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**Joint ECE/FAO Working Party on Forest Statistics,
Economics and Management**

Thirty-seventh session
Geneva, 18-20 March 2015
Item 10 of the agenda
Report

Report of the joint thirty-seventh session of the ECE/FAO Working Party on Forest Statistics, Economics and Management

Introduction

1. The Joint ECE/FAO Working Party on Forest Statistics, Economics and Management held its thirty-seventh session in Geneva from 18 to 20 March 2015.

Attendance

2. The session was attended by delegates from the following countries: Austria, Belgium, Croatia, Czech Republic, Estonia, Finland, France, Germany, Ireland, Norway, Poland, the Russian Federation, Serbia, Slovakia, Sweden, Switzerland, Turkey, United Kingdom of Great Britain and Northern Ireland and the United States of America.
3. The following UN agencies and intergovernmental organizations attended the session: Food and Agriculture Organization of the United Nations (FAO).
4. Representatives of the following non-governmental organizations attended the session: Association Française des Eaux et des Forêts, European Panel Federation, the European State Forest Association (EUSTAFOR) and PEFC International.

Adoption of the agenda (item 2 of the agenda)

Documentation: ECE/TIM/EFC/WP.2/2015/1

5. The meeting was opened by Mr. Johannes Hangler of Austria, Chair of the Working Party.
6. Ms. Paola Deda, Acting Director of the ECE Division on Forests, Land and Housing and Ms. Xiangjun Yao, Director of the FAO Liaison Office Geneva welcomed participants to the meeting.
7. After opening remarks, the Chair introduced the meeting agenda (ECE/TIM/EFC/WP.2/2015/1), which was adopted without amendments.

Report from the seventy-second session of the Committee on Forests and the Forest Industry (item 2 of the agenda)

8. The secretariat reported on the outcomes of the seventy-second session of the Committee on Forests and the Forest Industry (COFFI) which took place in Kazan, Republic of Tatarstan, Russian Federation, from 18 to 21 November 2014.
9. The secretariat highlighted the many issues presented and reviewed in Kazan, including, amongst others, the successful implementation of the Rovaniemi Action Plan for the Forest Sector in a Green Economy (RAP) where the Committee agreed that the exchange of experiences and information was very useful and that this form of interaction should continue. It was recalled that in Kazan, the Committee requested the secretariat, under the guidance of the joint Bureaux, to propose an outline, a methodology, and a format for possible future reporting on implementation of the RAP for consideration by COFFI/EFC (European Forestry Commission). The Committee also welcomed, at the 72nd session, developments concerning global and regional reporting on forests and sustainable forest management. The secretariat recalled that during the discussions, the Committee was informed on follow up to the request by COFFI/EFC to develop a study on progress towards the achievement of the Global Objectives on Forests and Sustainable Forest Management (SFM). The Committee had thanked the donors, the authors, the Team of Specialists on Monitoring SFM and other contributors for the excellent work in this regard.
10. The secretariat also informed the Working Party that at the 72nd session of COFFI, the delegates were informed about the successful celebration of International Forest Day in 2014 and that the theme for 2015 would be “Food for Forests/Forests for Food”. Concerning the Sustainable Development Goals, in Kazan the Committee recognized the need for sharing information about developments in the political process and asked the secretariat to engage whenever appropriate. The secretariat was encouraged to continue to inform member States about the progress of intergovernmental discussions. At the 72nd session, the Committee also expressed their appreciation for the information on activities of the ECE/FAO Integrated Programme of Work 2014-2017 that were implemented in 2014 and activities planned for 2015. (ECE/TIM/2014/2).

Report of the workshop on “Threats to the sustainability of the forest sector workforce” (item 3 of the agenda)

11. Mr. Thorsten Arndt, the moderator of the workshop on “*Threats to Sustainability of the Forest Sector Workforce*” updated the Working Party on the outcome of the meeting held on March 17. One of the key challenges of the sector is the low profitability of many of its businesses and, following the economic crisis, very large drops in employment. In addition, forest work and work in the forest products industries is not regarded as desirable,

especially to the younger potential workers, and is still one of the most hazardous of professions in the region. Overall the challenges and threats are well known, and the main question is how to move forward to improve the situation. Data related to the forest sector workforce is weak in some countries and should be improved. In addition, further analysis to understand the changes in the sector is needed, and the role of education and positive communication should be highlighted.

12. The workshop had brought together 30 participants from Austria, Azerbaijan, Finland, France, Germany, Ireland, United States, Russian Federation, Poland, Switzerland, Turkey, and Uzbekistan. The International Labour Organization (ILO), FAO, Union of European Foresters (UEF), Finnish Forestry Experts Association (METO), International Fund for Saving the Aral Sea, European State Forest Organization (EUSTAFOR), European Organization of the Sawmill Industry (EOS), ILO/UNECE/FAO Team of Specialists on Green Jobs in the Forest Sector and European Network of Forest Entrepreneurs (ENFE) also shared their views with the participants.

13. Germany mentioned that in their country timberland owners are making profits and that the timber purchasers (manufacturers) are the ones suffering.

14. The secretariat replied that according to participants at the workshop, it was mainly the small businesses that are suffering and that these are a cornerstone for employment in rural regions.

15. The moderator of the workshop expressed frustration with the fact that the sector seems unable to tackle this situation, even though there is recognition of the value of rural regions and there is a need for people in these regions to maintain their livelihoods.

Guidance to Work Area 1: Data, monitoring and assessment (item 4 (a) of the agenda)

Global and regional reporting

16. The secretariat informed the Working Party about the status of work and planned outputs from the global FAO Forest Resources Assessment (FRA) 2015, which was carried out as a collaborative process, together with other partners. The Joint UNECE/FAO Forestry and Timber Section supported the data collection process, which included assisting with data collection and the review process for the 54 countries of the ECE region. The release of original data and analysis is planned for the XIV World Forestry Congress (7-11 September 2015 in Durban, South Africa).

17. The secretariat shared the preliminary results of the Joint FOREST EUROPE/UNECE/FAO reporting on quantitative Pan-European Indicators for SFM. The Joint Section was responsible for the collection, review and compilation of national data. Thirty-five countries provided national reports and for those 10 countries that could not, reports based on available data were produced. The Section shared all reports and desk studies with the Forest Europe Liaison Unit-Madrid. Similar to previous cycles, all information collected will be made available through the interactive FOREST EUROPE/UNECE/FAO database (using the UN Statistical Division interface).

