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Timber Committee

**Joint FAO/UNECE Working Party
on Forest Economics and Statistics**

Thirty-second session
Geneva, 24–25 March 2010

Food and Agriculture Organization

European Forestry Commission

**Report of the Joint FAO/UNECE Working Party on Forest
Economics and Statistics on its thirty-second session**

Summary

The Working Party reviewed and endorsed the activities in Work Areas 1, 2 and 3 and the monitoring actions in Work Area 5. A number of remarks were made providing guidance in these areas which have been duly noted.

The activities of the three Teams of Specialists (Markets and Marketing, Sustainable Forest Management, Outlook Studies) reporting to the Working Party were also reviewed and endorsed.

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I. Attendance

1. The Joint FAO/UNECE Working Party on Forest Economics and Statistics held its thirty-second session in Geneva from 24 – 25 March 2010. The session was attended by delegates from the following countries: Austria, Canada, the Czech Republic, Estonia, Finland, France, Germany, Ireland, Italy, Norway, the Russian Federation, Serbia, Slovakia, Sweden, Switzerland, the Former Yugoslav Republic of Macedonia, the United Kingdom of Great Britain and Northern Ireland, and the United States of America.
2. Representatives of the European Commission attended the session.
3. Representatives of the following intergovernmental organization were in attendance: European Forest Institute (EFI).
4. Representatives from the following non-governmental organizations also attended the session: European Panel Federation (EPF) and the Quebec Wood Export Bureau (Q-WEB).

II. Adoption of the agenda (item 1 of the agenda)

5. The provisional agenda presented by the secretariat was adopted with the addition of a briefing on “Post Copenhagen: implications for the forest products sector” under item 9 (other business).

III. Guidance of work area 3: outlook studies (item 2 of the agenda)

6. The Working Party welcomed the information provided by the secretariat and Mr. Mart-Jan Schelhass (Netherlands, Leader) and Mr. Jeffery Prestemon (United States, Vice-Leader) of the UNECE/FAO Team of Specialists on Forest Sector Outlook, notably the progress achieved on the European and North American Outlook studies.
7. The Working Party was presented with information on the approach to a new European Forest Sector Outlook Study (EFSOS), notably that of baseline and policy scenarios and a combination of selected methods, notably the Wood Resource Balance, Econometric Market Projections, forest resources and trade modeling with the European Forest Information Scenario Model (EFISCEN) and the European Forest Institute – Global Trade Model (EFI-GTM) and Competitiveness Analysis. It approved the approach to focus on four major policy debates: maximizing carbon, promoting wood energy, priority to biodiversity, and enhancing competitiveness of the forest sector.
8. Working Party members raised several issues: the impact of the economic crisis, land use change, and forest carbon stock. The secretariat in its response evaluated to what extent these issues could be taken into consideration by existing models used for EFSOS.
9. Working Party members asked if the impact of the recent economic crisis is being reflected in EFSOS, and if comparisons with past crises have been undertaken. Concern was raised that the base period, an average of the years 2003-2007, used for calculating the outlook predictions was a time of steady economic growth. Since 2008 the global economic crises have had a significant impact on the forestry and timber sector.
10. In EFSOS, differing GDP growth rates are applied to the two Inter-governmental Panel on Climate Change (IPCC) reference futures A1 and B2 on the basis of the IMF economic forecasts, thus reflecting the impacts of the crisis, as well as the IPCC projections

as of 2010. Furthermore, growth rates, in particular of the B2 reference future, are relatively modest.

11. The Working Party discussed if land use changes could be taken into account by the forest outlook models. The Team of Specialists leader responded that differences in land use change are included in the A1 and B2 IPCC reference futures, although they are not very significant.

12. The Working Party enquired to which extent policy driven targets and economic incentives to keep carbon stock in the forest could be taken into account in the current modeling. While current funding does not permit in-depth analysis of these aspects, the carbon maximization scenario addresses this issue.

