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**UNECE/FAO POLICY FORUM PUBLIC PROCUREMENT POLICIES FOR WOOD
AND PAPER PRODUCTS AND THEIR IMPACTS ON SUSTAINABLE FOREST
MANAGEMENT AND TIMBER MARKETS**

Note by the secretariat

The document presents information for the policy forum that will take place on 5 October 2006. Forum participants are requested to focus on the following issues:

- Are the public procurement policies effective in achieving their goals?
- What are the impacts of public procurement, including their implications for markets for wood and paper products?
- How can public procurement policies avoid creating market barriers?
- How can implementation procedures be improved (including instruments for verification of legality and sustainability as well as alternative options for evidence)?
- Are harmonized approaches in public procurement policies necessary or possible?

Delegations are invited to:

- Inform interested experts inside and outside government and urge them to attend the policy forum;
- Participate actively in the discussions, in particular by presenting their own government's or organization's view of the five questions proposed to the policy forum;
- Indicate whether and what follow-up on this topic is required

INTRODUCTION

1. The UNECE Timber Committee and the FAO European Forestry Commission will jointly hold a policy forum devoted to the topic “Public procurement policies for wood and paper products and their impacts on sustainable forest management and timber markets”. The expert presentations and discussions will take place on Thursday 5 October 2006 as a one-day, in-session forum during the 64th Timber Committee session at the Palais des Nations in Geneva.
2. National and local governments are major consumers of wood and paper products. Several governments have developed, or are in the process of developing, purchasing policies for forest products that aim to ensure that products come from legal and sustainably-managed sources. These policies are seen as complementary instruments to promote sustainable forest management.
3. The development of these policies is influenced strongly by experience and factors at the national level. As a result different governments have adopted different rules and regulations at the national and sub-national level to assuring the supply with legally and sustainably-sourced timber products. This presents a challenge to national wood and paper producers and international exporters to respond to the varying policy requirements. The policy forum will provide:

A. An overview of national approaches

A background study and market survey will present a first overview of the different national approaches, including the economic impacts of the different public procurement policies.

B. The exchange of experience

Some countries began to develop public procurement policies for wood and paper products several years ago and now have systems in place, whereas others did not start such a process as yet. The policy forum will encourage the exchange of experience among countries with policies already in place with those that do not. It will be an opportunity to learn from the approaches taken and experience gained, as well as discussing opportunities of harmonization. Industry and trade associations, other non-governmental organizations and environmental organizations will join in the discussion and express their particular views. The viewpoint of the tropical exporting countries will be reflected in a country presentation and a report from ITTO that will present the main points of the ITTO Annual Market Discussion on public procurement policies in importing countries, held in Mérida, Mexico, on 2 June 2006.

C. Provide a forum for policymakers to encounter public/private opinions

Representatives of concerned market players (exporting/importing enterprises) have been invited to express their views about public procurement policies on wood products in general, and the obstacles that have been met as a result of the range of public

procurement policies in different countries. NGO's have been invited to give their points of view.

4. The UNECE Timber Committee and FAO propose to focus on the following questions during the policy forum:

- (a) Are the public procurement policies effective in achieving their goals?
- (b) What are the impacts of public procurement, including their implications for markets for wood and paper products?
- (c) How can public procurement policies avoid creating market barriers?
- (d) How can implementation procedures be improved (including instruments for verification of legality and sustainability as well as alternative options for evidence)?
- (e) Are harmonized approaches in public procurement policies necessary or possible?

5. Delegations are invited to:

- (a) Inform interested experts inside and outside government and urge them to attend the policy forum;
- (b) Participate actively in the discussions, notably presenting their own government's view of the two questions proposed to the policy forum;
- (c) Indicate whether and what follow-up on this topic is necessary.

6. Possible outcome of the meeting:

- (a) The policy forum will offer participants background information as well as a neutral forum for discussion. The meeting is open-ended i.e. no particular resolution or agreement is intended.
 - (b) Before closing the policy forum 2006, delegates will be invited to propose topics for the policy forum in 2007. The 65th Timber Committee session at the Palais des Nations in Geneva will be a joint meeting with the International Softwood Conference and so it would be highly desirable if the topic chosen for next year's policy forum could reflect common areas of interest
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