18. Delegates were informed that the pilot implementation of the “System for the Evaluation of the Management of Forests” (SEMAFOR) would begin immediately after the completion of the data collection process on the pan-European reporting. The first results of the pilot implementation are expected in autumn of this year.

19. Mr. Sebastian Glasenapp, consultant to the section, presented the recent version of the joint UNECE/FAO/FACESMAP questionnaire on forest ownership in the ECE region. The questionnaire will be sent to countries with prefilled data by mid-April; both UNECE/FAO and COST Action FACESMAP national focal points will be invited to

respond to this request. It is expected that the data collection process will be concluded by the end of the year, with production of the study immediately following.

20. The Working Party was also updated on the preparation of the report “Forests in the ECE Region: Trends and Challenges in Achieving the Global Objectives on Forests”. As requested by the UNECE Committee on Forests and the Forest Industry and the FAO European Forestry Commission, the study was prepared with the use of available data. The preparatory process included multiple consultations with countries regarding both the data used and the drafts of the study. The secretariat thanked the Governments of Finland, Germany, the Russian Federation, Switzerland and the United States of America for their financial and in kind contributions to support the preparation of the study. The study will be released on 20 March 2015, during the celebrations of the International Day of Forests in Geneva. The study will be presented at the 11th session of UNFF to be held in New York in May 2015.

21. The secretariat informed the delegates about its involvement with the Montreal Process and Forest Europe, the two Criteria and Indicators processes active in the ECE region. The support included contributions to the meetings and advisory bodies, as well as quantitative information (in the case of Forest Europe).

22. Mr. Stein M. Tomter, the leader of the UNECE/FAO Team of Specialists on Monitoring Sustainable Forest Management, informed the Working Party about the activities of the Team since the 36th session of the Working Party. The Team met in Geneva (October 2014) and addressed two items: the review of the first draft of the UNFF report and the review of the draft of the questionnaire on forest ownership in the UNECE region. At least one meeting is foreseen for 2015, mainly for the review of the results of the 2015 reporting processes, and will be held in the margins of Silva2015, the joint COFFI/EFC session, in Engelberg, Switzerland in November 2015.

23. Germany welcomed the parallel manner in which the global and regional reporting on FRA has been carried out, thus reducing the reporting burden. However, Germany, in their written statement, said that the copyright issue between the UN and Forest Europe had negatively impacted on joint reporting. Germany in their written statement also suggested to re-examine the UNECE/FAO Joint Section’s reporting mandate in Engelberg. The secretariat explained that despite the lack of agreement on the copyright due to UN rules, the Joint Section had carried out the joint reporting in the same manner as for the previous cycles and had provided all data requirements whenever requested to the Liaison Unit-Madrid.

24. Switzerland welcomed the UNFF Study, which they found useful in the context of the UNFF’s work. The United States appreciated the study also as a publication that covers all countries of the ECE region. Germany, in their written statement, said that the study seemed to show large duplications in implementation with the Forest Europe State of Europe’s Forests report. The secretariat pointed out that: the preparatory process did not include specific data collection or additional enquiries and used existing data available from the countries; the report is a very specific analysis on progress in achievement of the Global Objectives on Forests and therefore there are significant differences between the pan-European report and the UNFF study, especially in terms of the scope, geographical coverage and applied approach. The secretariat also mentioned the extensive consultation process carried out for the preparation of this study and sharing of information with the countries at meetings such as the 72nd Session of the COFFI. Responding to the question from Norway on duplication and expected frequency for future similar reports, the secretariat mentioned that the study was requested by the EFC and COFFI, as the region’s contribution to UNFF11, because of the discussions on the future international arrangement on forests, and it was difficult to predict the need for future similar publications.

25. Germany, in their written statement, mentioned that they supported SEMAFOR but only as a pilot activity and were awaiting the results. Germany asked for discussions on the method beyond the level of the Team of Specialists and requested it be on the formal

agenda of Engelberg. Germany was also concerned about information that had been shared with the United Nations Secretariat in New York on SEMAFOR. Germany noted in their written statement that if SEMAFOR was to be established, the sharing of responsibilities between member States and UNECE and/or FAO have to be decided and appropriate mandates provided. The secretariat explained that the pilot application of SEMAFOR will be carried out according to the agreed mandate and that all countries covered by the pan-European reporting will be included in this process, including beyond national correspondents as noted by Germany. The intention was to present the first results of the pilot implementation of the method at the next meeting of the ToS on Monitoring SFM (planned for November 2015 in Engelberg), before the results are discussed by the Working Party at its next session. It was suggested by the COFFI Chair that perhaps some results could also be presented informally at the next COFFI/EFC session at Silva2015.

26. The secretariat also explained that as part of the UN Secretariat, the UNECE Statistical Division collects information on relevant activities being carried out in other parts of the secretariat on indicator development, monitoring and assessment. It was through these official UN channels that the Joint UNECE/FAO Forestry and Timber Section was invited to share information on the SEMAFOR pilot.

27. Finland, supported by EUSTAFOR, welcomed the forest ownership enquiry, but cautioned that it requires a lot of work and coordination. Finland suggested prefilling the questionnaire as much as possible and aligning the process with the two other processes covering ownership (FRA and the pan-European reporting). Finland, supported by Estonia, pointed out the increased number of enquiries planned for the next period, in particular those for wood and non-wood forest products. The secretariat was asked to examine the possibility of compiling information about the scheduled surveys that would need involvement of national correspondents. The Russian Federation called for support for the national correspondents by both affirming their status and ensuring necessary resources.

28. The secretariat explained that the prefilling of the forest ownership questionnaire was possible, but this would require more time and delay the release of the report. The timing of data collection on forest ownership in 2015 was set in order to benefit from the participation of the COST Action experts and correspondents. Regarding the reporting burden, the importance of these questionnaires needed to be conveyed to the higher levels of management in forest administrations. The secretariat stated that it was fully aware and appreciative of the reporting burdens of the countries and would take measures to streamline requests to the extent possible. The secretariat also agreed that an overview of the annual reporting activities would be prepared. Responding to the comment by Finland on improving dissemination of data, the secretariat agreed that information about what data is available should be improved and shared in a less burdensome way (via electronic methods on websites, for example, for downloading).