13. The Working Party asked about lessons drawn from EFSOS 2005 and taken into account in the new study. The secretariat informed the delegations that two major improvements were incorporated:

- In 2005, developments within Europe were analyzed in isolation. In the new study international trade outside Europe is considered through the IPCC reference futures which assume different global developments and their impacts on the European forest sector.
- Furthermore, the fast growing wood energy sector is for the first time taken into account, notably through the wood resource balance which incorporates projections for wood energy use from within and outside of forests.

14. The Working Party enquired when additional information from countries to review data and scenario results is expected. The secretariat outlined the roadmap for the development of the study, highlighting that the main input by country correspondents and Team of Specialists members would be expected in fall 2010.

15. The Working Party thanked the secretariat and the partners contributing to the Outlook Core Group for their work in developing a new approach leading to a broader outlook study, noted the progress achieved, and approved its approach and methods. It took note of the fact that considerable funding is required to review and improve modeling results, conduct the analysis and disseminate results if the study is to become available by the end of 2011.

16. The Working Party was briefed on plans for a North American Forest Sector Outlook Study (NAFSOS), notably its approach to IPCC scenario analysis to develop projections of possible scenarios rather than forecasts. It will build on the recent Forest and Rangeland Renewable Resources Planning (RPA) assessment by the United States. The contrast to previous models is that although inventory data continue to be important, wood supply information will be built from the "ground-up", there will be improved market simulation and an incorporated feature is that climate change will be projected for the United States.

17. The secretariat and Working Party members welcomed the commitment by the United States to develop an outlook in accordance with high scientific standards as well as aligning the timing of the study with EFSOS. Canada welcomed the leadership by the US to develop the North American outlook study on the basis of its expertise and offered their contribution to its review and analysis.

18. The Working Party was briefed by FAO that a request from Russia to develop a new Russian outlook study was received and that consultations were underway. The Working Party welcomes the intention to align the approach of a Russian outlook study with that undertaken in the European and North American studies, notably the use of scenario analysis.

19. The Working Party welcomed the “Good practice principles for potential sustainable wood supply studies” presented to it, on the basis of its request at the last session. It appreciated the attempt to harmonize wood supply potential estimations across countries and agreed with the approach to start from a theoretical maximum potential and then apply different screens constraining wood supply, notably social, economic and technical. The Working Party agreed that assumptions with regard to these three screens need to be developed by countries on the basis of their national circumstances. An example of such development can be found at <http://www.dispo-boisenergie.fr>

20. Several countries informed the Working Party of factors limiting their national mobilization potential. As examples, Russia mentioned legislation and infrastructure, Switzerland accessibility in mountainous areas, France, Austria and the European Commission the mobilization of wood by forest owners. The Working Party noted that the mobilization measures do not always have an immediate effect on harvest intensity.

21. It was discussed that “willingness to harvest” was difficult to assess and agreed that “supply from private forests according to different mobilization measures” might be a more suitable term. Furthermore, countries noted that in assessing wood supply potentials, the age of forest stands and their harvest maturity need to be taken into account. A new version of the guidelines prepared by the secretariat, taking account of these comments, will be circulated to the Working Party members for their review.

22. The Working Party concluded that the “Good practice guidance on sustainable mobilization of wood” elaborated by UNECE/FAO, together with the European Commission and Forest Europe, following the 2009 Grenoble workshop, is a very useful tool for policymakers and practitioners alike. It welcomed in particular the contribution of industry representatives to the Grenoble workshop and the supply of case studies for the publication.

23. The secretariat described the outcome of the study undertaken by the Conversion Factors Task Force in revising factors which had not been revised since the last inquiry on conversion factors in 1987. The secretariat expressed appreciation for the good work on the part of the Task Force members and many country correspondents. As a result, a new set of conversion factors had been presented in a background paper and would be published soon in a new discussion paper.

24. Delegates expressed their appreciation for the work accomplished and were pleased to see the results. There was broad support for the new factors to be brought into use as soon as possible. Doubts were expressed as to how representative the data were on which the conversion factors had been developed, given that the Task Force had received replies from only 16 countries and one trade association. While acknowledging that the Task Force would have welcomed a higher level of participation, the secretariat responded that those countries that had replied were major producers of wood and wood products and thus there was confidence that the new factors could be accepted as representative.

