



Economic and Social Council

Distr.: General
7 January 2020

Original: English

Economic Commission for Europe Committee on Forests and the Forest Industry

Seventy-seventh session

Geneva, 4-7 November 2019

Item 6 of the provisional agenda

Adoption of the joint session report and closure of the session

Food and Agriculture Organization European Forestry Commission

Fortieth session

Geneva, 4-7 November 2019

Report of the seventy-seventh session of the Economic Commission for Europe Committee on Forests and the Forest Industry and the Food and Agriculture Organization European Forestry Commission

I. Introduction

1. The joint session of the ECE Committee on Forests and the Forest Industry (at its seventy-seventh session) and the FAO European Forestry Commission (at its fortieth session) – *Forêt2019* – was held in Geneva, Switzerland, from 4 to 7 November 2019. More than 180 participants registered for the meeting. The 5th European Forest Week was celebrated with a focus on Forests and the Circular Economy in conjunction with the joint session.

2. The web page of this meeting includes additional information, the parliamentary documents as well as presentations made. The content and conclusions of presentations are not reflected in this report; however, the presentations are available on the meeting web page¹.

II. Attendance

3. Delegations from the following twenty-eight member States participated in the joint session: Armenia, Austria, Belarus, Belgium, Canada, Czech Republic, Estonia, Finland, France, Georgia, Germany, Ireland, Italy, Kazakhstan, Kyrgyzstan, Netherlands, Norway, Poland, Russian Federation, Serbia, Slovakia, Sweden, Switzerland, Tajikistan, Turkey, Ukraine, United States of America, Uzbekistan.

4. The following non-ECE member State participated: New Zealand.

5. Representatives of the United Nations Forum on Forests (UNFF), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the International Labour Organization (ILO) and the World Bank participated in the session.

6. Representatives from the European Union also participated in the joint session.

7. Representatives of Silva Mediterranea and Forest Europe participated in the session.

¹ <http://www.unece.org/index.php?id=51124>

8. The following non-governmental organizations registered for the meeting: Association for Farmers Rights Defense (AFRD), Acopian Center for the Environment of the American University of Armenia, Centre for European Policy Studies (CEPS), Chamber of Forest Engineers of Turkey, Dovetail Partners, European Forest Institute, European Organization of the Sawmill Industry, European Panel Federation, European State Forest Association (EUSTAFOR), Finnish Forest Association, Forest Stewardship Council (FSC) Europe, International Committee of the Red Cross (ICRC), IFZW Impulsstiftung Zwickau Germany, Institute of Forest, International Forestry Student's Association (IFSA), International Institute for Sustainable Development, MyForestArmenia, Nature-Based Solutions UN SG Summit team, NGO Ecosphere, Oidel, PA "Independent Ecological Expertise", Planta Panta Tree International (PPTI), Pro Natura/ Friends of the Earth Switzerland, Programme for the Endorsement of Forest Certification (PEFC), Québec Arbres, Quebec Wood Export Bureau, Sustainable Forestry Initiative (SFI) Inc, Union of European Foresters (UEF), Union of Timber Manufacturers and Exporters of Russia, Uusi puu - New Wood Program, Wuppertal Institute for Climate, Environment and Energy, Zoï Environment Network. A number of representatives from other organizations, the private sector, local entities, academia and the media attended, at the invitation of the secretariat.

III. Opening of the meeting

9. Ms. Olga Algayerova, Executive Secretary of ECE, opened the 5th European Forest Week and *Forêt2019* on behalf of the Economic Commission for Europe. She introduced the upcoming events and highlighted the unique opportunity that discussions provide to explore key forest policy developments and exchange ideas on the circular economy.

10. Mr. Vladimir Rakhmanin, Assistant Director-General of FAO, welcomed delegates on behalf of the Food and Agriculture Organization of the United Nations, stressing FAO's continued commitment to support all efforts aimed at achieving the sustainable management of forests and other natural resources in the region.

11. Mr. Guy Robertson (United States of America), Committee Chair and co-Chair of the session, opened the session and welcomed participants on behalf of the Committee.

12. Ms. Christine Farcy (Belgium), Commission Chair and co-Chair of the session, welcomed participants on behalf of the Commission.

13. Mr. Ben Gunneberg, CEO and Secretary General of PEFC, welcomed participants to the exhibit "Forests and the Circular Economy – a world without plastics" showcasing recent wood-based innovations. He explained several exhibition items while leading participants through the exhibit.

14. Ms. Eveliina Pokela, Executive Director of Uusi puu – New Wood, introduced her role in co-organising the exhibit and led participants through the remaining part of the exhibit.

IV. Adoption of the agenda (Agenda Item 1)

Documentation: ECE/TIM/2019/1; FO:EFC/2019/1

15. The provisional agenda was introduced and adopted.

V. Forests and the Circular Economy (Agenda Item 2)

Documentation: ECE/TIM/2019/3; FO:EFC/2019/3

16. Mr. Vasileios Rizos, Research Fellow and Head of Sustainable Resources and Circular Economy at the Centre for European Policy Studies, delivered a keynote speech on the concept of the circular economy and its processes.

17. Mr. Carlos Martin Novella, Deputy Executive Secretary at the Secretariat of the Basel, Rotterdam, Stockholm Conventions, presented the Conventions' work on waste and chemicals in the circular economy of forests.

18. Ms. Paola Agostini, Lead Environmental Economist at the World Bank, presented the World Bank's work on the circular economy and its link to the forests sector.
19. Mr. Luis Rochartre, Director, Forest Solutions Group at the World Business Council for Sustainable Development, presented the private sector's work on the circular economy.
20. Mr. Ismail Belen, Member of the Chamber of Forest Engineers of Turkey, presented low impact harvesting practices in Turkey.
21. Ms. Hanna Kalliomäki, Chair of Uusi puu - New Wood, in Finland, presented on how product innovation can change our daily life in the circular economy.
22. The panel discussed opportunities and challenges resulting from the implementation of circular economy practices in the forest sector, as well as initiatives and tools at the international level, that could support the transition towards a circular economy.
23. The secretariat presented the 'Geneva vision for the circular economy in the forest sector' contained in document ECE/TIM/2019/3-FO:EFC/2019/3 and the possible direction of work.
24. The co-Chairs established a contact group led by the representative of Canada to discuss the draft Geneva vision and prepare a related draft decision for the consideration of the Committee and the Commission.

VI. Joint Committee/Commission matters (Agenda Item 3)

A. Consideration of the recommendations for item 2 'Forests and the Circular Economy'

25. The Committee and Commission considered the relevance of circular concepts as they relate to the forest-based sector.
26. The Committee and Commission further invites ECE and FAO through the Joint ECE/FAO Forestry and Timber Section to pursue-related activities containing research and stock taking elements, as well as proposals for guidance tools and recommendations for member States, taking into account discussions held during the Joint Session.
27. The importance of working with all relevant stakeholders in these efforts was stressed.

B. Global and Regional Forest Policy Matters

28. The secretariat presented global and regional policy matters, providing information on the implementation of the UN Strategic Plan for Forests 2017-2030, the High-Level Political Forum on Sustainable Development, the reporting progress for the global forest resources assessment 2020, the forest sector outlook study and national forest policy dialogues in Azerbaijan, Kazakhstan and Ukraine.
29. The Commission and the Committee requested that the ECE and FAO do the following (within their existing mandates):
 - (a) Continue to support countries in the implementation of the SDGs and the 2030 Agenda as they relate to forests, and the UN Strategic Plan for Forests 2017-2030;
 - (b) Update member States and other stakeholders on the forest-related global and regional policy developments, to contribute to the achievement of SDGs and the UN Strategic Plan for Forests 2017-2030 implementation and review process; and
 - (c) Continue forest monitoring and outlook work in the region.
30. The efforts of the joint section in contributing to the global and regional forest policy work were appreciated, and the Committee and Commission requested that this work be continued in the future.

C. Integrated Programme of Work

1. Strategic Review of the Warsaw Integrated Programme of Work

Documentation: ECE/TIM/2019/4; FO:EFC/2019/4

31. The secretariat presented the plans and the timeline for the Strategic Review of the Warsaw Integrated Programme of Work.

32. The Committee and the Commission endorsed the timeline as contained in Annex I.

2. Report of the Joint Working Party on Forest Statistics, Economics and Management

Documentation: ECE/TIM/EFC/WP.2/2019/2

33. Mr. Matthias Dieter (Germany), Chair of the Joint Working Party on Forest Statistics, Economic and Management, presented the report from the forty-first session, which was held from 27 to 29 March 2019 in Geneva, Switzerland.

34. The Committee and the Commission took note of the information provided.

3. Management of Teams of Specialists

Documentation: ECE/TIM/2019/5; FO:EFC/2019/5

35. The secretariat presented the proposed changes as recommended by the Joint Working Party and contained in the document ECE/TIM/2019/5; FO:EFC/2019/5.

36. The Committee and Commission:

(a) Established a new Team of Specialists (ToS) on Boreal Forests for the period 2020-2021 and agreed to its Terms of References as contained in Annex II.

(b) Thanked Sweden for its leadership role in the establishment of the Boreal team (including the development of the Haparanda Ministerial Declaration);

(c) Recognized the Russian Federation for its generous financial support to the work of the ToS on Boreal Forests;

(d) Approved the merging of the ToS on Forest Policy into the ToS on Forest Sector Outlook and agreed to the new Terms of Reference of the ToS on Forest Sector Outlook as contained in Annex II. The Terms of Reference of teams not included in Annex II remained unchanged as contained in Annex I: Warsaw Integrated Programme of Work in the document ECE/TIM/2017/2-FO:EFC/2017/2;

(e) Extended for the period 2020-2021 the mandate of the following Teams of Specialists:

- i. ToS on Monitoring Sustainable Forest Management (SFM);
- ii. ToS on Sustainable Forest Products;
- iii. ToS on Forest Products Statistics;
- iv. ToS on Wood Energy;
- v. ToS on Forest Communication - Forest Communicators' Network;
- vi. ToS on Green Jobs - Joint ILO/ECE/FAO Expert Network.

(f) Agreed that the ToS on Green Jobs as parts of its work will also work on the visualization of case studies relevant to the Guidelines on the Promotion of Green Jobs in Forestry;

(g) Thanked the FAO for agreeing to provide the secretary to the Forest Communicators' Network.

37. The secretariat reminded participants of the effort of the Forestry and Timber Section to service all the teams of specialists and urged member States to follow the example of the Russian Federation by providing dedicated funding in support of the work of the Teams of Specialists.

4. Review of 2019 activities, and activities and publications planned for 2020

Documentation: ECE/TIM/2019/6; FO:EFC/2019/6

Documentation: ECE/TIM/2019/7; FO:EFC/2019/7

38. The secretariat informed the participants of activities implemented in 2019 and presented a provisional list of outputs and activities for 2020 as well as a list of publications proposed for 2020 and 2021.

39. The Committee and the Commission endorsed the activities for 2020 as contained in Annex III as well as the proposed publications planned for 2020 and 2021 as contained in Annex IV.

5. Guidelines on the Promotion of Green Jobs in Forestry

Documentation: ECE/TIM/2019/8; FO:EFC/2019/8

40. The secretariat presented the joint work on the 'ECE/FAO/Forest Europe Guidelines on the Promotion of Green Jobs', which was done in cooperation between ECE, FAO and Forest Europe.

41. The Committee and the Commission:

(a) Approved the Guidelines as contained ECE/TIM/2019/Inf.4; FO:EFC/2019/Inf.4;

(b) Appreciated the cooperation between the ECE/FAO Forestry and Timber Section and Forest Europe on the Guidelines;

(c) Invited member States to consider the use of the Guidelines and promote them at the national level;

(d) Invited the secretariat to support knowledge transfer, capacity building and the development of new opportunities to create innovative jobs in forestry; and

(e) Invited the Team of Specialists on Green Jobs to further share experiences on implementation of the guidelines, to collect concrete examples of best practices across the ECE region, to make them available on the web, including through social media and to work on their visualization with the view to attracting more young people towards green jobs in the forest sector.

