Minutes 25th Meeting of Intersecretariat Working Group on Forest Sector Statistics

Palais des Nations, Room 456, 14-15 February 2012

IWG members present: Jean-Christophe Claudon – ITTO, Arvydas Lebedys – FAO; Alex McCusker – UNECE; Marilise Wolf-Crowther – Eurostat.

Virginia Cram-Martos, Director of Trade and Sustainable Management Division, opened the meeting and welcomed the participants.

Alex McCusker - chairman, Arvydas Lebedys - rapporteur.

1) Adoption of agenda

- a) Rapporteur AL, Chair AM
- b) Confirmed Feb 2012 notes of 24th meeting are final version.

2) Review of issues from last year's meeting

Review of to-do status (from notes of 24th IWG, 2011):

<u>2)a)i)(4)</u> Alternative sources. FAO briefed on main alternative sources used (see file sent before the meeting). **FAO will send links** to partners related to alternative sources in Brazil (to all), China (to all), State of The Forests in Central Africa (ITTO), AEBIOM (to Eurostat).

2)c)i) Promotion of IWG partnership through own websites. Current status:

FAO - done at http://www.fao.org/forestry/databases/29420/en/

Eurostat – done at http://epp.eurostat.ec.europa.eu/portal/page/portal/forestry/introduction

ITTO - done partially (no links to partners) at http://www.itto.int/annual_review/

UNECE - to be done

2)d)vi) China data. All agree that there are problems. ITTO, FAO hopefully will resolve in WS planned in 2012.

2)e)ii) Species codes ECE to ITTO. Not implemented, ECE to do in future.

3)b)iii) SITC codes. Not relevant now (nobody uses SITC), will be reconsidered in future (with JQ2012 cross-references).

4)a)i) Roundwood "m3 u.b." in JQ2010. FAO forgot (but ECE added), **FAO to update JQ2011 Master copies.**

4a)v) DOT, Mixed plywood (6.2.NC.T). ITTO will reconsider and carry out a study if needed.

4)c)i) Wood Resource Material balance (WRMB). Done. ECE will consider including chips, residues and reconstituted panels.

3) Review of the Joint Forest Sector Questionnaire activities in 2011 a) Number/quality of replies and successes/problems

Eurostat: see doc from working party for details. 1st deadline – 19/31, 16 percent decrease. 2nd deadline – 8/31, some said that provisional was final. 27/31 in total, Denmark, LUX, partial Belgium, Netherlands, Iceland, Greece, Czech Rep. missing. Some promises: Slovenia. Successes: Austria, UK, <u>Germany</u>, France (will retire in 2012). Sweden not good, Italy and Portugal have problems, Hungary not good. Overall: in general, worse than JQ2009, but more estimates by NCs (which is good) and by Eurostat. **ITTO**:

See file provided by JCC. Producer countries 16/33, same as last year. Africa better but Cameroon, DR Congo, Cote d'Ivoire, Nigeria, Egypt are missing. Asia: problems with Myanmar, India, Thailand. Lat. America: problems with Mexico. Good examples, success: PNG, Brazil, Peru, Malaysia, Philippines, Ghana. Indonesia problems with SW exports. . Consumers all provided JQ, but the quality is worse than previous year.

Under the new ITTA Art.27-28 members have to justify if they did not provide stats for 2 years. **ITTO** has developed MS Access programme for Comtrade data (**will share** with partners if there is an interest).

ECE:

Good, 14/26 JQs received. Failures: Albania, Georgia, Tajikistan, Turkmenistan, Uzbekistan, RUsawnwood. Success: Belarus. Problems: USA high variability of quality in JQ submissions. In general replies are OK, some specific problems with specific countries. RU NC is missing. Two major countries RU & USA seem to be on decline in terms of quality of JQ data.

FAO:

In 2011, total 76 JQs received (thereof 57 through partners), slightly lower than last year. Problems: no JQ from Rep. of Korea, IRW-Tropical trade for ECE countries, chips+residues data consistency. FAO successes in production revisions based on alternative sources: Brazil IRW&panels, Thailand MDF, Indonesia & Solomon Islands IRW.

AL distributed tables about flag status (production) currently in FAOSTAT (2006-2010). Problems: woodfuel, charcoal, other industrial roundwood, wood chips, semi-chemical pulp. For other products FAO estimates accounts for less than 20% of global volume produced.

b) Data dissemination

Eurostat: website dissemination, 'Forestry in EU and the world' publication.