29. The study "Forests in the ECE Region: Trend and Challenges in achieving the Global Objectives of Forests" was presented to the group. The background, production process and the contributors were presented by Ms. Ivonne Higuero, Chief of the Joint UNECE/FAO Forestry and Timber Section. Mr. Andrey Filipchuk, Mr. Guy Robertson and Mr. Markku Simula (authors of the study) briefed the delegates on the main findings regarding the progress in achieving the Global Objectives. Ms. Higuero again thanked all of the country delegates and other experts involved in the extensive consultations, especially the ToS on SFM and especially to the sponsoring countries of Finland, Germany, the Russian Federation, Switzerland and the United States of America. Following the overview, the authors presented the main challenges and opportunities for the forest sector in the ECE region, related to questions formulated in the context of the four Global Objectives on Forests. The main issues presented were on: economic decline of the forest sector, continued decline in employment in the sector, growth of the forest area, biomass and carbon, difficulties in estimating social and environmental benefits of forests (even though there is ample proof of their usefulness for human wellbeing), forest financing and large

increases in official development assistance for forests but directed outside of the forest sector.

30. The delegates of Finland, Germany, Switzerland and Sweden welcomed the presentation and expressed their appreciation for the study, which provided an interesting and innovative approach to report on how the region was achieving the Global Objectives on Forests. The Working Party acknowledged the work done by the authors and others involved, in particular national correspondents and reviewers, who contributed to the production process of the study. The Working Party welcomed the report and recommended sharing the study with the 11th Session of UNFF.

31. The delegates of Austria and Sweden noted that the current system of reporting on employment, which focuses on the forestry and wood-based industry, does not cover other relevant sectors (e.g. wood based energy production). Because of this, the reported figures do not represent the full spectrum of the forest sector for employment. Germany recognized the important role of the study, in spite of the lack of clear figures (especially regarding the Global Objectives 3 and 4), and noted that the situations presented in the study provide a general overview, which can be different in individual sub-regions. Finland noted that the study, in addition to its main purpose – providing the information to UNFF11 – could be also useful as a tool for the work on reporting on the Sustainable Development Goals. The delegate recommended using the study for the broad dissemination of information about forests and forestry in the UNECE region as well as to continue the discussion of the results, once the study is published.

Forest Products Statistics

32. The secretariat presented its activities in forest products statistics since the last meeting of the Working Party and plans for 2015. These included the dissemination of data based upon the Joint Forest Sector Questionnaire (JFSQ) and the Timber Forecast Questionnaire (TFQ). Additional work plans include updating price statistics, releasing the roundwood balance tool and preparing the conversion factor questionnaire.

33. The secretariat drew attention to the improved response rate to the JFSQ (from 37 to 42 countries) and the TFQ (from 30 to 32 countries). The secretariat also presented the results of the 2015 meeting of the Intersecretariat Working Group (IWG) on Forest Sector Statistics. At this meeting in January, Eurostat had indicated that it would carry out minimal validation and cease estimating missing data, publishing questionnaires as received. The questionnaires received by Eurostat would be passed on to ECE (and ITTO) for direct processing.

34. The Working Party was updated on the work being carried out on the revision of the Harmonized System of trade classification for 2017¹. The items requested for change in 2012 had now gone through the approval process and would be available as of 2017. The secretariat highlighted the significant effort invested by FAO in shepherding the proposal through the Harmonized System process.

35. The secretariat pointed out most forest products statistical issues were being carried out by the Team of Specialists on Forest Products Statistics. The Leader of the Team, Mr. Branko Glavonjic of Serbia, presented the results of the Team's meeting on March 17. The Team had suggested: not prefilling the JFSQ, improving the fibreboard classifications, publication of the species trade data, treating commercial sources of trade statistics as non-official data, and reviewing the chips and residues separation while maintaining the

¹ The Harmonized Commodity Description and Coding System is maintained by the World Customs Organization (WCO).

distinction of post-consumer wood. The Team reviewed the plans for the roundwood balance tool and the conversion factor study, and encouraged their continued advancement. Austria proposed making the JFSQ original replies available, as received, on the website. The secretariat said it could do this, after checking with the correspondent submitting the questionnaire. FAO presented a plan for collecting information on non-wood forest products to support food security through a test survey on game meat that the ECE/FAO Joint Section could carry out. The Team accepted the proposal on this basis, suggesting that the amount of data requested be limited to less than initially proposed.

36. The delegates expressed their appreciation for the work of the Team and accepted its recommendations, including on the game meat survey. Germany asked how significantly missing figures affected data. The secretariat indicated that while there was a problem of more countries reporting but having limited information to put in the questionnaire, overall information was adequate, especially at the aggregated level.

37. Finland asked about the problems of data exchange between organizations and their concern at the reduction in validation at Eurostat, given that each IWG member should be providing validated data for its area. Germany, Ireland and Sweden supported the concern of Finland. One delegation expressed the feeling that Eurostat was not carrying out mandated activities on forest products and should give equal importance to both JFSQ and environmental accounts. The secretariat replied that it hoped that having Eurostat collect the questionnaires and ECE processing the data would work smoothly. The secretariat said the report of the meeting would reflect concerns expressed by the delegations and it would draw Eurostat's attention to this.

Forest product markets

38. The Working Party was informed about the successful publication of the Forest Products Annual Market Review 2013-2014. The publication was uploaded on the website in August 2014 and printed in advance of the Committee session in Kazan. The secretariat thanked Sweden and Switzerland for their financial support as well as other countries for their in-kind contributions. The Working Party noted that the innovation chapter of the 2015 Forest Products Annual Market Review would report on institutional forest ownership in the three ECE sub-regions.

39. The secretariat described the linkage of the data collection process in the Joint Forest Sector Questionnaire, the Forest Products Annual Market Review, the country market statements, the country forecast tables, the market discussion; and how they lead to the publication of the ECE/FAO Market Statement.

40. The secretariat presented the outcome of the last market discussion held during the Committee meeting. The structure of the market discussion has incorporated the suggestion by member States to include a focus on one specific topic or product group in addition to the regional market presentations.

41. Mr. Eoin O'Driscoll, the team leader of the ToS on Sustainable Forest Products, presented the achievements and activities in 2014. Team members reviewed the Forest Products Annual Market Review. The team leader mentioned that the Team had postponed the workshop on forest products markets and marketing due to lack of funding. The workshop is expected to be held in summer 2015. It was also mentioned that there was a desire by the Team, and a consensus from the delegates at the COFFI meeting in Kazan, for more involvement from the private sector.