6. Forest Landscape Restoration

Documentation: ECE/TIM/2019/Inf.2; FO:EFC/2019/Inf. 2

42. The secretariat presented the section's activities on forest landscape restoration and introduced the regional initiative, ECCA30, which was launched during the Climate Action Summit in 2019. ECCA30 is a regional effort of Europe, the Caucasus and Central Asia to restore 30 million hectares of degraded land by 2030. The UN Decade on Ecosystem Restoration (2021-2030), with FAO as one of the leading agencies will provide a framework for future work.

43. Ms. Paola Agostini, Lead Environmental Economist at the World Bank, presented financing possibilities for forest landscape restoration through ProGreen, a multi-donor trust fund of the World Bank, and their engagement in ECCA30.

D. Outcomes of the Regional Forum on Sustainable Development for the UNECE region and the High-Level Political Forum on Sustainable Development

44. The secretariat presented the outcomes of the Regional and High-Level Political Fora on Sustainable Development.

45. The Committee and the Commission took note of the information provided and requested the secretariat to inform on relevant updates on the two processes and identify ways to contribute to the meetings.

E. Update on a Legally Binding Agreement on Forests in Europe (LBA)

46. The secretariat updated delegates on the status of the discussions on the possible resumption of the negotiations on the Legally Binding Agreement on Forests in Europe including on the informal meeting, (31 October-1 November 2019, Geneva, Switzerland), which discussed elements for an EXCOM draft decision and the draft Terms of Reference of the possible Negotiation Group. The draft document will be further discussed in a second informal meeting currently planned for the end of January 2020. The secretariat will inform Permanent Missions in Geneva of the exact date of the meeting in due course.

47. The Committee and Commission took note of the information provided.

F. Market discussions

Documentation: ECE/TIM/2019/9; FO:EFC/2019/9

48. The Market discussions were opened by the co-Chair who introduced the moderator of the session, Ms. Silvia Melegari from the European Association of Sawmill Industry. The secretariat introduced the topic, explaining that background information had been circulated to participants, including the Forest Product Annual Market Review 2018-2019. The Moderator provided a brief overview of the session and introduced the presenters.

49. Mr. Russ Vaagen, Founder and CEO of Vaagen Timbers, presented on “Turning burning forests into renewable cities”.

50. Mr. Igor Novoselov, Founder and Principal of WhatWood Research & Analytics, presented on “Developments in the forest sector of the CIS.”

51. Mr. Richard Steindl, Cross Laminated Timber Product Manager, Stora Enso Timber Deutschland GmbH, presented on “Massive wood construction in Europe on the example of CLT: history and outlook”.

52. Mr. Eduard Akim, Head of the Department of Cellulose Technology and Composite Materials of the Higher School of Technology and Energy of St. Petersburg State University of Industrial Technology and Design, presented “Developments in the pulp and paper sector of the Russian Federation”.

53. Mr. Aleksandr Pekarets, Technical Director of Forest Technology Company LLC, and Vice President of RAO Bumprom, presented on “Innovative technology for the production of charcoal briquettes in the Russian Federation”.

54. The key findings of the presentations and discussions were reflected in the Market Statement, which was reviewed by a drafting committee.

55. The Committee and the Commission approved the Market Statement as attached to this report (Annex V).

VII. Committee on Forests and the Forest Industry (COFFI) matters (Agenda Item 4)

56. Mr. Guy Robertson, Chair of COFFI opened the session on COFFI matters.

A. Matters arising from the sixty-eighth session of the Economic Commission for Europe (ECE)

Documentation: E/ECE/1488

57. Ms. Paola Deda, Secretary of the Committee, informed delegates of decisions adopted by ECE at its sixty-eighth session held in Geneva, Switzerland from 8 to 10 April 2019 that are relevant to the Warsaw Integrated Programme of Work and invited delegates to take these decisions and developments into account when planning future activities, in particular the change of the subprogramme name from ‘Forestry and Timber’ to ‘Forests and the Forest Industry’. The secretariat further explained that the change of the name does not imply a change of activities.

58. The Committee took note of the information provided.

B. COFFI Rules of Procedure

Documentation: ECE/TIM/2019/10; FO:EFC/2019/10

59. The Secretary introduced the information contained in document ECE/TIM/2019/10-FO:EFC/2019/10 and invited delegates to consider the proposal for modifying paragraph 9 of the current COFFI Rules of Procedure.

60. The Committee agreed to the following text for paragraph 9: “Representatives of non-governmental organizations, private sector, academia, and other entities whose work is relevant to the forest sector and COFFI, which do not have consultative status with the Economic and Social Council², and have informed the secretariat of their desire to be represented at least 20 days in advance of the meeting may be allowed to participate as observers without a right to vote, subject to the approval of the secretariat.”

61. The revised COFFI Rules of Procedure are now contained in Annex VI.

C. ECE Forest Trust Fund

Documentation: ECE/TIM/2019/11; FO:EFC/2019/11

62. The Secretary informed delegates of the current status of the Trust Fund for the ECE Study on Long-Term European Timber Trends and Prospects.

63. The Committee decided to maintain the ECE Forest Trust Fund to support activities of the Committee and the related ECE sub-programme through a new Umoja project ID under the Trust Fund code 32ECE, with the understanding that there will be a continuation of activities in the future.

D. Programme of work of the Forestry and Timber subprogramme

Documentation: ECE/TIM/2019/12; FO:EFC/2019/12

64. The Secretary presented the draft programme of work of the Forestry and Timber (now renamed ‘Forests and the Forest Industry’) subprogramme for 2020.

65. The Committee adopted the programme of work.

² Non-governmental organizations recognized by the Economic and Social Council are covered in document E/ECE/778/Rev.5, which is referred to in paragraph 8.

E. Matters related to the Legally Binding Agreement on Forests in Europe

Documentation: ECE/TIM/2019/13; FO:EFC/2019/13

66. The Secretary noted that the item was discussed already under agenda item 3e and no further information was provided.

F. Election of officers

67. The following individuals were elected to hold office until the end of the seventy-eight session: Mr. Guy Robertson (United States) as Chair; and Ms. Maria Sokolenko (Russian Federation), Ms. Marta Gaworska (Poland), and Mr. Vardan Melikyan (Armenia) as Vice-Chairs.

68. The meeting warmly thanked the outgoing Vice-Chair, Mr Christoph Dürr, (Switzerland), for his excellent service over the years including his valuable contribution to COFFI and its Bureau, his support to the cooperation with EFC and his friendly assistance.

G. Date and place of next meeting

69. The Chair informed the delegates that, provided conference services are available, the week of 2 to 6 November 2020 has been provisionally reserved for the seventy-eighth session of the Committee, to take place in Geneva, Switzerland.

H. Any other business

70. There was no other business discussed.

VIII. FAO European Forestry Commission (EFC) matters (Agenda item 5)

71. Ms. Christine Farcy, Chair of EFC opened the session on EFC matters.

A. Follow-up to the decisions of the thirty-ninth session of the European Forestry Commission

Documentation: ECE/TIM/2019/14/Rev.1; FO:EFC/2019/14/Rev.1

72. Mr. Ekrem Yazici, Secretary of the Commission, introduced the document and reported on actions undertaken in response to the requests made by the Commission during its thirty-nine session.

73. The Commission appreciated the progress made and stressed the importance of FAO's work on:

- (a) Invasive species and on how to mitigate the impacts of bark beetles in the region;
- (b) Climate change adaptation and resilience;
- (c) Forest monitoring and reporting, including the Global Core Set of Forest-Related Indicators and on terminology and definitions of degradation; and
- (d) Public-private sector partnerships, in particular in restoration.

74. The Commission recommended that FAO provide more frequent updates on changes in forest area and land use as part of the Global Forest Resources Assessment (FRA) programme.

B. Presentation of forestry activities of the FAO Regional Office for Europe and Central Asia

Documentation: ECE/TIM/2019/15/Rev.2; FO:EFC/2019/15/Rev.2

75. Ms. Shiroma Sathyapala, Forestry Officer, FAO Regional Office for Europe and Central Asia presented activities in 2018-2019 in the FAO Regional Office for Europe and Central Asia.

76. Mr. Peter Pechacek, Forestry Officer, FAO Sub-regional Office for Central Asia, presented activities in 2018-2019 in the FAO Sub-regional Office for Central Asia.

77. Delegates welcomed the presentations and appreciated FAO's work in the region.

78. The Commission encouraged countries in the region to:

(a) More effectively incorporate integrated landscape approaches amongst various land management agencies responsible for agriculture, forestry and fisheries into relevant national planning processes and enhance intersectoral collaboration at the landscape level; and

(b) Provide financial and/or in-kind contributions to support the FAO regional forestry programmes, and FAO project work, in particular with a view to providing complementary funding for Global Environment Facility (GEF) and Green Climate Fund (GCF) projects.

79. The Commission recommended FAO to:

(a) Continue to incorporate integrated landscape approaches in operational forestry work in the region, taking full account of the multi-functional roles of forests;

(b) Continue to support natural resource management (including forests) through the strengthening of national policies, financing, provisioning of incentives, establishing taxation and governance frameworks and measures, including regulations, standards and monitoring for forest management interventions and practices, and support capacity development in this regard;

(c) Continue to support the Forest Invasive Species Network for Europe and Central Asia (REUFIS) and its activities, in particular in organising topical trainings on emerging invasive species and seeking synergies with other relevant organisations such as Forest Europe; and

(d) Strengthen regional cooperation on forest fires.

C. Progress of Silva Mediterranea

Documentation: ECE/TIM/2019/16; FO:EFC/2019/16

80. Mr. Chadi Mohanna, Chair of Silva Mediterranea, provided an overview of the activities conducted under the auspices of Silva Mediterranea, including the State of Mediterranean Forests report, achievements of working groups, and the sixth Mediterranean Forest Week.

81. The Commission welcomed the activities presented and:

(a) Urged FAO to explore ways and means to develop and implement the project 'MedForYouth-Empowering Young Entrepreneurs around the Mediterranean'; and

(b) Invited all interested parties to contribute to the preparation of and encouraged high-level participation in the seventh Mediterranean Forest Week to be held in 2021 in Tunisia.

D. Progress report of EFC Working Party on the Management of Mountain Watersheds

Documentation: ECE/TIM/2019/17; FO:EFC/2019/17

82. Ms. Yuka Makino, Secretary of the EFC Working Party on the Management of Mountain Watersheds, presented the activities of the Working Party including its most recent initiative on the protective functions of forests in a changing climate.

83. The Commission took note of activities of the Working Party and supported the recommendations contained in the document.

E. Panel discussion: Emerging invasive species risk to European forests

Documentation: ECE/TIM/2019/18; FO:EFC/2019/18

84. The panel was moderated by the Chair and panellists discussed the multiple dimensions of the risk associated with invasive species. The panel:

(a) Recognized the increasing threats of invasive species in the region's forests and the urgent need to address this transboundary issue nationally, regionally and globally at both policy and operational levels;

(b) Recognized the importance of supporting the regional networks and organisations in order to share information and expertise on forest invasive species and strengthening capacities;

(c) Emphasized the importance of public awareness and use of enhanced communication to reach all the socio demographics;

(d) Highlighted the need for more collaboration on cross border efforts on prevention and management of forest invasive species and establishment of national and regional policies for cooperation on operational activities;

(e) Recognized the need for improvement of capacities in application of integrated pest management methodologies and implementation of phytosanitary measures in forestry; and

(f) Recognized the increased threats of bark beetles to forests in the region, the effects on the timber market and need to enhance the resilience of forests to bark beetle outbreaks under the impact of a changing climate.

85. The Commission encouraged countries in the region to strengthen their participation in the Forest Invasive Species Network for Europe and Central Asia and contribute to the activities of this network to strengthen regional collaboration in relation to forest health and control of forest invasive species in the region.

86. The Commission requested FAO to:

(a) Continue supporting the Forest Invasive Species Network for Europe and Central Asia and the implementation of its activities; and

(b) Support cross-sectoral forest protection measures which contribute to biodiversity conservation and climate change adaptation and mitigation.

F. FAO's work on biodiversity

Documentation: ECE/TIM/2019/19; FO:EFC/2019/19

87. Mr. Jarkko Koskela, Forestry Officer, FAO, presented an update on FAO's work on biodiversity at the global level, including the recent session of the Commission on Genetic Resources for Food and Agriculture and the development of the FAO Strategy on Biodiversity Mainstreaming across Agricultural Sectors.