ITTO: website in May 2011 (data from AR2010), AR2010 published.

UNECE: FPAMR + stat. Annexes, preliminary data disseminated through FAOSTAT in July, final Timber DB posted online in January 2012.

FAO: FAOSTAT 1961-2010 (preliminary in July, final – 13 Jan 2012), Forestry trade flow 2009 – in July 2011. All FAO Yearbooks (back to 1947) scanned and posted online. Plus data disseminated through FAO Forestry country pages website.

c) Data validation:

FAO, ECE and ITTO handed out paper copies of data problems that need checking. **All three partners will send** electronic files as well, because each case needs to be handled and commented separately.

FAO distributed data discrepancies to partners:

- (a) differences in FAOSTAT from their datasets to Eurostat/ECE,
- (b) problems with Tropical IRW and WB Panels Sweden, Denmark to Eurostat/ECE/ITTO, Paper Serbia/Montenegro to UNECE).

Eurostat, ECE and ITTO will examine and fix where possible; updated stats from their DBs will be disseminated through next FAOSTAT release.

One validation check possibly missing in ECE and Eurostat procedures is check of annual change in top countries.

Conversion factors - mt in trade stats to m3 in JQ: UNECE Conv. Factor sheet was reviewed, it looks good. **FAO will have a look** into problems with Chips units reported (Australia, others) and report to IWG next year.

ECE will improve their WRMB with chips/residues.

Eurostat suggested that it is preferable to use medians instead of averages because outliers are automatically eliminated.

d) Data exchanges among partner organizations

ITTO showed differences between their DB and data in other organizations. It was agreed, that proposed **changes become part of Eurostat, ECE and FAO** databases unless Eurostat, ECE, FAO objected the proposed change.

Continuing problems with timing and quality of data being exchanged; this year ECE outsourced most checks to FAO process.

4) The JFSQ 2011

a) 2011 JFSQ changes / improvements

Proposal by UNECE to add preliminary HS2012 to JQ2 cross-ref. was discussed and rejected. This will be included in JQ2012.

Agreed changes in JFSQ2011:

- i) To add m3ub roundwood in JQ1/JQ2 (pending from last year)
- ii) ECE/EU Species Trade: to revise IRW and SW "Poplar/Aspen (Populus spp.)"
- iii) DEFINITIONS: under NC.T, insert:
 - "YEAR: Data are requested for the calendar year (January-December) indicated"
- iv) Accept French translation of the definitions with FAO, ITTO comments incorporated
- v) Change of the last point 12.4 in Definitions should be reflected in EN, SP, RU versions
- vi) DOT country list will be revised by FAO (new countries added, old removed)
- vii) Eurostat will revise CN 2011 cross-references.

Eurostat will provide a Spanish translation of the definitions.

ITTO proposed adding Trop. IRW (1.2.NC.T) in JQ1 in big-bang change next year (JQ2012). Issues for including this:

- Not all tropical countries are ITTO producers.
- definition of "tropical" products differs between JQ1 (production, JQ def) and JQ2 (trade, HS def.). Needs to be resolved by next IWG.

FAO shall prepare and distribute JQ master copies by 15 March 2012.

b) Questionnaire dissemination (FAO&ITTO)

FAO and ITTO will review JQ distribution adapted to the new ITTO membership (members ITTA-2006, available at: http://www.itto.int/itto_members/).

Preliminary (status 16 Feb 2011), ITTO will take over from FAO distribution of JQ to Benin and Mali. FAO will take over from ITTO: Central African Republic, Nigeria, Thailand, Vanuatu, Bolivia, Brazil, Colombia, Suriname, Trinidad and Tobago and Venezuela.

c) Deadlines and data exchanges

Agency	Eurostat	UNECE	ITTO	FAO
Dispatch deadline	March 31	March 31	June 15	May 31
External deadline	May 15 / Oct 8	May 15	September 30	August 31
Internal deadline (last day for new data additions)	June 11 / Oct 8	June 19	Draft AR Oct 31 (needs TCQ as well) Final AR Jan 30	Preliminary July / Final Nov 30
Basic validation	June 15 / Oct 20	June 22	March 1	To Sep 30 (as received)
Analytical validation (last day for data corrections)	June 21 / Oct 20	June 28	March 1	July 15 / Nov 30
Dispatch to ECE	June 21 / Oct 25			
Dispatch to FAO		July 8/Oct 31	weekly JQ, final 2010 dataset in April	
Dispatch to ITTO	JQ originals for ITTO countries as received, eliminating any confidential elements	JQs originals as received. July and Oct 26 (forecast). Advise them when final data in December are available.		
Database upload	July / November	July / December	June 1	July 31 / December 15

Eurostat will stop estimating some non-reported detailed production sub-items, as outlined in their document FO/2011WG/9. **Eurostat will flag empty cells** where they have <u>no data</u> and <u>no estimate</u> was made. **UNECE will estimate** missing values and flag them as ECE estimates, making sure that the higher-level totals are not modified and return these to Eurostat. Eurostat must remain responsible for the data of the EU and EFTA countries.