25. Responding to questions from the secretariat, there was general support for the exercise to become a regular feature of the work programme, perhaps repeated at 4 year or longer intervals. Many countries had struggled to complete the rather complex and detailed questionnaire that the Task Force had distributed and in spite of best efforts had been unable to find the expertise to complete it. There was a plea for future questionnaires to be less detailed and the secretariat confirmed that it would use the lessons learned in this exercise to improve and simplify any future questionnaire. It was hoped that a future exercise could include a wider range of conversion factors related to wood energy, reacting to suggestions from a number of delegates. Delegates urged that more notice be given and provided for in future exercises as this would greatly assist country correspondents in carrying out the task.

26. Canada urged that a new, more representative factor for converting board foot log volumes to cubic metres should be included at the earliest opportunity in the FAO Yearbook, as the factor 4.53 m³/MBF (cubic metre per thousand board feet) is now outdated. The secretariat confirmed that it would be in contact with representatives from the United States and Canada to discuss specific conversion factors for roundwood.

IV. Workshop on emerging trade measures in timber markets: conclusions and results (item 3 of the agenda)

27. The secretariat recalled the workshop was organized following a request by the Timber Committee (TC) at their meeting in October 2009. The secretariat briefly described the workshop based on the 24 March 2010 press release, which was made available in the room. Delegates were reminded that the Forest Products Market Annual Review included a chapter on trade measures and that these issues were also discussed during the Timber Committee meeting. A delegation congratulated the organizers and considered that this type of one-day event should indeed be organized back-to-back with other regular UNECE meetings. The Working Party noted the importance and timeliness of the workshop in contributing to understanding global forest products trade.

V. Economic aspects of a sustainable forest industry (item 4 of the agenda)

28. The secretariat informed the Working Party that the FAO Forestry Department chose “Sustainable forest industries” as one of the themes of the State of the World’s Forests (SOFO) 2011 to be published for the FAO Committee on Forests that same year. That part of the SOFO report will have a unique production method: an online “wiki” writing platform for a collaborative effort by a chosen community of authors, reviewers and stakeholders.

29. The write-up will assess the sustainability (economic, social and environmental) of forest industries from various perspectives, including:

- (a) Driving forces for the development of forest industries, and how these affect the sustainability of the industry;
- (b) Wood and fibre supply for industry;
- (c) Harvesting and the conversion of wood supply into delivered fibre;
- (d) Processing wood and fibre into final products;
- (e) Forest industries’ contribution to sustainable living;
- (f) Technology and innovation; and
- (g) Public policies in support of sustainable forest industry development.

30. Several delegates expressed their appreciation of the open working method and offered to participate. A number of delegations provided information on the consequences of the economic crisis on industry activities and employment in their country. Mr. Jukka Tissari, Forestry Officer — Forest Products Trade and Marketing at FAO — invited members of the Working Party to send contributions via the wiki and, before it is established, via e-mail to Jukka.Tissari@fao.org.

VI. Prices of forest products and roundwood (item 5 of the agenda)

31. The Working Party was presented with information on prices and price issues from the United States and Finland. It thanked the presenters, Mr. Jeffery Prestemon of the United States Forest Service and Mr. Antti Koskinen of the consultancy Pöyry. In addition EFI presented its proposed study on the availability of price information in Europe, using as a case study the UNECE/FAO price database. Several delegations provided information on price data availability in their country.

VII. Guidance of work area 1: markets and statistics (item 6 of the agenda)

32. The secretariat informed the Working Party that the planned market-side activities within Work Area 1 were accomplished over the past year including the on-time production of the UNECE/FAO "Forest Products Annual Market Review". It included a new chapter on carbon markets as approved by the Working Party in 2009. The *Review* was one basis for the annual Timber Committee Market Discussions, as were country market statements and forecasts. Regarding the latter, the Working Party suggested contacting non-respondents to attempt to improve response rates, and to issue the forecast questionnaire and market statement request earlier, e.g. in June while maintaining the September deadline for the reply to these.