88. The Commission invited member countries to:
- (a) Continue to mainstream biodiversity across agricultural sectors;
 - (b) Provide feedback on the FAO Strategy on Biodiversity Mainstreaming across Agricultural Sectors; and
 - (c) Strengthen the implementation of international agreements relevant to biodiversity and forests, as well as the Global Plan of Action for the Conservation, Sustainable Use and Development of Forest Genetic Resources.
89. The Commission encouraged countries to prepare their country reports for The Second Report on the State of the World's Forest Genetic Resources, and to submit them to FAO by 30 June 2020.
90. The Commission requested FAO to:
- (a) Initiate, upon the adoption of the FAO Strategy on Biodiversity Mainstreaming across Agricultural Sectors, appropriate follow-up actions including a plan to mainstream biodiversity in the forest sector, and report on progress made at the next appropriate session; and
 - (b) Continue to report on forest-relevant work of the Commission on Genetic Resources for Food and Agriculture, the implementation of the Global Plan of Action for the Conservation, Sustainable Use and Development of Forest Genetic Resources and the preparation of The Second Report on the State of the World's Forest Genetic Resources, to the Regional Forestry Commissions.

G. The role of sustainable wood value chains in achieving the SDGs

91. Peter Csoka, Senior Forestry Officer, FAO, presented the FAO initiative 'Sustainable Wood for a Sustainable World' (SW4SW) and the role of sustainable wood value chains in achieving the SDGs.
92. The Commission invited countries in the region to:
- (a) Support the objectives of the SW4SW initiative and their dissemination and implementation;
 - (b) Strengthen the initiative by connecting it to other relevant processes and initiatives, at global, regional and national levels; and
 - (c) Provide financial and/or in-kind contributions to scale up the SW4SW.
93. The Commission requested FAO to:
- (a) Support country efforts in the region to assess and harness the main contributions of sustainable wood value chains to the SDGs and climate change, as well as engendering and strengthening wood-based bio-economy at the national level;
 - (b) Seek further cooperation with regional partners to strengthen sustainable wood value chains and their contributions to sustainable forest management, sustainable landscapes and climate change objectives, including the Decade of Family Farming and the Decade on Ecosystem Restoration; and
 - (c) Engage with the public and private sectors to improve the public perception of sustainable wood products, emphasizing the benefits of sustainable wood value chains and pointing out the differences between sustainable and unsustainable wood products.

H. Global processes

Documentation: ECE/TIM/2019/20; FO:EFC/2019/20

94. Ms Mette Wilkie, FOA Director, presented the outcomes of 24th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP24), High Level Political Forum (HLPF) 2019, UN Climate Action Summit, World

Forum on Urban Forests, World Agroforestry Congress, UN Decades (Family Farming, Ecosystem Restoration), as well as implications of the UN and the International Poplar Commission reforms.

95. The Commission:

(a) Took note of the forest-related outcomes of COP24 of the UNFCCC and invited countries to consider how to strengthen forest-related contribution to their respective Nationally Determined Contributions (NDCs);

(b) Took note of the forest-related outcomes of the 14th Conference of the Parties to the Convention on Biodiversity (CBD COP 14) and invited countries to provide input to the development of the post-2020 global biodiversity framework;

(c) Took note of the conclusions of the HLPF and strives to implement the efforts made to forests listed in the Ministerial Declaration;

(d) Invited countries to promote nature-based solutions to climate change and encouraged the implementation of the solutions presented at the United Nations Climate Action Summit;

(e) Took note of the outcome of the 1st World Forum on Urban Forests and invited countries to promote the Tree Cities of the World initiative;

(g) Recommended that the FAO Committee on Forestry (COFO) considers the opportunities provided by the UN Decade on Family Farming and the UN Decade on Ecosystem Restoration for increasing forest and landscape restoration activities;

(h) Took note of the UN reform process and encouraged developing countries to ensure that forestry issues are given the priority they deserve in the development of the UN Sustainable Development Cooperation Framework documents for their country; and

(i) Invited the International Poplar Committee (IPC) Member Countries to engage in the IPC's continued reform and invite countries not members of the IPC to consider joining the IPC under its new scope.

96. The Commission requested FAO to:

(a) Continue contributing to the Global Climate Action Agenda and promote forest related initiatives, projects and programmes, as well as support countries in the development of their forest and other land use related proposals for the Green Climate Fund;

(b) Explore ways and means to help further enhance the forest sector's contribution to post-2020 global biodiversity framework and to highlight the importance of the local context;

(c) Further promote urban forestry activities;

(d) Take an active part in the UN Decade on Family Farming and increase its support to forest and farm producer organizations through the Forest and Farm Facility;

(e) Inform COFO on plans for the UN Decade on Ecosystem Restoration; and

(f) Support the implementation of the priorities listed in the EU communication 'Stepping up EU Action to Protect and Restore the World's Forests'.

97. The representative of the UNFF Secretariat (UNFFS), Mr. Hossein Moeini-Meybodi, made two statements on agenda item 5h and 5i. In its statement under item 5h, the UNFFS highlighted some major outcomes of the recent UN Climate Action Summit and the UN SDG Summit, as well as the input to and involvement of the Forum in the HLPF 2019. The Secretariat further provided an update on the latest developments regarding the new programme of work of the HLPF, as well as the joint theme for the next ECOSOC cycle and the HLPF 2020.

98. Under agenda item 5i, the UNFFS informed the meeting on the main outcomes of UNFF14. The Secretariat updated the participants on the intersessional activities in preparation for UNFF15, including collaboration with the FAO regional forestry commissions, preparation of the flagship publication, progress on the global core set of

forest-related indicators, preparation of the national reports to UNFF15, and the upcoming meetings on the clearing house of the Global Forest Financing Facilitation Network, and the Quadrennial Programme of Work of the Forum for 2021-2024.

I. Implementation of the UN Strategic Plan for Forests (UNSPF) and collaboration with UNFF, beyond WIPoW

Documentation: ECE/TIM/2019/21; FO:EFC/2019/21

99. Ms. Mette Wilkie, Director, Forestry, Policy and Resources Division, FAO, presented main outcomes of UNFF14 including the Forum's deliberations on the regional dimension as well as FAO actions on global and regional levels in support of the UNSPF.

100. The Commission considered opportunities to strengthen linkages between its work and the UNSPF and requested FAO to:

- (a) Continue supporting the implementation of the UNSPF;
- (b) Work with UNFF secretariat to explore opportunities for organising regional events during technical sessions of the Forum aiming at enhancing global-regional interaction and highlighting the contribution of regional forestry commissions and other UNFF regional and sub-regional partners to the implementation of the UNSPF and the achievement of the Global Forest Goals; and
- (c) Continue its leadership role in the CPF.

J. Preparations for RCE 32 and COFO 25 and for the XV World Forestry Congress (FAO governance)

Documentation: ECE/TIM/2019/22; FO:EFC/2019/22

101. Peter Csoka, Senior Forestry Officer, FAO, presented preparations for the thirty-second session of the FAO Regional Conference for Europe (RCE), the twenty-fifth session of the FAO Committee on Forestry (COFO) in 2020 and for the FAO Forestry programme as well as preparations for the XV World Forestry Congress.

102. The Commission:

- (a) Developed its recommendations for the Regional Conference for Europe, COFO and the programme priorities and requested the secretariat to translate these into the template as contained in Annex VII and share them with other Commissions as well as the secretariats of the Regional Conference and COFO; and
- (b) Invited the Chairperson of the Regional Conference for Europe to give adequate attention to the recommendations of the Commission in the agenda of the Conference.

103. The Commission:

- (a) Invited countries to support the XV World Forestry Congress and to encourage the widest possible attendance and participation from all sectors within the Region;
- (b) Based on priority issues in the Region, proposed themes and topics that could form the basis of technical sessions at the Congress; and
- (c) Encouraged members, if appropriate, to support the Congress financially, especially participation from developing countries.

K. Election of officers, date and place of next meeting

104. The Chair informed the meeting delegates that four expressions of interest had been received for the two Vice-Chairmen positions becoming vacant at the end of this session.

105. A question was raised about the aspect of eligibility and registration referring to the Rule I, para 2 and Rule II, para 1 of the Rules of Procedure of EFC.

106. A question was raised about the eligibility of candidates who are not present at this session. The Secretariat of the Commission explained that there has been the case where a person not participating the meeting was elected as a member of the Executive Committee. The opinion of the FAO Legal Counsel was sought and the legal opinion given was that a candidate did not need to be present to be eligible for election.

107. As stipulated by rule 6 of the rules of procedure of the EFC and rule XII of the General Rules of the Organization, the Chair requested the Secretary to verify the quorum of attendees before holding the voting process.

108. The Secretary of EFC then proceeded to conduct a roll-call to establish the present members. Countries were called and representatives indicated their presence, accordingly. The result of the roll-call was that 18 out of 39 member states plus the European Union were present. As the result was short of the quorum (20), the Chair stated that a vote could not be held quoting the General Rule XII 2.b.

109. The Commission requested the Secretariat to arrange an extraordinary session of the EFC at the earliest time possible, emphasizing the urgency to conduct the election by one of the mechanisms proposed, such as through the Permanent Representatives to FAO in Rome, in conjunction with the session of the Joint ECE/FAO Working Party on Forest Statistics, Economics and Management in March 2020 or in conjunction with COFO 2020.

110. This discussion was recorded and the verbatim transcript of this agenda item is contained in Annex VIII.

L. Any other business

111. Related to agenda item 3c (under Joint COFFI/EFC Matters), Armenia reported back from a parallel event on a Strategy on Landscape Restoration and Greening Infrastructure for the Caucasus and Central Asia. The document is expected to be endorsed in 2020.

IX. Adoption of the joint session report and closure of the session (Agenda item 6)

112. The secretariat mentioned that so far, no offers were received from member States for the hosting of the next joint session in 2021. The secretariat will keep member States informed on the possible date and venue of the meeting.

113. The Committee and the Commission adopted the present report in session.

114. The co-Chairs of the session thanked delegates for their input to the report. The secretariat informed the participants that the final edited report would be issued soon.

115. The joint session was closed on Thursday, 7 November 2019 at 6:45 p.m.

[English only]

Annex I

Timeline of the Strategic Review of the Warsaw Integrated Programme of Work (WIPoW)

Phase I: review of the 2018-2021 WIPoW

November 2019

Agreement on the methodology and scope of the Strategic Review (SR) at the COFFI/EFC session in November 2019.

January 2020 – March 2020

Discussion on the SR roadmap, review of the draft questionnaire for the Integrated Programme of Work (IPoW) stakeholders' survey at the Joint Bureaux (JB) meeting, approval of the Strategic Survey roadmap on the preparation of the 2022-2025 IPoW. Relevant discussions on the work of Teams of Specialists (ToS) will be held at the ECE/FAO Joint Working Party on Forest Statistics, Economics and Management (JWP) meeting.

April 2020

The questionnaire is shared with stakeholders.

April – June 2020

The secretariat prepares its assessment of work and outputs.

June – July 2020

Compilation and analysis of survey results.

September 2020

The Secretariat's first draft of the new IPoW and summary of survey results shared with JB for review.

October 2020

Second draft of the new IPoW and summary of survey results will be shared with member States and other stakeholders. Organization of a special workshop and discussion of the first draft of the 2022-2025 IPoW with the participation of interested stakeholders and members of the JB.

November 2020

Presentation of the SR process and the results of the stakeholders' survey by the secretariat at the COFFI session for further inputs and discussion on the future programme.

Phase II: preparation of the 2022-2025 IPoW

January 2021

JB's first draft of the 2022-2025 IPoW to be shared with member States and other stakeholders.

May 2021

JB's second draft to be discussed with stakeholders at the JWP, and afterwards by the JB for final review.

June/July 2021

JB's final draft to be completed before mid-July 2021.

October 2021

Joint sessions of COFFI and the EFC finalize and adopt the new 2022-2025 IPoW.

January 2022

Implementation of the new IPoW begins.