5) **HS2017** round

a) Procedure

i) Who will represent

FAO will represent and submit all including tropical products and submit through FAO Corporate Submission. **ITTO is encouraged** to submit their tropical proposal separately.

ii) Deadlines

<u>26 March 2012</u> for submission to WCO, 15 March draft to be presented by AL in FAO corporate meeting. <u>Draft definitions from partners to AL by 8 March</u>.

b) Changes to request

i) Pellets/briquettes

Pellets – 6 digits, briquettes 6 digits, both go under 4402 together with charcoal 4401, 440130 and 4402 definition has to be adjusted.

ii) Recovered wood waste

Not JQ relevant, rejected to include in submission. Do a special study if needed.

iii) Tropical

Subheading note 1 expanded list of tropical wood – to be provided by ITTO (by 8 March).

- iv) Fuelwood, sleepers split by coniferous/NC
- v) More species in sawnwood, industrial roundwood Pine, spruce, birch, poplar, eucalyptus added.

vi) Pre-fabricated Wooden buildings Added, split into "Of wood" and "Other".

vii) Remove bamboo charcoal

Yes, proposed to remove (below threshold). Only wood charcoal total remains as 6-digit product. viii) Asking countries?

<u>AL will send Excel file with agreed changes to IWG by 16 February</u>. <u>AM will circulate on 17 February</u> draft HS2017 proposal to the Joint FAO/UNECE Working Party on Forest Statistics, Economics and Management contacts asking them to comment before <u>1 March</u>.

All partners will review country comments/additional proposals and incorporate them into FAO-Forestry proposal for changes in HS2017.

6) Other Business

a) Organizational changes

Eurostat: stable, no changes in staff, new Head of Unit is Mr Rainer Muthmann. Want to expand the use of the IEEAF set of questionnaires, and possibly do a forestry and logging competitiveness study. **ITTO:** statistician post was vacant, later frozen. MIS post not funded.

UNECE: Pepke's marketing post has been replaced with P2, currently vacant. In general, staff and resources seem to be increasing in the Section. ECE/FAO WP renamed to Joint Working Party on Forest Statistics, Economics and Management.

FAO: Forest products Statistics group (3 people + 1 vacant) has become part Forest Economics and Statistics Team in official structure. Felice replaced by Arvydas from November. Ex-Arvydas post is frozen at the moment.

- b) FAO forthcoming changes in dissemination
 - AL presented 2 initiatives, FAOSTAT Forestry data will be disseminated through new FAOSTAT (http://faostat3.fao.org) and http://data.fao.org (December 2012). AL will notify partners when this happens and will ask for comments/proposals for further improvements.
- c) Ancillary statistical activities by individual organizations
 For FAO, same as in 2010 Pulp & Paper capacity Survey. Eurostat is discussing whether to have a Framework Regulation on environmental statistics, which would also cover forestry.
- d) Development of CPC Rev. 2.1

AL presented Forestry part of FAO's corporate proposal to the revision of CPC V.2.1 (*see Annex*). This relates mostly to alignment of CPC commodities to JQ products. The proposal was developed by AL with AM and accepted in principle by UNSD and CPC working group. CPC V.2.1 should become official later this year.

e) National correspondent changes

Russia NC missing, France (missing from 2012?), Denmark.

FAO will ask for NC updates from ECE/Eurostat & ITTO before distribution of the Yearbook 2010& FAOSTAT CD 1961-2010.