33. The "Review" is based on countries' timely replies to the UNECE/FAO/ITTO/Eurostat Joint Forest Sector Questionnaire. It will be sent out at the end of March 2010 and the Working Party emphasized the necessity for countries to respect the deadline of 17 May 2010 for its return. Some countries expressed difficulties in providing comprehensive replies at this early date, to which the secretariat suggested a solution would be for correspondents to provide estimates and partial replies, which could be subsequently updated.

34. The Timber Committee Market Discussions would be conducted jointly with the Society of Wood Science and Technology in Geneva on 11-12 October 2010. In addition to experts and secretariat presentations at the Market Discussions, the secretariat also used countries' statistics, forecasts and other information as a basis for other market presentations. These are available on the TC/EFC website (<http://timber.unece.org/index.php?id=119>), and also on the website of the UNECE/FAO Team of Specialists on Forest Products Markets and Marketing. (<http://www.lfpdc.lsu.edu/unece/Aboutus.asp>). One unique presentation was made via internet from Geneva to the University of Belgrade and Oregon State University simultaneously using the Market Discussions' information.

35. Dr. Branko Glavonjic (Serbia), Deputy Leader of the Team of Specialists, and Chairman of the TC, presented the report of the Team. While the Working Party did not propose any solutions to the Team's request for marketing capacity building resources, they did note the Team is accomplishing its mandate. Dr. Glavonjic informed the Working Party about capacity building workshops in 2009 and 2010, including the next one on "Corporate social responsibility in the forest sector in southeast Europe" which will be conducted on 13-14 April 2010 in Belgrade, Serbia.

36. A delegate raised the question as to whether it might not be more economical to hold the EU Working Group on Forest Sector Statistics jointly with that of the FAO/UNECE Working Party. Several countries replied in the negative, pointing out the different audiences (statistical offices versus forestry agencies), agenda differences (internal EU

issues vs. non-EU issues), language regime differences, topic differences (less statistics at Working Party). The consensus was that the current structure of a fall Eurostat meeting and a spring UNECE/FAO meeting was fully satisfactory.

37. In response to a question raised by the secretariat, drawn from the Intersecretariat Working Group on Forest Sector Statistics (IWG), countries indicated they were indifferent to having the unit for JFSQ items 3 and 4 (chips, particles, residues) be thousands of cubic metres (1000 m³, as now) or thousands of metric tonnes (1000mt, as is more commonly measured in the industry).

38. Delegates expressed their disappointment with the failure to publish secondary products and species trade data, but encouraged the continued collection of these relatively simple-to-provide data and their publication as soon as feasible.

39. On the question of providing data on woodfuel in m³ underbark or overbark, although delegations recognized that the structure of the JFSQ meant that the unit for removals should be underbark, most were reporting woodfuel in m³ overbark as this was the way the figures were collected and bark was not being removed. Some countries indicated that this applied to pulpwood as well. The secretariat underlined the need for indicating any variation from the definitions and agreed to bring this up with the IWG.

40. On the question of confidentiality, delegates expressed their view that as much data should be supplied as possible, including estimations, but that it would be helpful if data were asked to be provided at higher levels of aggregation.

41. The secretariat indicated that plans for Work Area 1 on statistics in 2010 were the same as in 2009 and this was accepted by the Working Party.

42. The secretariat presented the work done on wood energy since the last meeting of the Working Party. Two wood energy workshops had taken place, one in Riga, Latvia (September 2009) and one in Dubrovnik, Croatia (November 2009). The Joint Wood Energy Enquiry (JWEE) had been revised in light of the comments provided at the 31st Working Party in preparation for the new round of the JWEE. In addition cross-sectoral cooperation activities had continued.

43. The Working Party expressed its strong support for the work that had been done in previous rounds of the JWEE (2005, 2007) and approved the structural changes to the questionnaire as well as the suggested indicators. Delegates underlined their support of the work done by Florian Steierer, Consultant, UNECE/FAO Timber Section, particularly in supporting intra-country cooperation. Delegates approved plans for the JWEE 2009, insisted on its being conducted while recognizing that resources had not yet been allocated to it.

44. Several delegations called for further pre-filling of the JWEE, particularly on the energy and waste sections, recognizing that this was already being done to a substantial extent.