[English only]

Annex II

New and amended Terms of References of the Teams of Specialists

I. Draft Terms of Reference of the ECE/FAO Team of Specialists on Boreal Forests

Reference to the Integrated Programme of Work: Work Area 1, “Data, monitoring, reporting and assessment”, and Work Area 2, “Policy dialogue and advice”

A. Objective(s)³

- Contribute to science and policy cooperation on boreal forests, while reducing duplication of effort and encouraging the pursuit of cost-effective approaches for circumboreal cooperation;
- Increase collaboration with the International Boreal Forest Research Association (IBFRA) and other boreal-related research organizations, in order to strengthen science and policy cooperation with regards to the boreal biome;
- Improve awareness and understanding of the role boreal forests play in global issues such as climate change and the bioeconomy, as well as in addressing the challenges reflected in the 2030 Agenda for Sustainable Development;
- Advise the ECE/FAO Forestry and Timber Section on any matters related to boreal forests within the integrated programme of work.

B. Activities and functions

- Contribute to the exchange of information, experiences and best practices on boreal forests;
- Facilitate a science policy dialogue on boreal forest issues;
- Where appropriate, contribute to identifying knowledge gaps that – when addressed – can provide policy responses to international challenges;
- Work with other international bodies, including the International Boreal Forest Research Association (IBFRA), with a view to achieving coordination of initiatives;
- Collaborate with other ECE/ FAO Teams of Specialists on cross-cutting issues.

C. Expected Major Outputs

1. The Team of Specialists on Boreal Forests will identify priority issues for the sustainable management of boreal forests, taking into account regional realities and differences. The Team will focus on increasing knowledge and understanding of issues related to boreal forests.

2. It will:

- Produce (and contribute to the production of) information products that reflect collaborative efforts on boreal forest issues, e.g. in relation to the 2030 Agenda for Sustainable Development, the UN Strategic Plan for Forests, and the ECE/FAO Integrated Programme of Work;

³ As outlined in the Haparanda Declaration of 2018.

- Produce, based on existing information, assessment and scoping documents, presentations and other information products describing existing conditions in boreal forests, and identifying important issues and opportunities in their management;
- Provide consultation and advice on boreal-related issues as needed.

D. Background

Established/	Joint Sessions of ECE COFFI and FAO EFC, Geneva,
Approved by:	Switzerland, 2019.
Duration:	From January 2020 to December 2021.
Methods of work:	Annual meeting or other methods to be determined by the Team.
Reporting:	Annually, to the Joint ECE/FAO Working Party on Forest Statistics, Economics and Management
Team leader:	To be elected at first Team meeting

II. ECE/FAO Team of Specialists on Forest Sector Outlook

Reference to the Integrated Programme of Work: Work Area 1, “Data, monitoring and assessment”, Work Area 2, “Policy dialogue and advice” and Work Area 4, “Capacity-building”

A. Objectives

1. To advise and support the joint ECE/FAO Forestry and Timber Section on the methodology, preparation and implementation of outlook studies. Serve as a repository of global, regional, sub-regional and national forest sector outlook studies; and forest policy developments; and facilitate exchange of knowledge.

B. Activities and functions

2. Provide support and expertise to the secretariat to conduct a forest sector outlook study and related documents.
3. Present the findings of the studies in public forums, such as scientific and professional meetings.
4. Provide guidance on methods, analysis and conduct of forest sector outlook studies.
5. Provide support to the secretariat for enhancing member States’ capacities on forest sector outlook studies.
6. Identify scenarios based on: structural developments in the forest sector; long-term supply and demand of wood and other goods and services; as well as impacts and implications of international and national policy developments.
7. Advise on timeline for new outlook studies and identify potential contributors and donors.
8. Undertake research in support of forest sector outlook studies.
9. Facilitate exchange of experience with forest sector outlook modelling among member States and contribute to increased capacities at national level to conduct forest sector outlook studies.
10. Provide an overview on alternative forest sector models.

11. Consider other cost-effective tools and studies for analysing policy impacts on the forest sector, such as foresight studies.

12. Contribute to strengthen policy-related components of the ECE/FAO Forestry and Timber Section's work and publications and disseminate information in support of decision-making processes with regards to outlook studies and international forest policy developments (creation of policy briefs, sharing of informative materials).

C. Expected major outputs and contributions

13. Publication of the ECE/FAO Forest Sector Outlook Study and related documents.

14. Provide national level results of outlook studies, if resources are made available.

D. Background

**Established/
Approved by:** Joint Sessions of ECE COFFI and FAO EFC, Geneva, Switzerland, 2019.

Duration: From January 2020 to December 2021.

Methods of work: Section 1.01 Annual meeting or other methods to be determined by the Team.

Reporting: (i) Annually, to the Joint ECE/FAO Working Party on Forest Statistics, Economics and Management

Team leader: (ii) To be elected at first Team meeting

Annex III

Approved list of activities for 2020

I. Work Area 1: Data, monitoring, reporting and assessment

A. Forest resources

1. Collection, validation and dissemination of statistics on forest resources, functions and services, Sustainable Forest Management (SFM), and the contribution of the forest sector to a green economy

- 2020 reporting cycle of the Global Forest Resource Assessment (FRA) and the Collaborative Forest Resources Questionnaire (CFRQ): cooperation with FAO and other CFRQ partners on the finalization of the final repository of FRA data;
- Joint 2020 pan-European reporting on forests (jointly with the Forest Europe Liaison Unit Bratislava, in coordination with the FAO FRA secretariat): production of the interactive database coordinated with the FRA repository;
- Review of collection process, national questionnaire on forest ownership in the ECE region, voluntary verification/update of the 2015 data on forest ownership;
- Production of a website on forest and forest sector data in the ECE countries.

2. Analysis and assessment of the state of forests and the sustainability of forest management; and the monitoring of the role of the forest sector in a green economy

- Assessment of forest condition including the impact by biotic and abiotic disturbances; review of formats for international reporting including on forest disturbance;
- 2020 reporting cycle of the Global FRA and CFRQ: support to FAO FRA secretariat to the finalization and dissemination of the main outputs;
- Joint 2020 pan-European reporting on forests: support to the Forest Europe Liaison Unit Bratislava and the FAO FRA secretariat to the finalization and dissemination of the main outputs;

3. Cooperation with, and support to, international processes in SFM, including regional criteria and indicator (C&I) processes

- Support to the UNFF Secretariat on reporting the implementation of the United Nations Strategic Plan for Forests 2017-2030 and the related Communication Strategy;
- Cooperation with, and support to countries, organizations and international processes (e.g. Forest Europe) in the region on monitoring SFM;
- Contribution to capacity building on C&Is under the UNDA project (Armenia, Georgia, Kazakhstan, Kyrgyzstan, Uzbekistan), subject to the confirmation of the project extension;
- Organization of the meeting(s) of the ToS on Monitoring SFM.

B. Forest products and markets

1. Collection, validation and dissemination of statistics on production, trade, consumption and prices of forest products

- Preparation of historical data on forest products, species trade, and prices;

- Preparation of forecast data on forest products production and trade;
- Improvement of the existing database and expansion of available information;
- Dissemination through FAOSTAT and ECE websites.

2. Analysis of markets for forest products, notably relevant policy aspects, including the Forest Products Annual Market Review (FPAMR) and annual Market Discussions

- Publication of the FPAMR 2019-2020;
- Preparation of data and the statistical annex for the FPAMR 2019-2020;
- Preparation of tables and graphs for the Market Forecasts 2020-2021;
- Preparation of the Market Discussion 2020 and the Market Statement 2020;
- Dissemination of analysis at industry meetings;
- Assessment of impact of biotic and abiotic disturbances on forest products markets.

3. Support of international processes in forest products

- Participation in the Intersecretariat Working Group on Forest Sector Statistics and attendance at other international meetings;
- Organization of the meetings of the ToS on Forest Products Statistics and the ToS on Sustainable Forest Products.

C. Wood energy

1. Collection, validation and dissemination of statistics on wood energy

- Preparation and issuance of 2019 Joint Wood Energy Enquiry;
- Dissemination of the 2017 JWEE data at relevant international meetings;
- Increasing visibility of ECE wood energy data.

2. Analysis of energy-related issues, including demand for, and supply of, wood energy

- Preparation of a new study on wood energy;
- Provide input to the ECE Environmental Performance Reviews on forests.

3. Support of international processes in wood energy

- Presentation of the wood energy work at relevant international meetings and cooperation with relevant processes (e.g. International Energy Agency, International Renewable Energy Agency, Wood Energy Days etc.);
- Organization of meeting of the ToS on Wood Energy.

II. Work Area 2: Policy dialogue and advice

A. Contribution to the policy-related components of activities under Work Areas 1, 3 and 4

- Organisation of National Forest Policy Dialogues (NFPD) workshops in interested countries;
- Monitoring of developments in global and regional forest policy process (UNFF; Forest Europe, SDG) and contributions, as relevant, to these processes;

- Support the continued implementation of the United Nations Strategic Plan for Forests by providing policy dialogues at the regional and national level.

B. The role of the forest sector in a circular bio-economy

- Pursuing related activities containing research and stock taking elements, as well as proposals for guidance tools and recommendations for member States, taking into account discussions held during the Joint Session (see paragraph 26, page 3 of this document);
- Exploring the issue of wood-based value chains in a circular bio-economy;
- Promotion and dissemination of the social dimension of the circular and bio-economy:
- Study on the Forest Sector Workforce;
- “Guidelines on the promotion of green jobs in forestry”;
- Publication and/or other communication materials (e.g. video, brochure) on the role of the forest sector in a circular bio-economy.

C. Forest Sector Outlook

- Organization of the meeting(s) of the ToS on Forest Sector Outlook;
- Publishing and disseminating the Forest Sector Outlook Study in the ECE region;
- Organization of capacity building in the area of forest sector outlook modelling.

D. Monitoring and support of international processes relevant to policymaking for the forest sector

- Organisation of the Ministerial Roundtable on Forest Landscape Restoration and the Bonn Challenge in Eastern and South East Europe.

E. Boreal Forests

- Organization of the meeting(s) of the ToS on Boreal Forests;
- Publication of information products describing existing conditions in boreal forests and identifying important issues and opportunities in their management.

III. Work Area 3: Communication and outreach

A. Organization of events and campaigns in support of SFM and forest products and services

- International Day of Forests (IDF) on Forests and Biodiversity, 21 March 2020 (to be celebrated on 23 March 2020), Geneva, Switzerland;
- Side event at the fifteenth session of the United Nations Forum on Forests (UNFF15), May 2020, New York, United States of America;
- Communicating the potential of sustainable wood products in the circular bioeconomy across sectors through organization of events and exhibitions;

- Communication campaigns (e.g. Trees in Cities Challenge, Forests for Fashion initiative);
- Disseminate and promote the publications “Guidelines for the development of a criteria and indicators set for sustainable forest management”, “State of Forests of the Caucasus and Central Asia” and “Forest Landscape Restoration in the Caucasus and Central Asia”.

B. Dissemination of information via policy briefs, press briefs and ad hoc studies, whenever results are available and new information is released

- Promotion and dissemination of studies and publications.

C. Press releases will be published to present the outcomes of workshops, events and publications. Outreach activities beyond the forest sector, disseminating information that highlights the relevance of forests and forest products to other sectors (e.g. energy events, biodiversity and environment meetings, sustainable construction and building, etc.)

- Events organized in the margins of main forest related as well as cross-sectional meetings.

IV. Work Area 4: Capacity-building

A. Forest landscape restoration and the Bonn Challenge

- Technical workshop(s) on forest landscape restoration and afforestation;
- Ministerial Meeting on forest landscape restoration and the Bonn Challenge for Eastern and South-East Europe.

B. Organization of capacity-building workshops

- Capacity building workshop for national correspondents on wood energy (Joint Wood Energy Enquiry 2019);
- Capacity building event for national forest sector modelling for experts from CIS countries. Further capacity building events related to forest sector outlook if resources allow.

C. Team of Specialists on Green Jobs in the Forest Sector

- Organization of the meeting(s) of the ToS on Green Jobs in the Forest Sector.

V. Monitoring and management of the Warsaw Integrated Programme of Work

A. Intergovernmental Meetings

- Organization of the meeting of the Joint ECE/FAO Working Party on Forest Statistics, Economics and Management in 2020;
- Organization of the seventy-eighth session of the Committee on Forests and the Forest Industry in 2020.

B. Bureaux Meetings

- Organization of Bureaux meetings upon request of the Chairs of COFFI and EFC.