42. Switzerland commented that the Bureau has decided to increase market discussions from the current half-day session to a full day session and this would be reflected in the agenda of Silva2015. The private sector day was scheduled to include the traditional forest products markets, but also services from the forest. There was also a request from the team leader for suggestions on how to improve the involvement of the wood industries in the European Forest Week through participation in the formal part of the agenda but also in organizing an event for exchanging views and experiences with member States. The

secretariat will follow-up with a request to member States to provide a list of potential representatives of the private sector who could be interested to be invited to Silva2015.

43. The Working Party requested that the Team of Specialists consider organizing a side event and perhaps think about linking the work of the team more directly with the work of the Joint Section.

44. The feedback on the Forest Products Annual Market Review was positive, but there was a request for more analysis of drivers behind market shifts.

Wood energy

45. The secretariat presented the work on the UNECE/FAO Joint Wood Energy Enquiry (JWEE). Since the last Joint Working Party meeting, the Joint Section had updated the JWEE manual and launched the 2013 data collection round in January 2015. The process is currently ongoing and the results are expected in June or July 2015. Currently, the secretariat has received 22 responses and is aware of a few others that are still to come. The initial review of responses indicated a continued upward trend in ability to provide data and increased use of wood energy. When compared with the first round of data in 2005, known wood energy use had almost doubled.

46. The secretariat presented the outlook for the JWEE work in the coming months and areas that require special attention such as communication with IEA and Eurostat to compare the data, clarification of some definitions and methodology and improvement of data collection. The Working Party requested the secretariat to improve communication and cooperation with other organizations.

47. Mr. Kasimir Nemestothy, the Team Leader, presented the work of the Team of Specialists on Wood Energy. Since the last Working Party meeting in 2014 the team has elected its leaders: Mr. Kasimir Nemestothy from Austria as Team Leader and Mr. Dinko Vusić from Croatia as Deputy Leader. The Joint Section, in consultation with the team leaders, also invited a number of independent experts in the area of renewable energy and biomass across the ECE region to join the team. Thirteen new members, representing academia, national and local administration, European organisations and associations, joined the team.

48. The second team meeting was held 11 – 13 March 2015 in Vienna, Austria, at the invitation of Mr. Nemestothy. The team discussed the JWEE methodology and the way forward, the work on conversion factors, the wood balances, including the Sankey diagrams for Austria and Germany as well as the content of a possible wood energy publication. Mr. Nemestothy reported that the meeting felt it important to publish the key findings of JWEE. Furthermore there is a need to share information and good practices among the correspondents on how they gather and analyse data, on their sources and to include the countries which are not currently able to provide information, as well as experts from the energy sector. The ToS meeting concluded that it would prioritise the work on a wood energy publication and make an effort to organise a JWEE training workshop this year, following the successful workshop in Paris in 2012.

49. Many delegates to the Working Party expressed their interest and support in the wood energy work and a number expressed their satisfaction with the current state of the questionnaire. They also encouraged development of a publication and continued work on improvement of data quality. The idea of organising a JWEE workshop was welcomed as a few delegates remarked on the complexity of the methodology applied and the challenge it represents. However, it was also recognised that organisation of the workshop remains a challenge given limited resources. Delegates urged prefilling of the questionnaire with international data in an effort to reduce the use of different numbers for wood energy in different reporting processes. One delegation urged the publication to reflect sustainable forest management's ability to deal with the impact on the forest of wood for energy use.

50. The secretariat presented a request by the International Renewable Energy Agency (IRENA), to cooperate on the data collection on wood energy. The secretariat highlighted that ECE and IRENA already have a memorandum of understanding and that the UNECE/FAO Joint Section will work more closely with IRENA on wood energy data.

Guidance to Work Area 2: Policy dialogue and advice (item 4(b) of the agenda)

51. The secretariat presented activities and accomplishments in Work Area 2 (Policy Dialogue and Advice), which covered four main topics: Green Economy, including the Rovaniemi Action Plan on the Forest Sector in a Green Economy, wood construction, Sustainable Development Goals and Forest Sector Outlook. The secretariat asked for guidance on how the Rovaniemi Action Plan was being used or was being planned to be used, as a basis for policy-making at national or subnational levels. The secretariat also asked for advice to the Team of Specialists on Forest Policy on how to prioritize its proposed work related to the Rovaniemi Action Plan as well as any intention from member countries for organizing a National Forest Policy Dialogue in 2015 or 2016 with the in-kind support of the UNECE/FAO secretariat.

52. Ms. Marta Gaworska, the Team Leader of ToS on Forest Policy, presented the work of the ToS to the Working Party. She mentioned that the first meeting of the forest policy ToS was held in September, 2014 in Krakow, Poland with 23 participants from member States and expert organisations. ToS discussed the means and ways to implement the RAP at national levels. Participants reviewed the RAP objectives, defining priority areas for work in forest policy and clarifying the assistance needed from the secretariat to address them. The ToS also discussed the framework setting for future cooperation. The ToS also reviewed the relevance of the RAP objectives at national level and 25 objectives out of 29 were found relevant by the participants. It also compared the sectoral and cross-sectoral forestry policy development approaches within the scope of green economy and concluded that the two approaches were not mutually exclusive.

53. She also mentioned that the second meeting of the ToS would be held in October 2015 in the Czech Republic. The ToS would continue to support implementation of the RAP through the exchange of experiences and information, giving special attention to: collection of reliable data and conducting bench marking studies; detailed discussions on traditional forestry issues as well as emerging ones; exploring tailored tools for communication within and outside the forest sector; as well as materials to support innovation and capacity-building in the countries. She further mentioned that the ToS would explore options for a stocktaking exercise to provide information on potential impacts of the global and regional processes on forest policy (including the IAF review, post 2015 development agenda) and organizing National Forest Policy Dialogues at the request of member States. She said the ToS would enhance interaction with other ToS, particularly with the ToS on Forest Sector Outlook to support the work on measurement and reporting on the role of forest sector in a green economy.

54. She requested the secretariat and the Working Party to encourage further support and assistance from interested bodies and from the member States to evolve the activities as well as strengthen the network and its capacity.

55. Germany mentioned that implementation of the Rovaniemi Action Plan was a very important topic in Germany and is manifested in the many measures taken by their Government such as the National Forest Strategy 2020 or the Strategy on Bioeconomy. The delegation also mentioned that RAP implementation might create some conflicts between stakeholders, e.g., the use of forest products vs. preserving natural forests and set-aside activities. He also asked why was the Team of Specialists worried that the forest sector could be isolated. The Team Leader said that it was related to the need to work with other sectors, which also have an interest in forests.