7) Meetings of Interest to IWG

- a) Report of Eurostat Working Group "Forestry Statistics", November 2011 AL will send comments to Eurostat.
- b) National Workshop on F. Products Statistics in Thailand, Sep 2011 (ITTO/FAO). Unfortunately, no JQ submitted yet.

c) Future meetings

- i) 34th Session Joint FAO/UNECE Working Party on Forest Statistics, Economics and Management, Geneva, 27-29 March 2012
- ii) JWEE Capacity Building workshop, 11-13 June 2012, Paris
- iii) COFO September 2012
- iv) Regional workshop for Central America, Panama, ITTO/FAO, October 2012
- v) Eurostat Working Group "Forestry Statistics", November 2012
- vi) TC meeting October 2012
- vii) Session of the International Poplar Commission, FAO (India, October 2012)
- viii) ITTO Council Session, Japan (November 2012)
- ix) National Workshop in China ITTO/FAO, November 2012
- x) UNFF Forest and Economics Meeting (Turkey, April 2013)

Annex 1: FAO PROPOSAL FOR CPC REV.2.1 (excerpt for forestry only)

FORESTRY

1) Expand detail of CPC section on forest products according to the structure used by FAO

Proposal:

To expand the scope of the following classes:

- 0313 "Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms"
- 3110 "Wood, sawn or chipped lengthwise, sliced or peeled, of a thickness exceeding 6 mm; railway or tramway sleepers (cross-ties) of wood, not impregnated"
- 3121 "Wood, continuously shaped along any of its edges or faces (including strips and friezes for parquet flooring, not assembled, and beadings and mouldings)"
- 3123 "Wood in chips or particles"
- 3141 "Plywood consisting solely of sheets of wood, except of bamboo"
- 3142 "Other plywood, veneered panels and similar laminated wood, except of bamboo"
- 3143 "Particle board and similar board of wood or other ligneous materials"
- 3144 "Fibreboard of wood or other ligneous materials"
- 3151 "Veneer sheets and sheets for plywood and other wood sawn lengthwise, sliced or peeled, of a thickness not exceeding 6 mm"
- 3928 "Sawdust and wood waste and scrap"

This implies:

- Split class 0313 into 2 subclasses (i.e. 03131 "... of coniferous wood" and 03132 "... of non-coniferous wood")
- Split class 3110 into 3 subclasses (i.e. 31101 "... of coniferous wood", 31102 "... non-coniferous wood" and 31109 "Railway or tramway sleepers (cross-ties) of wood, not impregnated")
- Split class 3121 into 3 subclasses (i.e. 31211 "... of coniferous wood", 31212 "... of bamboo" and 31219 "... of other wood")
- Split class 3123 into 2 subclasses (i.e. 31231 "... produced in forest" and 31232 "... produced outside forest")
- Split class 3141 into 2 subclasses (i.e. 31411 "... of coniferous wood" and 31412 "... of non-coniferous wood")
- Split class 3142 into 2 subclasses (i.e. 31421 "... of coniferous wood" and 31422 "... of non-coniferous wood")
- Split class 3143 into 3 subclasses (i.e. 31431 "Particle board", 31432 "Oriented strand board (OSB)" and 31439 "Other board of wood or other ligneous materials")
- Split class 3144 into 3 subclasses (i.e. 31441 "Medium density fibreboard (MDF)", 31442 "Hardboard" and 31449 "Other fibreboard")
- Split class 3151 into 2 subclasses (i.e. 31511 "... of coniferous wood" and 31512 "... of non-coniferous wood")
- Split class 3928 into 2 subclasses (i.e. 39281 "Wood pellets", 39282 "Wood briquettes" and 39289 "Other wood waste and scrap")

CPC items concerned:

03130, 31100, 31210, 31230, 31410, 31420, 31430, 31440, 31510, 39280.

Rationale:

To increase detail in order to supply information needed for international system, particularly climate change, millennium development goals and long-standing structure of data collection. Proposed CPC sub-classes are included in the commonly agreed FAO/Eurostat/ITTO/UNECE forest products commodity list and data is available.

Link to HS and ISIC:

- HS2012: one-to-one or one-to-many at subclass level (CPC) to subheading level (HS) in most cases
- Only in three cases it is proposed to add detail beyond HS2012:
 - 03131, 03132 necessary to develop fuller understanding of forest use, complements existing coniferous/non-coniferous structure of wood for industrial use
 - 31231, 31232 these two products belong to different economic activities (in ISIC Rev.4: 0220 and 1610, respectively) and it is important to have these products (wood chips) separated by origin in raw material flow analyses. In the first case chips are a direct product, in the second case they are a co-product.
 - 39282, 39289 separation of wood pellets (implemented in HS2012) will need to be expanded to cover other forms of densified wood products for energy, i.e. wood briquettes.