C. Strategic review 2020

- Organization of a workshop on the review of the Warsaw Integrated Program of Work; Evaluation/assessment for the review in line with what is decided by COFFI/EFC in November 2020.

[English only]

Annex IV

I. Details of approved publications and promotional material for 2020 and 2021

A. Recurrent publications in 2020

<i>Item no.</i>	<i>Title</i>	<i>Print and/or electronic</i>	<i>Trim size</i>	<i>No. of pages</i>	<i>Original language(s)</i>	<i>Translated language(s) and Source of funding (all listed here are regular budget)</i>	<i>No. of copies and language(s)</i>
1	Forest Products Annual Market Review 2019-2020	Print	A4	206	E	F, R (all RB)	600E, 50F, 150R
2	COFFI Forecast for Forest Products Markets	Electronic	A4	44	E		

B. Non-recurrent publications in 2020

<i>Item no.</i>	<i>Title</i>	<i>Print and/or electronic</i>	<i>Trim size</i>	<i>No. of pages</i>	<i>Original language(s)</i>	<i>Translated language(s) and Source of funding (all listed here are regular budget)</i>	<i>No. of copies and language(s)</i>
3	Forestry and Timber Study Paper	Print	A4	147	E		2000E, 200F, 500R
4	Forestry and Timber Study Paper	Print	A4	147	E	R	600E, 150R
5	Forestry and Timber Discussion Paper	Print	A4	118	E		600E
6	Forestry and Timber Discussion Paper	Electronic	A4	118	E		
7	Forestry and Timber Discussion Paper	Electronic	A4	118	E		

C. Promotional material in 2020

<i>Item no.</i>	<i>Title</i>	<i>Print and/or electronic</i>	<i>Trim size</i>	<i>No. of pages</i>	<i>Original language(s)</i>	<i>Translated language(s) and Source of funding (all listed here are regular budget)</i>	<i>No. of copies and language(s)</i>
1	Brochure on Sustainable Forest Management	Print	A4	10	E	R	100 E/R

A. Recurrent publications in 2021

<i>Item no.</i>	<i>Title</i>	<i>Print and/or electronic</i>	<i>Trim size</i>	<i>No. of pages</i>	<i>Original language(s)</i>	<i>Translated language(s) and Source of funding (all listed here are regular budget)</i>	<i>No. of copies and language(s)</i>
1	Forest Products Annual Market Review 2020-2021	Print	A4	206	E	F, R (all RB)	600E, 50F, 150R
2	COFFI Forecast for Forest Products Markets	Electronic	A4	44	E		

B. Non-recurrent publications in 2021

<i>Item no.</i>	<i>Title</i>	<i>Print and/or electronic</i>	<i>Trim size</i>	<i>No. of pages</i>	<i>Original language(s)</i>	<i>Translated language(s) and Source of funding (all listed here are regular budget)</i>	<i>No. of copies and language(s)</i>
3	Forestry and Timber Publication	Print	A4	147	E	R	600E, 100F150R
4	Forestry and Timber Publication	Print	A4	147	E	R	600E, 150R
5	Forestry and Timber Publication	Print	A4	118	E		600E
6	Forestry and Timber Publication	Electronic	A4	118	E		
7	Forestry and Timber Publication	Electronic	A4	118	E		

C. Promotional material in 2021

<i>Item no.</i>	<i>Title</i>	<i>Print and/or electronic</i>	<i>Trim size</i>	<i>No. of pages</i>	<i>Original language(s)</i>	<i>Translated language(s) and Source of funding (all listed here are regular budget)</i>	<i>No. of copies and language(s)</i>
1	Brochure on Sustainable Forest Management	Print	A4	10	E	R	100 E/R

Annex V

Market Statement

I. Overview of forest products markets in 2018 and 2019

1. General conditions in forest products markets in the ECE region were mixed in 2018, with consumption increasing (over the previous year) in sawnwood (+1.5%), wood-based panels (+1.4%) and industrial roundwood (+5.8%). In contrast, the consumption of paper and paperboard continued to decline in Europe and North America in 2018, although there was a year-on-year increase in the Eastern Europe, Caucasus and Central Asia (EECCA)⁴ of 2.6%. Overall, the consumption of paper and paperboard declined in the ECE region by 1.0% in 2018 (table 1).

Table 1

Apparent consumption of industrial roundwood, sawnwood, wood-based panels and paper and paperboard in ECE region, 2014-2018

	Thousand	2014	2015	2016	2017	2018	Change (volume) 2017-2018	Change(%) 2017-2018	Change (%) 2014-2018
Industrial roundwood									
Europe	m ³	397,156	401,593	410,270	407,580	432,628	25,048	6.1	8.9
EECCA	m ³	181,822	185,471	194,721	198,418	226,389	27,972	14.1	24.5
North America	m ³	490,150	494,222	498,494	494,953	506,154	11,201	2.3	3.3
ECE region	m ³	1,069,128	1,081,286	1,103,486	1,100,951	1,165,171	64,221	5.8	9.0
Sawnwood									
Europe	m ³	100,976	103,760	107,552	110,698	113,013	2,315	2.1	11.9
EECCA	m ³	19,247	17,219	16,689	18,041	18,187	146	0.8	-5.5
North America	m ³	106,274	112,603	117,570	118,392	119,530	1,138	1.0	12.5
ECE region	m ³	226,497	233,582	241,811	247,132	250,730	3,599	1.5	10.7
Wood-based panels									
Europe	m ³	66,931	68,659	71,916	74,299	75,670	1,371	1.8	13.1
EECCA	m ³	17,190	17,164	16,836	18,485	20,265	1,780	9.6	17.9
North America	m ³	50,392	52,623	53,601	56,603	55,509	-1,094	-1.9	10.2
ECE region	m ³	134,513	138,446	142,353	149,388	151,445	2,057	1.4	12.6
Paper and paperboard									
Europe	m.t.	89,361	88,365	88,430	89,565	88,465	-1,100	-1.2	-1.0
EECCA	m.t.	9,397	9,106	9,561	9,520	9,772	252	2.6	4.0
North America	m.t.	76,053	75,651	75,602	75,037	74,205	-832	-1.1	-2.4
ECE region	m.t.	174,811	173,123	173,593	174,122	172,442	-1,680	-1.0	-1.4

Notes: Sawnwood include sleepers after 2016. m.t. is metric tons.

Source: FAOSTAT, 2019.

⁴ The term Eastern Europe, Caucasus and Central Asia (EECCA) refers collectively to 12 countries: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.

A. Economic developments with implications on the forest sector

2. The pace of economic expansion in the ECE region was more or less unchanged in 2018, although the dynamics of various groups of countries differed. Economic growth accelerated in the US, supported by fiscal stimulus and a robust labour market. Economic activity moderated in the euro area as export growth weakened throughout the year. The new EU member countries fared relatively well in a more adverse external environment, and output continued to accelerate in a number of countries. A recovery gained strength in the EECCA, driven by the improved performance of the Russian Federation. A more widespread slowdown is emerging in 2019, however, amid trade tensions, which remain a major source of uncertainty and are dampening investment.

3. Labour market dynamics continued to improve throughout the region in 2018. In the US, the sustained economic expansion was accompanied by rising wages, dragging additional workers into the labour force. Labour markets became tighter in the euro area, leading to accelerated wage growth that, however, has not yet translated into significant price pressures. Employment is at record levels, with particularly strong increases in the construction sector. Increases in the number of hours worked have trailed behind the growth of employment, however, reflecting a compositional shift towards a higher share of part-time employment. There are large disparities in unemployment rates between countries. In some new EU member countries, labour shortages have appeared in particular sectors despite an improved migratory balance. In the EECCA, wage growth accelerated amid falling unemployment.

4. Supported by growing incomes, housing prices continued to climb throughout the region in 2018. In the US, however, the growth deceleration that started in 2018 extended into early 2019. Construction activity in 2019 started slowly but is recovering to 2018 levels. The situation in the EU differed by country but, overall, housing prices continued to climb at a steady pace. Increasing housing demand has been supported by growing incomes and the availability of finance. Although house prices are above pre-global financial crisis levels in the euro area, residential investment is significantly lower. The growth of construction output decelerated, driven by the slowdown in building, which, in contrast, increased at double-digit rates in some new EU member countries. Survey data point to a softening of activity in early 2019. Labour shortages are increasingly mentioned as a factor limiting construction production, particularly in the large euro-area countries. Despite some deceleration, the ongoing recovery of housing markets is expected to continue, and this will support overall economic activity. In some EECCA countries, the rapid growth of mortgage financing has sparked concerns among monetary authorities. Housing prices have picked up in the Russian Federation after years of decline. Although construction activity recovered in 2018, the number of new residential buildings fell.

5. Despite the acceleration of economic growth and increasingly tight labour markets, inflationary pressures remained muted in the US. Monetary policy normalization continued in 2018, with four hikes in interest rate. In early 2019, however, monetary authorities clearly signalled the end of tightening, and there are growing market expectations that a cut could take place this year. The toll on the dollar of this monetary policy reversal has been relatively contained (graph 1.2.1). The nominal trade-weighted dollar exchange rate rose through most of 2018, with limited weakening in mid-2019. Monetary policy was highly accommodative in the euro area. The European Central Bank ended its quantitative easing programme in December 2018 but indicated that a significant monetary stimulus was still required for price stability over the medium term. Amid increased concerns about a deteriorating economic outlook and inflation well below target, further loosening is anticipated. In the EECCA, monetary authorities are expected to continue to cut rates, which remain relatively high in some countries, in a context of moderate growth prospects.

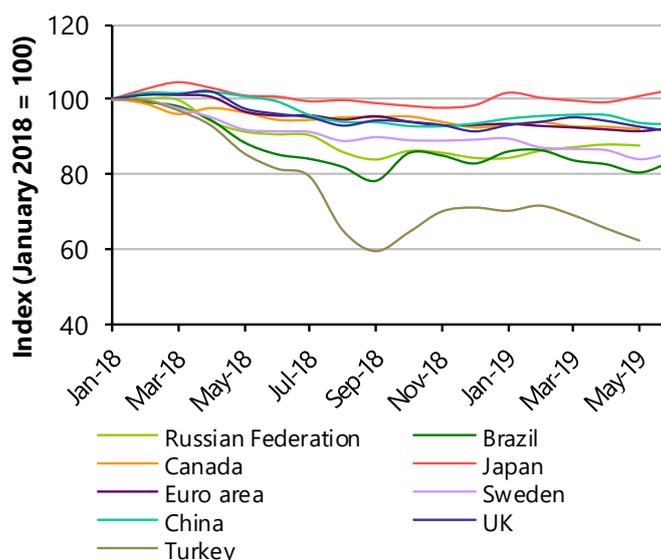
6. In the US, fiscal expansion contributed to the acceleration of economic activity in a context of weakening global growth, but the effects of this looser fiscal policy are expected to fade. Rising investment in 2018 mainly reflected an increase in demand due to additional spending, and the impact of tax cuts appears limited. Fiscal austerity has come to an end in the euro area and the expansionary stance in 2019 is helping to offset negative trends. Rather than a concerted effort, fiscal loosening reflects a variety of national initiatives, and fiscal

space differs widely across countries. Low financing costs have made debt more affordable and slowed the growth of public debt-to-gross national product ratios, but high debt is restricting fiscal expansion in those economies with higher unemployment rates. Conservative fiscal policies have continued in most EECCA countries, with energy-exporting economies rebuilding fiscal buffers, while external constraints and debt growth push others into fiscal consolidation.

7. The pace of economic activity has, as expected slowed in 2019, with waning momentum for growth throughout the region. The demand boost from the US fiscal stimulus is declining and the cyclical recovery is also losing steam in a number of economies with increasingly tight labour markets. In a context of lingering trade tensions and decelerating cross-border exchanges, domestic factors will play a greater role in driving future expansion. The projected economic slowdown has exacerbated concerns about the accumulation of corporate debt and the deterioration of credit quality. The process of the withdrawal of the UK from the EU has generated negative spillovers for other countries and damaged confidence. Many middle-income countries in the region are highly dependent on foreign financing and remain vulnerable to a deterioration in external conditions. In the EECCA, weaker commodity prices would weigh negatively on growth. The balance of risks in the ECE region remains firmly tilted to the downside, buffeted by continued policy uncertainty.