56. The Russian Federation noted that this ToS attracted a large number of countries and wanted to know how to attract Eastern countries to participate. Ms. Gaworska said the Team has an open sharing attitude, especially with colleagues from Eastern Europe. The secretariat mentioned also the financial constraints in bringing participants from Eastern Europe and the Caucuses and hoped to raise funds to increase their participation.

57. Poland mentioned that they would host a FAO workshop on climate change guidelines for forest managers in April 2015 and invited the ToS to cooperate with FAO in this respect. The Team leader mentioned that they would like to work together with FAO on the climate change workshop with the support of the Working Party.

58. Finland mentioned the importance of both sectoral and cross-sectoral approaches when looking at forest policy. In addition, Finland suggested the need for exchange of ideas between the other Teams, and include participants from the capacity building activities in ToS meetings. He suggested to use the ToS for review of studies. The secretariat responded that this was encouraged by them, especially with back to back meetings.

59. Switzerland also supported the cross-sectoral approach in the work of the Team and encouraged them to be prepared to report in Engelberg. They also voiced their support for Policy Dialogues and asked countries to benefit from the secretariat offer in this regard. The Team Leader mentioned that they have two study proposals: a benchmarking study on forest policy, and a stocktaking exercise on the effects of the global SDGs on the forest sector and would report in Engelberg.

60. The secretariat briefly outlined the latest developments in the global political agenda related to Sustainable Development Goals. Further the secretariat informed the delegates that since the last meeting of the Working Party, it had: shared information on the System for the Evaluation of the Management of Forests (SEMAFOR), developed as a pilot to assess the sustainability of forest management at the national or subnational level in the ECE region; collaborated with the International Institute for Environment and Development (IIED) on a publication: "Forests and SDGs. Progress in the UNECE region", integrating the results of the 2014 workshops; and provided a suggestion for an integrated indicator (SFM-FACE) related to target 15.2 to the UNECE Statistical Division.

61. The German delegation, in their written statement, said they supported the Rovaniemi Action Plan but reminded the Working Party that it was voluntary. They said they agreed that the Joint Section could carry out dialogues but that a study on global and regional processes was beyond the mandate of the Rovaniemi Action Plan. While they supported in principle the work on SDGs and SEMAFOR as mentioned the day before, they believed that the Joint Section was submitting information on data collection and criteria and indicators to the UN Secretariat and was not coordinating with FAO in accordance with the partnership agreement between UNECE and FAO on the Joint Section. They mentioned that this caused confusion for member States negotiating in New York and asked for UNECE and FAO to re-examine their ways to cooperate and implement and suggested this should be on the agenda at Engelberg.

62. In reply to this second written statement from Germany, the secretariat mentioned again that information on the SEMAFOR pilot was shared with the United Nations secretariat in New York as part of its consultations with UN Departments/Offices to gather possible ideas and methods on how to measure progress of the Post2015 development agenda. FAO staff in the Joint Section was fully involved, and FAO staff is reporting to the FAO Budapest office, which the secretariat presumed was informed. The secretariat also added that while criticism from member States on the implementation of partnership agreements was welcome, the Working Party or the meeting in Engelberg were not the appropriate forums in which to discuss the UNECE and FAO partnership agreement. Concerns related to the implementation of the partnership agreement might be better voiced through a letter addressed to the UNECE Executive Secretary and the FAO Director General.

63. Finland observed that cooperation between FAO and UNECE is guaranteed by the fact that both ECE and FAO work together through a joint arrangement in the very same office, on a daily basis. Switzerland, as Chair of COFFI, mentioned that also in his view the cooperation was effective and, if anywhere, concerns should be voiced in the Joint Bureaux of the COFFI/EFC not in the Working Party. FAO noted that they would have to look more closely at Germany's comments about the Joint Section, as it is indeed an internal matter for organizations to address. However, he said of course improvements should be sought by organizations as it was their obligation to listen to the feedback from member States.

64. The secretariat presented the first results of the study on "Promoting sustainable building materials and the implications on the use of wood in buildings" which was made possible with the support of the government of Sweden. The study aims to develop a succinct overview of the current policy environment regarding the use of sustainable construction materials and wood in the UNECE region. It highlights six policies aiming at improving framework conditions for wood in construction beginning at any level. These are information-based policies, policies that advance environmental norms, policies that focus on the proportion of wood in buildings, policies that advance technical specifications and structural norms, public procurement policies, market-based instruments. It also provides a commentary on the effectiveness of such regimes in driving the adoption of sustainable construction materials. The secretariat informed the Working Party that the study would be available in electronic format in May 2015.

65. France drew attention to the consideration of the Rovaniemi Action Plan in their new forest plan and asked if the country market statements were used for the wood construction publication.

66. Austria welcomed the study and stated that they are looking forward to seeing the study on wood construction since improved framework conditions for wood construction will have a significantly positive effect on the sawmill sector. By the intensive interconnection of the co-products of the sawmill sector, the entire forest sector, including wood energy, would benefit significantly.

67. Finland stated that they looked forward to see the publication of the report and asked the secretariat how to move forward with the outcomes of the study. The secretariat offered its availability to present the result of the study and invited member States to inform about relevant meetings. The secretariat expressed its general availability for presenting the study at different events upon invitation to those events. The Working Party welcomed the proposal by the secretariat to present the outcomes to the study to the sixty-sixth session of the Committee on Housing and Land Management.

68. The secretariat presented its work on the Forest Sector Outlook. It highlighted the progress made on identifying which policy issues a future outlook study would have to take into consideration and which questions need to be taken into consideration. The background document for the seventy-second session of COFFI [ECE/TIM/2014/INF.5] provided valuable guidance. The secretariat noted that the ToS was also provided with the chapter of the UNFF study on "Challenges and opportunities for the ECE region in implementing the Global Objectives".

69. The secretariat stressed that the Russian Federation seems to be highly interested in harmonizing the next future outlook study regarding policy issues, methodology, modelling and analysis. The Russian Federation stated that it would be very timely to send an official request to the Russian Federation, so that the experts and scientists could pool their resources for a future outlook study.

70. Forest Sector Outlook ToS Vice Leader Jeff Prestemon reported on progress made toward the new outlooks at a well-attended ToS meeting in Ispra, Italy 22-23 January 2015 and in a meeting of the Team leadership and the secretariat on 16 March 2015 in Geneva.