45. One delegation pointed out that national methodologies may have changed, resulting in non-comparable data between different years for the same indicator and country in the JWEE. The Working Party recommended that such changes should be indicated in accompanying notes.

46. Delegations pointed out that there was little or no data to support the question on short-rotation forestry in the JWEE.

47. The secretariat encouraged the use of the data quality indicators to highlight data with weaknesses. National estimates could now be used for top-level data as well.

48. The delegate of Austria called for the collection of wood energy statistics to be made a specific part of the programme of work in addition to the analysis which is already mentioned under Work Area 3. He suggested it be brought under Work Area 1 and have sufficient resources allocated to carry out the work. This proposal was unanimously endorsed and the Working Party asked the Timber Committee and European Forestry Commission to take note of this when preparing the programme of work. The wood energy work was deemed by the Working Party to be essential and a strong complement to the Joint Forest Sector Questionnaire.

49. The secretariat presented information on the issue of data harmonization, i.e. that some measurements could actually refer to different products (finished versus unfinished sawnwood for example). A delegate commented that they provided data as best they could, averaging many categories of sawnwood together but it was impossible at the national level to have such in-depth information on exactly what state of manufacture the wood was in at the time of data collection. They were careful however to avoid counting the same material twice and tried to count it at the point of first transaction.

50. Another delegate pointed out that because sawnwood figures may not be applicable for carbon accounting and for constructing a wood balance (because volumes may be overstated due to nominal sizes or further processing), this should be clearly noted when using this information. The importance of clearly explaining what had been done to figures was supported by other delegations.

51. A representative of the EU discussed the changes to this year's version of the JFSQ for EU/EFTA members. An active discussion followed over the question of the introduction of pellets under JFSQ item 4 (residues) where its Combined Nomenclature classification would normally put it. A delegation advised against associating pellets with residues, especially as future production of pellets was expected to come from directly-used wood rather than from by- or co-products. It was agreed that a common position within the IWG would be attempted to be worked out in view of the probable addition of pellets to the Harmonised System.

VIII. Guidance of work area 2: forest resources assessment (item 7 of the agenda)

52. The Working Party was informed about the results of the review of the report "State of Europe's Forests 2007" (SoEF2007) that was carried out within the framework of the UNECE biannual self-evaluations. The report was perceived as responding to the demand in general, e.g. 91% of questionnaire respondents agreed that the report added value to their work programme or activities. Practically all elements of the report, as well as the overall concept of the report, were evaluated as being of high quality and relevance. The same positive evaluation applied to the report's production process.

53. While positive in general, the evaluation provided more detailed comments and suggestions for future improvements. Several proposals referred to the form and contents of the final report, highlighting the problem of how better to interrelate the report's parts. Recommendations also concerned the extension of the report's promotion, and included new, further elaborated products, better suited to the needs of and more attractive for new users.

54. The results of the review had been and would be utilised in the ongoing reporting process. For example, the current enquiries for pan-European reporting were harmonised with the global one to the maximum possible technical extent. However, the Working Party noted that this would be insufficient to effectively implement all advice received during the self-evaluation process. The secretariat was encouraged to continue efforts on exploring the

possibility of better interlinking the reporting in SoEF with the data collection of the global variables for the Forest Resources Assessment (FRA), including also harmonization between SoEF and FRA reporting cycles.

55. The Working Party was informed about the progress of work in the course of preparation of the Global Forest Resources Assessment 2010 (FRA2010). Information on the completeness of the national reporting process was presented as well. The Working Party noted the high ratio of responses from countries within the UNECE region; however, difficulties providing information from some countries were observed. National reports were not received from 12 countries and territories in the region (out of 56), for which estimations (referred to as “desk studies”) had to be prepared.

56. The Working Party acknowledged the UNECE/FAO Timber Section contribution to the FRA 2010 review process of the national reports from countries from eastern Europe, Central Asia and Caucasus. Furthermore, the Working Party recognised the involvement of the Team of Specialists on Monitoring Sustainable Forest Management (SFM) in the global process and appreciated FAO inviting the UNECE/FAO Timber Section for a review of the FRA2010 report and its key findings.

