

19 February 2010

**ECONOMIC COMMISSION
FOR EUROPE**

**FOOD AND AGRICULTURE
ORGANIZATION**

Timber Committee

European Forestry Commission

Joint FAO/UNECE Working Party
on Forest Economics and Statistics

Thirty-second session
Geneva, 24-25 March 2010
Item 2 of the provisional agenda

Guidance on Work Area 3: Forest Sector Outlook Studies

Annual report of Team of Specialists on Forest Sector Outlook to the
FAO/UNECE Working Party on Forest Economics and Statistics

AGENDA ITEM 2.2 – Report of Team of Specialists

Note by the Secretariat

1	Name of Team	ToS on Forest Sector Outlook
2	Reporting to	Working Party March 2010
3	Period covered	March 2009 to March 2010
4	Leader/deputies/secretariat	Mart-Jan Schelhaas, Leader Jeff Prestemon, Deputy Leader Tatjana Yakusheva, Deputy Leader Franziska Hirsch, Secretary
5	Team members	http://timber.unece.org/index.php?id=184
6	Meetings held	3 core group meetings, 2 nd ToS meeting November 2009 http://timber.unece.org/index.php?id=254
7	Outputs during period by mandate item (quote mandate item and report accomplishments) and impact achieved	<p>European Forest Sector Outlook Study (EFSOS II):</p> <ul style="list-style-type: none"> - Development of baseline and policy scenarios for outlook study with accompanying assumptions, - Development of an innovative system of combination of methods to employ in outlook study comprising market projections, wood resource balance, EFISCEN and EFI-GTM, with a core group of experts and building on work done for other projects, notably EUWood and FutureForest - Provisional outline of study - Econometric market projections until 2030. - Feedback on data (market projections, wood resource balance, conversion factors) by ToS members received. <p>North American Forest Sector Outlook Study (NAFSOS):</p> <ul style="list-style-type: none"> - Outline, building on outlook related work within the US, following consultations with Canada <p>Russian Forest Sector Outlook Study (RUFOS): Discussions taken up between FAO and Russia. FAO and UNECE offered to work with Russia with an international expert group to develop a similar policy relevant Russian study, if there is an interest by Russia.</p>

8	Expected outputs over next period by mandate item (cite mandate number and report accomplishments)	<p>EFSOS II: Employing the methods, notably EFISCEN, EFI-GTM, wood resource balance, market projects for different scenarios, validating outcomes and improving results. Analysis of results for each scenarios and comparison between them, on the basis of selected criteria & indicators for SFM. Building on work done for the State of Europe's Forests report 2011.</p> <p>NAFSOS:</p> <ul style="list-style-type: none"> • Assemble preliminary projections deriving from GFPM on the 2010 U.S. Resources Planning Act Forest Assessment scenarios A1B and B2. Projections will include production, consumption, import, and export quantities and world prices by major product category, for the US and Canada. • Coordinate with Canadian counterparts on developing a draft document. • Seek review of the draft document.
9	Comments, lessons learned	<p>UNECE/FAO has brought together a network of experts to develop an innovative approach to a new outlook study which regards the major policy questions linked to climate change mitigation and adaptation, biodiversity protection and industrial competitiveness. Significant efforts need to be invited in understanding and ensuring compatibility between each method to ensure that results are reliable and transparent. At the same time, the methods should be clear enough to allow for an understanding of country experts and policy makers, as clearly evidenced by the feedback received at the ToS meeting.</p>
10	Issues for attention of Working Party	<ul style="list-style-type: none"> - Ensuring continued involvement of ToS members - Advise on approach and assumptions - Ideas for construct of sustainability analysis, as well as taking account of issues such as land use and risk. - Ensuring sufficient resources to allow timely completion of the study, foreseen by 2011