71. The Working Party welcomed the intention to further harmonize the outlook studies in the three ECE sub-regions since global markets are becoming more interlinked. Germany and Finland stressed that the future forest sector outlook study should be strongly demand driven. The Working Party also noted that scope coverage and modelling will depend heavily on the resources available. The Working Party noted the timeline presented by the secretariat for a future Outlook study (2015: Policy issues identified, modelling options discussed, draft budget(s) prepared; 2016: Fundraising / contributions in kind, decision on scope of Forest Sector Outlook Studies based on funding available; 2017: Modelling, first results available, consultation with member countries; 2018: Compilation of report, consultation with Member States, publication of report).

72. The Working Party requested the secretariat to do all the necessary work to ensure good coordination between different studies. The Working Party also requested the secretariat to seek to not replicate existing outlook studies and to coordinate well with ongoing studies.

Guidance to Work Area 3: Communication and outreach (item 4 (c) of the agenda)

73. The secretariat mentioned that neither the Team Leader nor the deputy team leaders had been able to prepare a report on the Forest Communicators Network Team of Specialists (FCN) and the team leader was not present at the Working Party session. However, the secretariat would inform the Working Party on the recent meeting of the Task Force of the FCN in Engelberg (Feb 26-27). Ms. Anastasia Dogaeva, consultant in the Joint Section, presented the communication recommendations of the FCN Task Force meeting as they related to the Silva2015 meeting. For example, the Task Force presented on the communication products developed for Rovaniemi and suggested the possibility to work on a video for Engelberg. They also suggested to update the European Forest Week website with the main messages for Engelberg, focused on the protective functions of forests, as well as the information on Silva2015. The secretariat also updated the Working Party on the forthcoming meeting of the ToS FCN in May. Mr. Christophe Duerr, Chair of COFFI and representing the host of Silva2015, presented more information on Silva2015 and stressed the close relationship between the village and the forests surrounding it. He also described the features of Engelberg. The theme for Engelberg is the “Value of Forests”. The secretariat shared the infographic with the group.

74. On the issue of the International Day of Forests (IDF), the secretariat presented the programme of events taking place at the Palais des Nations on 20 March under the banner “Forests for Food - Food for Forests”, which includes several food tastings, a conference, a press conference to launch the study on the ‘Forests in the ECE region: progress in achieving the Global Objectives on Forests’, the opening of the exhibition on ‘Learning from Forests’ by the Polish State Forests, and a Forest Gala Dinner. The secretariat warmly thanked all those that supported the events, in particular the State Forests of Poland, and the Permanent Missions of Finland, Germany, Italy, the Russian Federation, Switzerland and the United States of America. On the selection of the theme for the next IDF in 2016, the secretariat had suggested in the relevant background document to focus on “Forests and Health and Well-being”. The representative of FAO stressed the importance of linking it to the suggestions provided by the Collaborative Partnership on Forests, referring to UN General Assembly resolution A/RES/67/200. The secretariat mentioned that they were happy to coordinate, however often information on IDF came too late to mobilize resources and prepare for the events. She also mentioned that UNOG hosted the IDF and they were enthusiastic to have an open day for a theme that would attract many visitors as they provide substantial and financial logistical support. As the partnership has not yet indicated what the theme of 2016 should be, the delegate of Finland suggested that the Working Party recommends the topic of “Forests and Health and Well-being” and forwards it as a proposal

to the UNFF secretariat. The Working Party welcomed the theme; the secretariat will follow up and inform the UNFF secretariat of this recommendation.

Guidance to Work Area 4: Capacity-building (item 4(d) of the agenda)

75. The secretariat briefed the Working Party about Work Area 4 capacity building with a presentation, which focussed on the status of the UNDA project on “Sustainable Forest Management for Greener Economies in the Caucasus and Central Asia”, which is being implemented until July 2015. Facilitators guide and training packages have been developed, and regional inception workshop, 6 national workshops, 24 local workshops and 9 coaching seminars have been carried out during the period of April 2014 and February 2015. All project countries except Azerbaijan have finished the planned workshops. The second regional workshop will bring together all seven project countries to share lessons learned, present the action plans or forest strategies developed (pilot countries) or gap analysis (non-pilot countries), and formulate recommendations for follow-up in Tbilisi, Georgia in April 2015.

76. The secretariat informed the Working Party about the acceptance of a new UNDA funded capacity-building project in the Caucasus and Central Asia for 2016-2017. The full project proposal for this project will be developed by October 2015. The UNFF secretariat, who is also implementing UNDA projects, has agreed to cooperate with UNECE-FAO within the current UNDA project as well as in the development of the new project proposal in order to streamline the project targets as well as to benefit from synergies.

77. Andreas Bernasconi, the deputy leader of ILO/UNECE/FAO ToS on Green Jobs in the Forest Sector, presented the activities of the team carried out since last the Working Party, as well as the action plan for the Team for 2014-2016. Based on the first team meeting organized 16 June 2014 in Geneva, and a team leader meeting in October 2014 in Bern, the team has developed the action plan. The main activities of the team include development of a landscape for forest green jobs with skills mapping, launching it in web, organizing a workshop on 17 March 2015, team meeting on 24-25 March 2015 in Geneva, side-event in Engelberg in November 2015 and a workshop in Ireland in 2016.

78. The delegates from Switzerland and Finland welcomed the current work on capacity building and green jobs and encouraged to continue them in the future, stressing the importance of positive communication on addressing the challenges related to jobs. Finland suggested to consider linking capacity building work with the ToSs, and proposed to prepare an intervention about the planned work on the ToS on Green Jobs in the FOREST EUROPE meeting in Madrid in the following week, considering the great importance of the topic on jobs and employment in Europe.

Self-assessment of the Working Party (item 5 of the agenda)

79. The joint seventy-first session of the Committee on Forests and the Forest Industry and thirty-seventh session of the European Forestry Commission approved the current mandate of the Joint Working Party through the Terms of Reference (ECE/TIM/2013/2) and the Joint Working Party, during its thirty-fifth session stressed the importance of conducting the self-assessment on a regular basis. Based on these mandates, the secretariat organized a self-assessment session during the thirty-seventh session.

80. To ensure a participatory process for the self-assessment, the secretariat suggested that the Working Party split into two groups. Each group was asked to answer the following question “How well is the Working Party accomplishing its mandate?” This question was answered using the technique of the “H - form” which is designed to assess achievements and shortcomings and elicit the maximum number of comments, and bring them together in

a constructive manner. Each of the two groups presented conclusions and recommendations to the Working Party. The recommendations by both groups can be found in Annex I.