Graph 1.2.1

Major currencies used to trade forest products indexed against the US dollar, January 2018–June 2019



Note: A diminishing index value indicates a weakening of the currency value against the US dollar; an increasing index value indicates a strengthening of the currency value against the US dollar.

Source: International Monetary Fund (IMF Data), 2019. Available at: <http://data.imf.org/?sk=388DFA60-1D26-4ADE-B505-A05A558D9A42>.

B. Policy and regulatory developments affecting the forest products sector

8. The leadership of various levels of government is increasingly apparent in responsible-sourcing strategies, carbon programmes, renewable energy development and green building standards. After one year of the Comprehensive Economic and Trade Agreement (CETA), which came into force provisionally in September 2017, exports from the EU to Canada had risen 7%, including a 10% increase in furniture exports (according to annualized statistics for the October 2017 to June 2018 period).

9. It was estimated that, of the €3.78 billion of tropical wood products imported into the EU in 2017, 21% were Forest Law Enforcement, Governance and Trade (FLEGT)-licensed products from Indonesia and 54% were from the other 14 countries engaged on FLEGT with

the EU. An assessment of Ghana's timber legality assurance system has been initiated which could lead to Ghana becoming the first country in Africa to issue FLEGT licences.

10. The two major certification schemes – the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) – released data in February 2019 on their certified forest areas and the extent of double-certified forests indicating a further increase in the area of double-certification and a decline in the total (net) area of certified forest globally.

11. Between mid-2017 and mid-2018, the amount of double-certified forest increased from 71 million hectares to 86 million. The two certification programs reported a combined total of 510 million hectares certified as of mid-2018; after accounting for the double-certification, the total net certified forest area as of mid-2018 is 424 million hectares representing a decrease of 7 million hectares compared to the prior reporting period.

12. In 2018, FSC reported that approximately 423 million cubic meters of wood are harvested per year in FSC-certified forests around the world, representing 22.6% of global industrial roundwood production (all roundwood excluding fuel wood).

13. The EU's revised Renewable Energy Directive 2018/2001/EU entered into force in December 2018 as part of the Clean Energy for all Europeans package, the aims of which are to ensure the EU remains a global leader in renewables and, more broadly, to help the EU meet its emissions reduction commitments under the Paris Agreement on climate change. The Sustainable Biomass Program (SBP) reported the production and sale of more than 9 million tonnes of SBP-certified biomass in 2018, an increase of 80% over 2017 and now accounting for the majority (65%) of EU28 pellet consumption. Five more countries are now active in the SBP, including Brazil.

14. Green building and the use of wood in the built environment continue to expand. The Government of the Russian Federation has approved incentives for the purchase of wooden houses. The 2018 provision will subsidize interest rates to banks providing credits to individuals purchasing prefabricated wooden houses from manufacturers. The International Code Council (ICC) has approved 14 changes to the tall mass timber code following a multiyear effort by the ICC Ad Hoc Committee on Tall Wood Buildings.

15. As leadership roles continue to evolve in the forest sector, it is evident that diverse private and public partnerships are vital for supporting innovations that aid the growth and success of forest product markets.

II. Summary of regional and subregional markets for key forest products

A. Wood raw materials

16. The total consumption of roundwood – comprising logs for industrial uses and fuel – in the ECE region was estimated at 1.4 billion m³ in 2018 after a sixth consecutive years of increase. The apparent consumption of logs for industrial purposes trended upward in the ECE region in the five years to 2018, to 1.19 billion m³, 5.1% higher than in 2014. Of the total volume of roundwood harvested in the ECE region in 2018, about 18% was used for fuel (257.1 million m³), an increase of 9.2 million m³ (+3.7%) over 2017. Europe accounted for 54% of total woodfuel consumption in the ECE region in 2017.

17. China was (again) the number-one importer of industrial softwood roundwood globally in 2018 (importing 40.1 million m³), followed by Austria (9.1 million m³), Germany (8.2 million m³), Sweden (6.6 million m³) and the Republic of Korea (3.9 million m³). The major log trade flows in 2018 were in the Pacific Rim, with shipments to China from New Zealand, the Russian Federation, the US and Australia accounting for four of the top five of these worldwide. In Europe, the major trade flows were from Czechia to Austria, from Poland to Germany and from Norway to Sweden.

18. It is estimated that storms and beetles have damaged about 140 million m³ of timber in Europe in the last two years, mainly in Austria, Czechia, France, Germany, Italy, Slovakia and Switzerland.

19. Chinese importers have gradually shifted their historical preference for logs away from the Russian Federation towards New Zealand and instead are importing softwood lumber from the Russian Federation.

20. North America's log exports declined by 11.7% in 2018, to 18.4 million m³. China retaliated against US tariffs by imposing tariffs on some US forest products in the second half of 2018. US log shipments to China declined in the second half of the year and the fall continued into early 2019 (the first quarter of 2019 was down by almost 30% over the same quarter in 2018). Canada's log exports to China fell by 19% in 2018.

21. Sawlog price movements were mixed worldwide in 2018, although prices were mostly higher than in 2017. The biggest price declines between the first quarter of 2018 and the first quarter of 2019 were in Europe, especially in the central and eastern parts. In North America, sawlog prices fell in the western US and eastern Canada, increased slightly in the US South, and jumped by 16% in Interior British Columbia.

22. The Committee forecasts that removals of industrial roundwood are expected to increase in the ECE region at an annual rate of 1.4% in 2019 and to increase 0.4% in 2020. The subregional breakdown is as follows: Europe is showing an increase of 1.3% in 2019, partly driven by the removals of bark beetle damaged wood (140 million m³) and a decline of 1.1% in 2020; the EECCA is expected to increase 2.3% in 2019 and then to gain 1.2% in 2020; and North America to increase by 1.1% in 2019 and 1.2% in 2020.

B. Sawn softwood

23. The three ECE subregions recorded mixed results in the consumption of sawn softwood in 2018, with modest increases in Europe and North America and a small decline in the EECCA. The production of sawn softwood increased in all three subregions, however. The recovery continued in North America for the ninth consecutive year, with sawn softwood consumption increasing by 1.0%, although it slowed in the second half of 2018 and into 2019. Consumption increased by 2.6% in Europe and decreased by 0.5% in the EECCA subregion.

24. Sawn softwood production increased by 1.7% in Europe in 2018, to 112.5 million m³. The increase was driven more by an increased European demand rather than by overseas exports.

25. Production increases in central Europe were well above European averages, due partly to timber salvage programmes to harvest trees damaged by storms and beetles. Output from Nordic mills was more moderate.

26. Prices increased for European sawn softwood in the first half of 2018 and dropped off in the second half; nevertheless, prices in 2018 were generally better than in 2017 and there was further improvement in early 2019.

27. Germany, Italy and the UK are the largest importers of sawn softwood in the subregion, accounting for 40% of the total volume. Imports to the UK and Italy declined by 11% and 4.6%, respectively, in 2018 but increased by 6.0% in Germany.

28. The volume of European sawn softwood exports was steady (+0.2%) in 2018, at 51.9 million m³. There was an increase in intraregional exports within Europe, but demand declined in the key overseas markets of China and Japan. Combined exports to the Middle East and North Africa increased by 3.6% in 2018 after a sharp drop in 2017.

29. The EECCA subregion produced almost 48 million m³ of sawn softwood in 2018, up by 7.1% over 2017. The Russian Federation made up the majority of this volume.

30. Domestic demand for sawn softwood in the Russian Federation is currently slightly less than 10 million m³ and is expected to increase dramatically to 24.7 million m³ in 2030. Export markets for sawn softwoods from the Russian Federation are expected to grow from 29.8 million m³ in 2018 to more than 37 million m³ in 2030, with China the main destination.

31. Sawn softwood exports from the EECCA amounted to 36.3 million m³ in 2018 (up by 10% from 2017), about 86% of which was provided by the Russian Federation.
32. Demand in North American sawn softwood markets started to slow in the second half of 2018 and barely grew in the first half of 2019, mainly a function of slowing US housing starts. A portion of this was weather-related, with exceptionally cold or wet weather the norm since the fourth quarter of 2018.
33. US sawn softwood output was 59.5 million m³ in 2018, up by 3.2% over 2017. Production gains were highest in the US West (+4.3%), followed by the US South and the Midwest/Northeast regions (both +2.4%). The ongoing depressed prices for standing timber in the US South are a result of excess and unused growing stock. The US South accounts for more than 55% of US production and continues to achieve the highest earnings in North America.
34. Canadian sawn softwood production was 45.2 million m³ in 2018, down by 2.3% from 2017. All regions were hit with antidumping import duties (averaging 20.2%) on shipments to the US, and a slowdown in China's imports started a series of short-term mill curtailments in Canada that were still occurring in the second quarter of 2019.
35. The price of lumber in the US market (as measured by the Random Lengths framing lumber composite price index) peaked in early June 2018 at an all-time high of \$582 per thousand board feet (US\$365 per m³, net count). In the fourth quarter of 2018 and again in the second quarter of 2019, prices fell to well below cost in some regions, to as low as US\$300 per thousand board feet (US\$190 per m³).
36. Canada continues to dominate US imports, with a 91% share in 2018 (25.5 million m³). US imports from Europe soared to 2.0 million m³, up from 1.3 million m³ in 2017, but were lower by almost 10% in the first quarter of 2019 as prices fell. US exports were almost 20% down in the first quarter of 2019, due in part to the China-US trade dispute.
37. The Committee forecasts that production of sawn softwood is expected to increase in the ECE region at an annual rate of 2.3% in 2019 and 1.1% in 2020. The subregional breakdown is as follows: Europe with a gain of 2.0% in 2019 and a decline of 0.3% in 2020; The EECCA is expected to increase 7.2% in 2019 and 4.5% in 2020; and North America will gain 0.3% in 2019 and increase 0.9% in 2020.

C. Sawn hardwood

38. Sawn hardwood consumption and production continue to stagnate in the ECE region, despite relatively good economic conditions in most of the region in 2018.
39. Exports of sawn hardwood outstrip imports in all three ECE subregions, with the region as a whole exporting about double the volume it imports.
40. The sawn hardwood industry faces a number of challenges in the ECE region, including an increasing consumer preference for inexpensive home furnishings and for cabinetry made from composite wood products and non-wood materials (away from traditional hardwood furniture).
41. European hardwood lumber production contracted by 2.0% in 2018, to 14.3 million m³. In the EECCA, sawn hardwood production increased by 10.5%, to 4.2 million m³, and consumption also grew – by 16.0%, to 1.7 million m³. North American sawn hardwood consumption increased by 210,000 m³ (1.0%) in 2018, and production was relatively flat at 24.3 million m³.
42. Asia continues to dominate the tropical sawnwood trade, with China and, to a lesser extent, Thailand and Viet Nam the major importers and Cameroon, Gabon, Malaysia and Thailand the major exporters. World imports of tropical sawnwood increased each year from a low in 2012 to reach 12.3 million m³ in 2017; the volume declined in 2018, however, to 11.7 million m³.
43. The Committee forecasts that production of sawn hardwood will increase in the ECE region at an annual rate of 2.8% in 2019 and 2.1% in 2020. The subregional breakdown is as

follows: Europe is expected to increase by 1.4% in 2019 and remain flat in 2020 (0.0%); the EECCA increases 6.4% in 2019 and 4.1% in 2020; and North America with an expected increase of 3.1% in 2019 and an increase of 3.1% in 2020.

D. Wood-based panels

44. In general, 2018 was mixed for the wood-based panel sector in the ECE region. Strong economic growth in North America and a mild winter in the EECCA helped drive demand for wood-based panels in most end-use applications. Overall, panel production was up by 1.1% in the ECE region and apparent consumption grew by 1.4%. Growth in the wood-based panels sector is projected to continue into 2019, with production expected to increase by 2.1% and apparent consumption by 0.5%.

45. Wood-based panel production was almost unchanged overall in Europe in 2018, at nearly 75 million m³. There was a sizeable (4.8%) drop in plywood production, however, and the production of oriented strandboard (OSB) retracted slightly (by 0.4%). Production increased by 0.4% for fibreboard and by 0.3% for particle board.

46. The apparent consumption of wood-based panels increased by 9.6% in the EECCA in 2018, to 20.3 million m³. Production increased in the subregion by 9.7% in 2018, to 24.9 million m³. The Russian Federation's production of wood-based panels was 17.3 million m³, an increase of 11.2% over 2017.