57. The Working Party was informed about the release of the Global Forest Resources Assessment 2010 key findings and the main messages coming from the ongoing edition. Presentation of regional results is planned for the sessions of the FAO regional commissions scheduled for spring 2010. Publication of the main report is planned for the 20th Session of the FAO Committee on Forests (COFO) on 4 October 2010.

58. The Working Party was briefed on the planning and preparations for the next report on the State of Europe’s Forests for the 6th Ministerial Conference on the Protection of Forests in Europe (Forest Europe). The Working Party recognized the progress of work made since the last session and appreciated work done by the UNECE/FAO Timber Section in close cooperation with the Forest Europe Liaison Unit Oslo, with support from the FAO FRA Team in Rome.

59. The Working Party welcomed the new enquiry on quantitative indicators that was substantially developed compared to 2007 reporting. The new form was found to be consistent with the previous one, and a substantial part of the information already reported for past periods could be used for the ongoing reporting. The Working Party also noted improvements that were made on indicators that had proven to be difficult. New clarifications should ease harmonised reporting, in particular on protected and protective forests and socio-economic indicators.

60. The Working Party recognised increased consistency of terms, definitions, classifications and reporting format between the SoEF 2011 and the Global FRA 2010. The new format enabled utilisation of the information reported for Global FRA to the maximum extent. The Working Party welcomed pre-filling of the SoEF enquiries with information coming from international data providers. In addition to reducing the national reporting burden, the pre-filling should contribute to increasing availability of international data in countries.

61. The Working Party was informed about plans for future activities on SoEF reporting and took note of the tight schedule resulting from the planned date of the next Forest Europe ministerial conference. The Working Party brought up the issue of an extremely short initial deadline (1 May 2010) for replies to the enquiry on quantitative indicators. The secretariat stated that the final deadline for reporting (1 September 2010), gives more time and that a team of reviewers was going to assist the countries with their reporting. The Working Party welcomed the reviewing team and extended deadline. However, it was noted that answering such a complex and extensive enquiry, even in a longer period, would still be a serious challenge for countries.

62. The Working Party acknowledged the input to the SoEF process received from the Advisory Group on the report's preparation and the UNECE/FAO Team of Specialists on Monitoring SFM and FAO Global FRA national correspondents, who actively participated in the preparatory process. In particular the Working Party appreciated all assistance provided by cooperating organisations, countries and individuals that made possible the achievement of the various steps in preparing the enquiry.

63. The Working Party was informed about the progress of work on pilot reporting on the new classification of forest types. Following the Working Party's general recommendations, the proposals on the final shape of the new classification and a format for pilot reporting were developed. All countries will be asked to report on two indicators by the new forest types. Reporting on the other indicators according to the new forest types is voluntary. Reporting according to the old classification in parallel will be requested for forest area only. This should be a compromise solution that will reduce the burden and ensure the comparability between those two systems.

64. The Working Party appreciated the direction of work on new forest types and welcomed the workshop, which will be held on 19-21 May 2010, in Bordeaux, France, as an initiative that would enable sharing experience and problems that countries may face during the application of the new classification. The Working Party underlined the complex character of the implementation of the new classification and observed that in some countries proper application may require new data collection in the forest. This could result in extending the implementation process beyond the time-frame of the current reporting period. The secretariat was encouraged to work with partners in order to assist countries with their efforts on national application and possible refinement of the classification.

65. The Working Party endorsed the report from the UNECE/FAO Team of Specialist on Monitoring Sustainable Forest Management that was delivered by Mr. Simon Gillam (United Kingdom), the Leader of the Team. Mr. Gillam informed the Working Party about the topics and results of the second meeting of the Team of Specialists, which was hosted by the EU Joint Research Centre and was organized on 26-28 January 2010 in Ispra, Italy. The meeting was an important step in the pan-European reporting. The final draft versions of the enquiries on quantitative and qualitative indicators, as well as a proposal for arrangements on reporting by new forest types' classification, were discussed and approved there. In addition international data providers (JRC and others) presented their data sources that will be used for reporting on part of indicators.