81. The secretariat proposed to the Working Party to present the outcome of the exercise to Silva2015, the joint session of the Committee and the Commission to take place in Engelberg, Switzerland in November 2015. The secretariat further proposed presenting the progress made in the implementation of these recommendations during the 38th session of the Working Party in 2016.

82. Finland found the exercise useful and suggested approving the proposed way ahead proposed by the secretariat. Finland further suggested that some of these recommendations be conveyed to the next meeting of the joint bureaux since they may have a bearing on how to structure the work at Silva2015. This was agreed.

Roundtable discussion (item 6 of the agenda)

83. In order to address the requests from COFFI and the Working Party, the secretariat organized a roundtable discussion on “Approaches to the valuation of forest ecosystem services in the ECE region”. This issue is highlighted under pillar “D” of the Rovaniemi Action Plan: “Long term provision of forest ecosystem services” with the goal that “forest functions are identified and valued and payments for ecosystem services (PES) are established, encouraging sustainable production and consumption patterns”.

84. Participants of the roundtable found that the value of wood products account for more than 80% of the monetised value generated. The issue of valuing ecosystem services is receiving increasing policy attention. Despite many scientific studies undertaken in the field of valuing ecosystem services, data are often not of sufficient quality of coverage for use in national or international statistics. The roundtable recognizes that there are many important values that are not currently incorporated in our valuation system and many challenges remain. Generally, participants stressed the need to discuss how to harmonize the methodology and definitions used and which services to be covered. The Russian Federation highlighted that the valuation of forest ecosystem services seems to be very developed in advanced economies and expressed the need for sharing expertise on this issue, especially with countries with economies in transition.

85. A summary of the roundtable is contained in Annex II.

Other business (item 7 of the agenda)

86. Finland and Austria asked the secretariat to update the list of members of the Teams of Specialists on the website of the Joint Section and to send the updated list to the relevant Teams and information on recent developments. The Working Party was also informed of the timing of the events of the International Day of Forests “Food for Forests/Forests for Food”, taking place on 20 March in the Palais des Nations.

Date and place of next meeting (item 8 of the agenda)

87. The Working Party agreed to hold its next meeting from 22 to 23 March 2016. The proposed meeting dates would follow the International Day of Forests to be held on 21 March 2016.

Election of officers (item 9 of the agenda)

88. The Working Party re-elected Mr. Johannes Hangler, Austria as Chair and Ms. Elina Maki-Simola, Finland and Mr. Jeff Prestemon, United States of America, as Vice-chairs to hold office until the end of the thirty-eighth session.

Adoption of the report (item 10 of the agenda)

89. The Working Party adopted the report at the end of the session, based on a draft by the secretariat.

ANNEX I:

Self-assessment of the 37th Working Party: Recommendations

- Have more breaks during sessions, to allow more opportunities for informal discussions;
- Issue all documents and presentations on line three weeks prior to the Working Party, as it makes it easier for delegates to prepare comments and contact domestic stakeholders;
- The agenda of the meeting should be issued early enough to allow consultations with eight teams of specialists and seek their feedback;
- Issue a note listing key issues to be addressed at the Working Party and expected outcomes/goals;
- Provide graphical/visual representation of the reporting lines of ToSs, the Working Party and links with their parent bodies;
- Make sure that the areas of competence of Working Party members respond to the scope of the Working Party;
- Invite countries to send more participants to the Working Party, covering a wider range of topics;
- Prepare a schedule showing the timeline for data collection over the next 3-5 years;
- Invite Eurostat/EFI/EU DGs to participate actively in the Working Party;
- Organize a meeting of each ToS once a year with teams carrying out more practical activities between annual meetings (e.g. circulate draft questionnaire, organize a workshop, review a publication);
- Organize a more participatory and interactive session, in order to allow wider involvement and participation in the discussions;
- Questions in the documents should be clearer and more specific to the topic addressed;
- Increase exchange of information with COST actions and disseminate results of finished COST actions with the theme closest to work areas of the Working Party;
- Organize joint meetings of different ToS to foster cooperation and address intersectoral issues (e.g. Forest products and Wood energy);
- Improve links with Forest industries / services sector;
- Start meetings of the Working Party earlier than 10:00 AM;
- The Secretariat, in cooperation with the Working Party, to reach out to countries and organizations that are not attending to the meetings to understand better their concerns and needs and try to address them;
- Focus on solutions to concrete problems, have a pragmatic approach and do not be distracted by “artificial” obstacles (e.g. copyright);
- Follow up on work and recommendations of Working Party over the long term.

ANNEX II

Round Table Discussion

90. The secretariat introduced the topic of the roundtable and mentioned that it was in response to a request from the 36th session of the Working Party. The roundtable topic is in line with the Rovaniemi Action Plan and the upcoming joint COFFI/EFC session (Silva2015), given the relevance of valuing forest ecosystem services.

91. Arvydas Lebedys, FAO Rome, made a presentation on the contribution of the forest products sector (forestry, wood products and pulp and paper) to GDP. The presentation highlighted the findings of a study conducted by FAO, the third such study in a series (2004, 2008, 2014), and is a contribution to the FAO's State of the World's Forests 2014. The study captures global trends and reports that the forest sector's share of global GDP has decreased since 1990, even though in absolute terms the generation of value-added in the sector increased. Although the world and the UNECE region showed a drop in the forest sector's share of agricultural and manufacturing GDP, the share for Eastern Europe remained stable. There were large differences in data on the value-added generated by the forest sector in some member countries between value-added data reported for Economic Accounts for Forestry and data reported for national accounts which may reflect different approaches at the country level. Mr. Lebedys stated that data quality on the economic value generated by the forest products sector could be improved through more accurately highlighting forest-based activities (wood energy, building products, wooden furniture) in international classifications (Central Product Classification, International Standard Industrial Classification of All Economic Activities, etc.) which determine the availability of data in national accounts. Future work could focus on valuation activities not covered by the current approach, such as energy and ecosystem services and the expansion of the bio-based economy in order to highlight the importance of the forest sector.

