHODS OF WORK	Subgroups with their leaders implement specific projects
REPORTING	To the Joint FAO/UNECE Working Party on Forest Economics and Statistics and annual Bureaux meetings
TEAM LEADERS	Leader: Dr. Richard Vlosky; Deputy Leaders: Dr. Eduard Akim and Dr. Branko Glavonjic; Subgroup Leaders: Mr. Carl-Éric Guertin and Mr. Jeremy Wall.
RESPONSIBLE SECRETARIAT	Ed Pepke

Annex 2. Proposed Team mandate, 2008-2013



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<p><i>[Proposed updated mandate, 2008-2013]</i></p> <p>UNECE/FAO TEAM OF SPECIALISTS ON FOREST PRODUCTS MARKETS AND MARKETING</p> <p>Reference to Integrated Work Programme: Work Area 1, Programme elements 1.1, 1.2, 1.3, 1.4</p>	
A. OBJECTIVES	
<p>To contribute to the sustainable development of forest products markets in the UNECE region.</p> <ol style="list-style-type: none"> 1. Provide a forum for discussion of forest products marketing in the UNECE region. In particular, contribute to the annual Timber Committee Market Discussions. 2. Advise the UNECE/FAO secretariat on implementation of Work Area 1, focusing on its products and publications, in particular the <i>Forest Products Annual Market Review</i>, and undertaking studies as appropriate. 3. Provide assistance in marketing in the UNECE region, especially to central and eastern European countries, through information collection, analysis and dissemination, and capacity building. 4. Maintain and expand the international network and forums for discussion on forest products markets and marketing. 	
<p>EXPECTED MAJOR OUTPUTS:</p> <ol style="list-style-type: none"> 1. Contribution to Timber Committee Market Discussions and workshops on relevant topics, including the market effects of green building policies, corporate social responsibility in forest products marketing and trade, public procurement policies, wood energy, and other topics, in line with the work programme 2. Advice on market-related publications and products, including providing expertise in the production and technical reviews of the <i>Forest Products Annual Market Review</i> 3. Participation in wood energy market study in conjunction with the secretariat's long-term outlook study for wood energy 4. Maintenance and expansion of the "Current issues website" (http://www.lfpdc.lsu.edu/unece/) to collect and share with a wider community forest products marketing information, and the Forest Products Marketing Distance Learning Website (http://www.unece.org/trade/timber/mis/forest-products-marketing-links.htm) 5. Maintenance and expansion of the "Forest Products Marketing & Business Management Reference List". 	
B. BACKGROUND	
ESTABLISHED & APPROVED BY	Joint Session of the UNECE Timber Committee and FAO European Forestry Commission, Rome, 24 October 2008
DURATION	From 2008 to 2013
METHODS OF WORK	Annual Team meeting and periodic subgroup meetings. Subgroups, with their leaders, implement specific projects
REPORTING	To Joint FAO/UNECE Working Party on Forest Economics and Statistics

TEAM LEADERS	Leader: Dr. Richard Vlosky; Deputy Leaders: Dr. Eduard Akim and Dr. Branko Glavonjic; Subgroup Leaders: Mr. Carl-Éric Guertin and Mr. Jeremy Wall.
RESPONSIBLE SECRETARIAT	Ed Pepke