66. The Working Party was informed that a significant proportion of the second meeting of the Team was devoted to preparing for reporting on the State of Europe's Forests, which was not relevant to some participants (notably, the United States and Canada). It has been suggested that the next meeting should address a smaller range of topics, applicable across the UNECE region, and discuss them in more depth. One such topic addressed in depth at the second meeting was health conditions of forests, but with little time for discussion.

67. The Team saw some good examples of how international indicators were publicized in national reports and discussed what countries could do to give the international indicators a higher profile. This could be a possible topic for a workshop involving Montreal Process countries as well as Forest Europe countries.

68. The Working Party shared Mr. Gillam's concerns about low participation from eastern Europe, Caucasus and Central Asia countries, and a corresponding inability to support SFM assessment in that those regions. The Working Party was also informed about difficulties in terms of the Team addressing issues related to reporting on policies and institutions, both at global and regional levels. The Working Party agreed that directly addressing experts on this area (e.g. UNECE/FAO Team of Specialists on Forest Policy in

Eastern Europe and Central Asia or Forest Europe national correspondents) is likely to be a better source of advice in this area than the Team on Monitoring SFM.

69. The Working Party was informed that current membership of the Team provides little expertise on social and economic indicators. There is little prospect of this changing much in the future, so it is recommended that other approaches be adopted for this area. This could include organising a separate workshop on social and economic indicators that could attract different participants. The Working Party encouraged the Team and secretariat to continue efforts on preparation of alternative forms of developing social and economic aspects of SFM, including possibility of including them into preparations for the next Working Party session.

IX. Guidance of work area 5: elements addressing monitoring and analysis of policies and institutions (item 8 of the agenda)

70. The Working Party was presented with UNECE/FAO activities on monitoring forest policies and institutions, including data collection and analysis through international reporting processes (FAO's Global Forest Resources Assessment 2010 and Forest Europe's State of Europe's Forests enquiry 2011), as well as information dissemination through an online information repository on policies and institutions, developed jointly with FAO. Delegates took note of UNECE/FAO's contribution to international reporting on policies and institutions. Issues drawn to the attention of the Working Party concerned the scope, update and location of the data on countries' policies and institutions to be displayed online. The Working Party indicated that only significant changes in policies and institutions would be worth updating in the database. They also stressed that having to report changes in English only would limit the possibilities for updating data.

X. Other business (item 9 of the agenda)

71. The Working Party was briefed on the forestry-related outcomes from the latest round of climate change negotiations held in Copenhagen, December 2009. It noted that despite the overall inconclusive results nevertheless some progress was registered in the area of forestry, notably on the Reducing Emissions from Deforestation and Forest Degradation (REDD), Land Use, Land Use Change and Forestry (LULUCF) and Harvested Wood Products (HWP) tracks. Delegates recognized that a gap existed between the different policy sectors. It was agreed that the forest sector should recognize the benefits of HWP accounting. In this regard, outreach efforts to the different policy sectors by the secretariat should be strengthened.

72. The secretariat queried delegates on the issuance of documents in only one language this year in an attempt to make them as up-to-date as possible. The delegate of France appreciated more up-to-date documents. However, he also underlined the necessity for publications and databases (e.g. forest policies) to be produced in French and Russian without undue delay. The Working Party asked the secretariat to prepare documents for the next meeting to cover the work areas for which it should provide guidance and any other issues that would need addressing.

73. The dates for the next meeting of the Working Party were tentatively established as 22–24 March 2011 in Geneva.

XI. Election of officers (item 10 of the agenda)

74. The Working Party elected Mr. Angelo Mariano (Italy) as Chair and Mr. Mati Valgepea (Estonia) and Ms. Elina Maki-Simola (Finland) as Vice-Chairs to hold office through the end of the 33rd session. It warmly thanked Ms. Susan Phelps (Canada) for her service as Chair and Vice-Chair during the last six years.

XII. Adoption of the report (item 11 of the agenda)

75. The bureau of the Working Party reviewed the report, based on a draft by the secretariat, through paragraph 35, immediately after the Working Party. The rest of the draft report was subsequently reviewed by the bureau of the Working Party and circulated to the Working Party for approval.