92. Roman Michalak, ECE/FAO Forestry and Timber Section Geneva, presented on valuing forest goods and services in the pan-European region. The Pan-European Indicators for Sustainable Forest Management are currently being revised. A few cover valuation of goods and services from forests (3.2, 3.3, and 3.4). Indicator 3.2 covers the value and quantity of industrial roundwood and woodfuel. The last complete dataset covering all three indicators was in 2005 and for 3.2 there was a reported 16.7 billion Euros for that year; however only 56% of countries were able to report (representing 70% of the forest area analyzed region – 45 European countries with 206 million ha of forests). Indicator 3.3 covers the value and quantity of non-wood goods derived from plants and animals, accounting for a total of 2.5 billion Euros; 1.9 billion Euro of those is derived from plant products with 62% of the countries (69% of the forest area) covered. Animal products accounted for another 600 million Euros with 53% of the countries reporting (44% of the forest area). Indicator 3.4, which covered services, showed a value of 700 million Euros but with only a third of the countries reporting (39% of the forest area). Indicator 6.4, with total expenditures for long term sustainable services from forests, showed that governments spent 2.2 billion Euros (a little over a third of the countries reporting). Mr. Michalak concluded that almost 84% of the above reported 19.9 billion Euros for goods and services from forests had to be assigned was from to wood products.

Q: The USA asked about valuation of game animals in the pan-European reporting process regarding how game animals are valued if they cannot be or are not sold?

A: The secretariat answered that this is a difficult question, as most hunters keep their game for their own use; and in some countries, game cannot be sold commercially, making it difficult to attach a value.

93. Guy Robertson, US Forest Service, gave a presentation entitled: Valuing forest goods and services in the Montreal Process. He said the Montreal process takes a flexible approach to reporting, in order to accommodate the wide variety of member countries who participate. Indicator 6.1.c covers payments for ecosystem services. Approximately US\$2 billion in actual payments were tallied for the United States of America (though Mr. Robertson noted that the actual value of these goods and services to society are undoubtedly much higher).

94. Mr. Robertson stated that Hunting permits was the largest component of payments for ecosystem services (PES), with almost US\$800 million collected for the right to hunt game animals. It is important to note that these revenues are not the same as total values to society and that most of these revenues depend on government measures in one way or another; without government intervention, most of this revenue would not occur. A lot of PES activity in the US is comprised of specific public-private agreements that may not be included in the US\$2 billion mentioned here. Finally, he said that most PES are not market based payments for discrete goods (carbon is an exception), but rather involve payments for bundled goods or provision of land conservation.

Q: Russia asked if the indicators from Montreal Process are included in government regulations in the United States?

A: The USA responded that the process is voluntary and independent. However, the U.S. Montreal Process reporting effort does share data and research personnel with some compulsory reporting mechanisms (the Resources Planning Act (RPA) Assessment in particular).

95. Sheila Ward, UK Forestry Commission, presented the experiences made inform the United Kingdom regarding valuation of forest ecosystem services and development of accounts. There have been several ongoing initiatives for assessing ecosystem services in the UK with a focus on valuation, natural capital accounting and markets.

96. She informed that there was a scoping study being undertaken to for valuing the social and environmental benefits of forestry across the UK, which should be ready in September 2015 and will propose a practical set of options for adding to and enhancing the existing evidence base on the social and environmental benefits of trees and woodlands, so that the data needs of different analytical techniques (e.g. policy appraisal, natural capital accounting) can be addressed.

97. Ms. Ward also highlighted that in June 2013 an experimental environmental accounting system to measure and value UK woodland area, timber resources and ecosystem assets and services was initiated, which was considered a good first step, albeit with some challenges. Some of the challenges are linked to purpose; is the study to assess sustainability, or to estimate effects of policy change, for example? She said it was difficult to define forest types and other aspects, and to find appropriate data sources is also a challenge.

98. Ms. Ivonne Higuero, , gave a brief introduction to the Economics of Ecosystems and Biodiversity (TEEB), a global initiative focused on drawing attention to the economic benefits of biodiversity including the growing cost of biodiversity loss and ecosystem degradation. TEEB presents an approach that can help decision-makers recognize, demonstrate and capture the values of ecosystem services and biodiversity, also using a sectoral approach. The TEEB scoping study for Georgia highlighted the important economic sectors depending on natural capital and the need to value ecosystem services. The study included a focus on the forest sector in Georgia, since forests play a very important economic and environmental role and are considered a priority sector by the stakeholders consulted.

99. She stressed that monetising the ecosystem services is not always needed. One could demonstrate value by reflecting avoided costs (how much would it cost to replace needed ecosystem services) as well as mapping and these approaches are used under TEEB. When using these methodologies, values become more apparent for decision-makers so as to make the appropriate investments to maintain natural capital.

100. Germany stated that they are aware of the differences between the account systems (national accounts, Integrated Environmental and Economic Accounting for Forests (IEEAF) and they will try to harmonize these as best as possible. They thought that the non-marketed aspects somehow have to be valued. Germany stated that it participated in a former Cost Action which resulted in a database on ecosystem services. They plan on doing a regional analysis in Germany to improve on the value of forest ecosystem services on national scale. In fact, Germany said, there are many things that cannot be valued in particular in terms of stocks, but there is a need to research further into improving what can be valued. They stressed this is a crucial issue and should stay on the agenda of the WP.

101. Germany stated that given the current situation, the collection of data on valuation of ecosystem services is not advisable, since countries still need to research the topic. There needs to be further discussions as to which goods could be monetized.

102. Finland commented on the differences between the environmental accounting systems. There is a high demand for information on the value of environmental goods and services in Finland. The challenge of most of the currently available information is that most of them are purely scientific, with insufficient geographical coverage or lacking periodicity and thus cannot be used by the statistical office. The Natural Resources Institute Finland (LUKE) who is providing official statistics already collects information on statistics on visitation, hunting and other uses of the forest; however, much more work is needed before the value of more goods and services can be included in official statistics. The Russian Federation highlighted the situation for countries with economies in transition. All countries should have access to information on valuation and the methodologies, and should be enabled to conduct similar assessments.

103. France mentioned that there should be no supplemental indicators in the Pan-European reporting process, but rather to improvements of the reporting on existing ones, so that they can be measured efficiently. Definitions remain a challenge and the interpretation of the indicators on valuation of goods and services in the forests sector (in the pan-European reporting) need to be harmonized.

104. Norway supported France's point on harmonizing the indicators on valuation of goods and services in the forest sector and agreed that we need to find a way of valuing the things that are not marketed. If we cannot value some goods and services, then we should consider leaving them out of the Pan European reporting process.

105. Poland supports the point of France and Norway and called for harmonization on how values are assessed.

106. The secretariat said it was heartening to hear that valuation is gaining interest. The secretariat said they would share the link for the Georgia TEEB Scoping Study which could be useful to consider.

107. Germany pointed out not to exclude the value of timber from ecosystem services (as a provisioning ecosystem service) as it was the largest monetized value from forests.