47. North American demand for structural panels subsector is expected to increase overall by 2.4% in 2019, comprising an increase of 6.2% for OSB and a decrease of 1.6% for plywood. Production capacity in the North American structural panel subsector increased by 2.1% in 2018, to 38.9 million m³.

48. As in previous years, Indonesia and Malaysia were the dominant tropical plywood exporters in 2018, together supplying 73% of world exports.

49. The Committee forecasts that production of wood-based panels will increase in the ECE region at an annual rate of 2.0% in 2019 and by 2.3% in 2020. The subregional breakdown is as follows: Europe will grow 0.4% in 2019 and 0.8% in 2020; the EECCA should increase by 7.3% in 2019 and 7.5% in 2020; and North America is forecast to shrink by 0.3% in 2019 and increase by 0.8% in 2020.

E. Paper, paperboard and woodpulp

50. The global pulp, paper and paperboard industry continued its resurgence in early 2018, driven by a much tighter supply–demand balance for woodpulp and continued strong demand for packaging and sanitary and household products. Prices for virtually all products rose throughout the ECE region in 2018. By the middle of the year, however, signs of stress had begun to appear in Asia (particularly China) and Europe as costs in the pulp and paper segments began to have a negative impact on apparent consumption.

51. The production and apparent consumption of graphic papers continued to decline in virtually every market in 2018 as end users reduced their advertising budgets for print media. The decline in the apparent consumption of graphic papers accelerated in early 2019. This is partially compensated by the increase in packaging materials

52. The apparent consumption of paper and paperboard fell slightly in the ECE region in 2018, with Europe and North America both declining by just over 1% and the EECCA increasing by 2.6%.

53. Paper and paperboard production were flat in Europe, the EECCA had an almost 4% increase, and North America experienced a slight drop. Woodpulp production and consumption followed similar trends, with a notable increase in the EECCA but almost no change in Europe and North America.

54. A slowdown in China's economic performance in 2018 fuelled by rising costs and trade tensions created price weakness in that country, which spread through economies in the ECE region in late 2018 and persisted to mid-2019.

55. The Committee forecasts that production of paper and paperboard will decline in the ECE region 1.2% in 2019 and by 0.2% in 2020. The subregional breakdown is as follows: Europe declines by 2.0% in 2019 and is flat (0.0%) in 2020; the EECCA is forecast to gain 1.2% in 2019 and 2.0% in 2020; and North America is expected to decrease by 0.7% in both 2019 and 2020.

F. Wood energy

56. Wood energy consumption changed little overall in the ECE region in 2018. The trans-Atlantic trade of wood pellets reached new heights, however, and continues to dominate the international woodfuel trade. A combination of increased demand and slower-than-expected growth in operative production capacity led to higher prices for industrial wood pellets. Policy restrictions in developing Asian pellet markets slowed expectations of trans-Pacific North American pellet trade.

57. Primary energy production derived from solid biofuels in the EU28 was 3,986 PJ in 2017, up by 1.5% from 2016. Total primary energy production from solid biofuels in the EU28 grew by 30.7% in the ten years from 2007 to 2017. Imports comprised 9.4% of total primary energy production from solid biofuels in 2017.

58. European wood-pellet-based power-plant generation capacity exceeded 6,000 MW in 2018 and is forecast to surpass 8,000 MW by 2020. European wood pellet production reached 18.0 million tonnes in 2018, while consumption was 25.4 million tonnes.

59. It was reported that cost, insurance and freight spot prices for industrial wood pellets at Amsterdam, Rotterdam and Antwerp increased steadily in 2018 and through February 2019, with the highest annualized growth (above 50%, year-on-year) in January 2018.

60. European wood pellet imports continue to grow. The volume exceeded 17 million tonnes in 2018, up by 1.9 million tonnes (3.0%) compared with 2017. More than half (by weight) of imports into the EU28 from outside the EU were from the US (60%), followed by Canada (17%) and the Russian Federation (13%).

61. Fuelwood is the primary form of wood energy consumed in the EECCA, where many rural areas lack access to natural gas and other forms of affordable energy. In contrast to traditional fuelwood markets, the production and trade of wood pellets in the EECCA are highly dynamic. Wood pellet production increased by 11.5% in the EECCA in 2018 (to 2.7 million tonnes) and is expected to increase by another 3.8% in 2019. The largest portion of the production (as well as of the increase in production) was in the Russian Federation. Apparent consumption in the EECCA was just 442,000 tonnes in 2018 (less than 20% of EECCA production).

62. The Russian Federation produced 1.8 million tonnes of wood pellets in 2018, 300,000 tonnes of which (about 17%) was sold domestically. The total capacity of all Russian wood pellet plants increased by 3% in 2018, to an estimated 3.6 million tonnes. Most of the pellet enterprises are in the northwest. Siberian wood pellet producers became more active between 2016 and 2018; today, Siberia is the Russian Federation's second-largest pellet-producing region. Production in the Far East has good potential to grow, due primarily to the attractiveness of exports to Asia. The average price (in roubles) increased by 40% in 2018, due to favourable export markets and a weakening rouble.

63. In Canada, the majority of wood energy generated in 2017 was from solid wood waste, including bark and wood-processing residues (12.1 million tonnes) and pulping liquor consumed in recovery boilers (17.9 million tonnes); this is expected to continue through 2018. In the US, residential use is projected to increase after 2018, but overall wood energy consumption is projected to decline by 3.3% between 2018 and 2020.

64. North American wood pellet production reached 10.5 million tonnes in 2018 and is expected to exceed 11 million tonnes in 2019. Additional growth is expected to come from new and restarting operations.

65. Outside the ECE region, the Republic of Korea and Japan have become important in the global wood pellet market, importing 3.5 million tonnes and 1.1 million tonnes of wood pellets, respectively, in 2018.

66. The Committee forecasts that production of wood pellets will increase 5.6% in the ECE region in 2019 and 4.6% in 2020. The subregional breakdown is as follows: Europe increases by 5.4% in 2019 and by 3.0% in 2020; the EECCA is forecast to gain 6.2% in 2019 and 9.5% in 2020; and North America is expected to increase by 5.7% in 2019 and 5.9% in 2020.

G. Value-added wood products

67. The value of global furniture production was estimated at \$470 billion, up by 7% (\$20 billion) from 2017. Globally, the furniture trade has grown more quickly than furniture production in the last ten years. The migration of production to lower-cost regions has not ended, despite challenges such as increased risk and difficulties in sourcing materials.

68. The value of the world furniture trade has grown by 65% in the past ten years, from \$96 billion in 2009 to \$150 billion in 2018. This growth has benefited many emerging economies, led by Poland and Viet Nam. Asia and the Pacific accounts for about 54% of global furniture consumption and the ECE region for 41%. Africa, the Middle East and Latin America together are responsible for only 5% of global furniture consumption.

69. US import markets for builders' joinery and carpentry (BJC) have grown for eight consecutive years. The source of these imports is shifting away from Asian exporters, and Latin American exporters are gaining market share. The three largest importers of BJC in Europe – France, Germany and the UK – obtained most (two-thirds) of their supplies from other European countries in 2017 and 2018. Similarly, Japan sourced about two-thirds of its BJC from Asia.

70. US profiled-wood imports were valued at \$1.4 billion in 2018. For the first time in history, intra-subregional (i.e. Canadian) imports amounted to less than 10% of this value. High-quality South American pruned plantation pine has dominated US softwood moulding imports for decades but, today, China is the second-largest supplier to the US after Brazil. Profiled-wood markets in Europe, which are serviced mainly by other European producers, declined slightly in 2018.

71. Austria is the largest producer of glulam in Europe, at about 1.5 million m³ in 2018. CLT production was about 530,000 m³ in 2018. Italy was the single-largest importer of laminated timber products from Austria in 2018, followed by Germany.

72. The overall production and consumption of North American glulam timber increased year-over-year by 4.5% in 2018, to 467,700 m³. The forecast is for production and consumption to remain steady in 2019 (well below the 2006 production peak of 750,000 m³).

73. North American production and consumption of wooden I-beams fell by 2.8% in 2018, to 233.5 million. The production and consumption of LVL also dropped – by 2.4%, to 2.2 million m³.

74. The use of CLT (often categorized as a mass timber product) continues to grow, both inside the ECE region and in countries outside the region with a tradition of wood construction, such as Australia and Japan. Proponents of the wood industry see great potential for this product in enabling the use of wood in the construction of large and tall structures that previously were the sole domain of steel and concrete.

75. The value of the global CLT market was estimated at \$603 million in 2017, and it is projected to reach \$1.6 billion in 2024.

76. The European subregion leads the world in CLT production, providing about 60% of global production (currently about 700,000 m³), and production in the subregion is forecast to continue increasing into the foreseeable future.

77. In late 2018, ten CLT manufacturing plants were in operation in North America (five in Canada and five in the US), with a combined annual production of about 400,000 m³; two

plants were under construction (both in Washington state), with a forecasted production of roughly 185,000 m³; and three more plants had been announced.

78. The Segezha group (Vologda Oblast) has initiated construction of its first CLT plant in the Russian Federation to be completed in the second half of 2020. It is investing almost \$48 million in the plant, which will have a capacity of 50,000 m³ per year of CLT panels.

H. Housing

79. Housing prices have generally performed better than economies in most countries in the ECE region. The Bank of International Settlements (BIS) reported that residential housing prices increased by 1.9% globally in 2018 and by 2.2% in the euro area, 2.0% in the US and 1.0% in the Russian Federation. Canadian house prices retreated, however, by 0.06%. According to BIS, real residential prices (adjusted for inflation) are still substantially higher than in the wake of the global financial crisis.

80. Housing markets continued their growth in 2018, recording a fifth consecutive year of growth. New residential building remains a value driver in the Euroconstruct region⁵ accounting for nearly 25% (€342 billion) of the construction market value, and residential remodelling comprised 26% (€422 billion) of the volume. Combined, new residential and residential remodelling comprised 48% of construction value in 2018. New residential spending has increased by 26% (€72.3 billion) since 2015.

81. The total value of all construction in the Euroconstruct region (residential, non-residential and civil engineering) is projected to increase by 1.9% in 2019, year-on-year (to €1.64 trillion).

82. Residential construction in the Russian Federation declined by 4.6% in 2018 compared with 2017. The estimate for total buildings (residential plus non-residential) declined by 4.8% over 2017. The total new housing put in place in the Russian Federation has averaged 4.5 million m² per year since 1996, but it is projected to reach 5.9 million m² in 2019.

83. The US housing construction market grew moderately in 2018, but total new housing starts remained below the 1959-to-2007 average of 1.547 million total units and 1.102 million single-family units. Housing starts were estimated at 1.250 million in 2018, a 3.9% increase from 2017. Looking forward, the Mortgage Bankers Association projected that US housing starts will be 1.31 million units in 2019, 1.38 million units in 2020 and 1.41 million units in 2021.

84. The number of new Canadian housing starts is projected at 201,000 units in 2019 and 197,000 units in 2020. The slowdown is linked to the perception among financial institutions of rising risk in the Canadian housing market, the primary concerns being affordability, household debt, overbuilding in some provinces, and price acceleration. Nationwide mortgage guidelines, including what is known as the B-20 stress test, have helped stem price acceleration, but there is evidence that implementation of the B-20 has also hindered Canadian housing sales.

85. Housing affordability and availability are problems in Europe, the EECCA and North America, with insufficient new buildings to meet population growth. To many observers, off-site manufacture might enable the building and sale of less-expensive housing units. Conceptually, modular houses can be built in shorter-time frames, and more houses could potentially be delivered to buyers. Thus, modular construction could offer reduced project completion times and material costs, greater quality control, the mitigation of labour shortages, improved safety, and year-round manufacturing.

⁵ The Euroconstruct region comprises 19 countries. The western subregion consists of Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK. The eastern subregion comprises Czechia, Hungary, Poland and Slovakia.

Annex VI

Rules of Procedure for the Committee on Forests and the Forest Industry

I. Introduction

1. The draft rules of procedure in this document have been prepared in accordance with the Guidelines on Procedures and Practices for ECE bodies adopted by the Economic Commission for Europe (E/2013/37-E/ECE/1464, annex III, appendix III).⁶ In any area not covered in this document, the Rules of Procedure of the Economic Commission for Europe will be used and, where applicable, the Rules of Procedure of the Economic and Social Council, and taking into account the Guidelines on Procedure and Practices for ECE bodies *mutatis mutandis*.

II. Organization of the Committee sessions

2. Sessions of the Committee shall be held regularly once a year. Additional meetings may be convened by the Bureau⁷ in consultation with the secretariat.

3. At its regular sessions, the Committee decides on the dates of the next session. Changes in previously agreed dates of sessions due to unforeseen circumstances can be initiated by the Bureau in consultation with the secretariat.

4. The provisional agenda for the upcoming individual⁸ sessions of the Committee shall be drawn up by the secretariat in consultation with the Bureau and shall be circulated to member States at least six weeks⁹ in advance of the meeting.

5. The agenda of the individual sessions of the Committee shall cover, *inter alia*, a review of the implementation of its programme of work, including a review of capacity-building activities, policy-relevant documents developed in the context of the Committee's programme of work, as well as deliberations on future activities in accordance with its Terms of Reference, as contained in document ECE/EX/10.

6. The Bureau shall suggest important substantive issues within the aforementioned Terms of Reference to be addressed during the substantive segment of the sessions.

7. The Committee shall agree on its programme of work, which shall be compatible with the Integrated Programme of Work of the Committee and the FAO European Forestry Commission.

III. Representation and accreditation

8. The rules for representation and participation in the Economic Commission for Europe (E/ECE/778/Rev.5)¹⁰ and the Guidelines on Procedures and Practices for ECE bodies adopted by the Economic Commission for Europe (E/2013/37-E/ECE/1464, annex III, appendix III) shall be applied.

⁶ Outcome of the review of the 2005 reform of ECE (E/2013/37-E/ECE/1464, annex III).

⁷ See section IV.

⁸ With individual session is meant a meeting of COFFI not held jointly with EFC.

⁹ Rules of procedures of UNECE, Decision 2010/19, Rule 7.

¹⁰ Terms of Reference and Rules of Procedure of the Economic Commission for Europe – Fifth edition (E/ECE/778/Rev.5).

9. Representatives of non-governmental organizations, private sector and academia and other entities whose work is relevant to the forest sector and COFFI, which do not have consultative status with the Economic and Social Council¹¹, and have informed the secretariat of their desire to be represented at least 20 days in advance of the meeting may be allowed to participate as observers without a right to vote, subject to the approval of the secretariat.

10. The list of participants in the individual Committee's sessions shall be communicated by the secretariat to the Permanent Representations of member States to the United Nations Organizations in Geneva at the latest five working days prior to the starting date of the session.

IV. Officers

11. The Committee shall elect a Chairperson and three Vice-Chairpersons among individuals nominated by member States of UNECE. The Committee Bureau shall consist of those four officers.¹²

12. The term of office shall be one year. Bureau members can be re-elected for maximum seven additional terms. Efforts shall be made to ensure continuity within the Bureau, as appropriate. The terms of office of elected officials will begin at the end of the session in which they are elected. This will allow the current officers to preside over the session that they have prepared and organized.

13. Candidates for the Bureau of the Committee and other subsidiary bodies shall be nominated by member States based on the person's expertise, professionalism, and expected support from the membership.

14. Geographical balance should be taken into due consideration when examining the candidatures of potential Bureau members.

15. Member States, while making their nomination, shall ensure that candidates or their employers have no contractual agreement with ECE, from which they or their employers may financially benefit, in order to avoid conflicts of interest.

16. The elections for the Bureau will take place in accordance with the Guidelines on Procedures and Practices for ECE bodies (E/2013/37-E/ECE/1464, annex III, appendix III).

17. If the Chairperson is absent from any meetings or part thereof, a Vice-Chairperson shall perform the functions of the Chairperson. If no Vice-Chairperson is present, the Committee shall elect an interim Chairperson for that meeting or that part of the meeting.

18. If the Chairperson can no longer perform the functions of the office, the Bureau of the Committee shall designate one of the Vice-Chairpersons as interim Chairperson to perform those functions pending the election of a new Chairperson by the Committee. The interim Chairperson shall have the same powers and duties as the Chairperson.

19. The Chairperson and Vice-Chairpersons serve collectively in the interest of all member States of the Committee and not as official representatives of their Governments, and act within the Terms of Reference of the Committee and these Rules of Procedures. The work of the Bureau is carried out in a way that is member driven, consensus-oriented, transparent and accountable.

¹¹ Non-governmental organizations recognized by the Economic and Social Council are covered in document E/ECE/778/Rev.5, which is referred to in paragraph 8.

¹² This is compatible with the membership of the European Forestry Commission Executive Committee as adopted at "Orman2011," the joint session of the Committee and the European Forestry Commission held in Turkey in October 2011 (see ECE/TIM/2011/13-FO:EFC/2011/13 and http://www.fao.org/fileadmin/user_upload/gsb/Statutes/EFC_RoP.pdf).

V. Functions of the Bureau

20. The key functions of the Bureau are those detailed in the Guidelines on Procedures and Practices for ECE bodies (E/2013/37-E/ECE/1464, annex III, appendix III).
21. In addition to these key functions, Bureau members of the Committee will attend the joint Bureaux meetings with the FAO European Forestry Commission Executive Committee to support the development of the agenda of the joint meetings and discuss matters related to the implementation of the joint integrated Programme of Work.
22. The Bureau shall report to the Committee.

VI. Procedures for the adoption of decisions and Committee meeting reports

23. The Committee shall make all possible efforts to take decisions on the basis of consensus. If voting is used, the Chapter on Voting in the Rules of Procedure of the ECE shall apply.
24. A draft report of the meeting, which reflects in a concise and factual manner the discussion and the views expressed by participants, should be circulated before the end of the meeting for comments and adoption by member States at the end of the meeting.
25. If the draft report cannot be circulated at or adopted during the meeting for technical reasons, the Committee will distribute it to all Geneva Permanent Representations for subsequent approval no later than ten days after the conclusion of the meeting.

VII. Subsidiary bodies

26. The Committee may establish Teams of Specialists or other subsidiary bodies (e.g. Working Parties), in accordance with the existing Guidelines for the establishment and functioning of Working Parties (ECE/EX/1) and Teams of Specialists within ECE (ECE/EX/2/Rev.1), in order to fulfil particular objectives in accordance with the terms of reference created for them, subject to approval by the ECE Executive Committee (EXCOM).
27. The terms of reference and reporting procedures of the subsidiary bodies shall be determined by the Committee.

Annex to the Rules of Procedure for the Committee

Decisions taken by COFFI (former Timber Committee) at the joint COFFI-EFC session in Antalya, Turkey in 2011 on the composition of its Bureau

1. At the end of each session, the Committee will elect a Chair and three Vice-Chairs from among the representatives to the Committee. Elected officials will remain in office until a new Chair and Vice-Chairs are elected at the following session. The outgoing Chair and Vice-Chairs will be eligible for re-election, and the office of Chair will not normally be held for more than two consecutive periods by the representative of the same member State.
2. In practice, Bureau members will continue to be elected for a one-year term, with the possibility of being re-elected. The current practice of re-electing Bureau members for a second term will be maintained. For continuity, the outgoing Chair could remain in the Bureau as Vice-Chair. The longer-serving Vice-Chair who had not already served as Chair would normally be expected to be elected as Chair. The practice outlined here would be subject to the availability of the candidate and could be modified upon the agreement of member States.

3. This practice would allow the Committee to elect a Chair to remain in that function for two consecutive years, as it is the current practice, or to step down from the function after one term. As elections are held every year, this means that the minimum term to be served by one member is one year, with eight being the maximum.

Annex VII

Recommendations of the European Forestry Commission

A. Recommendations of the European Forestry Commission for the attention of the FAO Committee on Forestry (issues to be considered for inclusion in the Agenda)

<i>Priority issues for COFO to consider</i>	<i>Expected outcome (information/discussion/decision)</i>	<i>Possible follow up activities for COFO and FAO</i>	<i>Commission</i>	<i>Reference to other RFC recommendation</i>
FAO Strategy on Biodiversity Mainstreaming across Agricultural Sectors, appropriate follow-up actions including a plan to mainstream biodiversity in the forest sector and contributions to the post-2020 biodiversity framework	Discussion/decision	Development of policy recommendations and programme elements for the PWB	EFC	APFC, NAFC
FRA: findings and ways forward, including development of forest information systems and application of new technologies as well as further work on GCS	Discussion/decision	Development of policy recommendations and programme elements for the PWB	EFC	NAFC
Discuss collaboration with UNFF including organizing possible regional events highlighting the contribution of RFCs and other UNFF regional and sub-regional partners during technical sessions;	Discussion/decision	Development of policy recommendations	EFC	

<i>Priority issues for COFO to consider</i>	<i>Expected outcome (information/discussion/decision)</i>	<i>Possible follow up activities for COFO and FAO</i>	<i>Commission</i>	<i>Reference to other RFC recommendation</i>
Climate change: Follow-up to the UN Climate Action Summit and COP25	Discussion/decision	Development of policy recommendations and programme elements for the PWB	EFC	APFC, LACFC
Strengthen regional collaboration on forest fires	Discussion/decision	Development of policy recommendations and programme elements for the PWB	EFC	LACFC, NAFC

B. Recommendations of the European Forestry Commission for the attention of the Regional Conference for Europe

<i>Priority issues for the Regional Conference for Europe to consider</i>	<i>Expected outcome (information/discussion/decision)</i>	<i>Possible follow up activities for FAO</i>
Consider report of EFC40	Discussion/decision by ERC	
Collaboration on integrated landscape approaches with agriculture, forestry, fisheries, water and energy based on a nexus approach, at all levels	Discussion/decision	
Discuss approaches to invasive species in food and agriculture and forestry	Information/Discussion	
UN Decade on Ecosystem Restoration – emerging opportunities for cross-sectoral collaboration (including with ECA)	Information/Decision	

C. RFC recommendations for the FAO Programme of Work in Forestry related to the agenda of the current session

<i>Area/action for FAO programme of work</i>	<i>Priority (H, M, L, De-emphasis)</i>	<i>Type (new, continued)</i>	<i>Level of action (subregional/regional/global)</i>	<i>Global Forest Goals</i>	<i>Area/action for FAO programme of work</i>
<u>Global and regional context:</u> ECE and FAO, within their existing mandates, to:					
1. Continue to support countries in the implementation of the SDGs and the 2030 Agenda as they relate to forests, and the UN Strategic Plan for Forests 2017-2030;		Continued	Global, regional	Goal 1- Goal 6	SO1 - SO5
2. Update member States and other stakeholders on the forest-related global and regional policy developments, to contribute to the achievement of SDGs and the UN Strategic Plan for Forests 2017-2030 implementation and review process; and		Continued	Global, regional	Goal 1- Goal 6	SO1 - SO5
3. Continue forest monitoring and outlook work in the region.		Continued	Regional	Goal 1- Goal 6	SO2 - SO4
<u>Follow-up to the decisions of the thirty-ninth session of the European Forestry Commission:</u> FAO to continue to work on:					
4. Invasive species and on how to mitigate the impacts of bark beetles in the region;		Continued	regional	Goal 1	SO2, SO5
5. Climate change adaptation and resilience;		Continued	Global, regional	Goal 1	SO2, SO5
6. Forest monitoring and reporting including the Global Core Set of Forest-Related Indicators and on terminology and definitions of degradation; and		Continued	Global, regional	Goal 1	SO2, SO5
7. Public-private sector partnerships, in particular in restoration		New	Global, regional	Goal 1, Goal 4	SO2, SO4
8. Provide more frequent updates on changes in forest area and land use as part of the FRA programme		Continued	Global, regional	Goal 1, Goal 6	SO2, SO5
<u>Presentation of forestry activities of the FAO Regional Office for Europe and Central Asia:</u> FAO to:					
9. Continue to incorporate integrated landscape approaches in operational forestry work in the region, taking full account of the multi-functional roles of forests;		Continued	Regional	Goal 1	SO2, SO4
10. Continue to support natural resource management (including forests) through the strengthening of national policies, financing, provisioning of incentives, establishing taxation and		Continued	Regional	Goal 1 Goal 4 Goal 5	SO2, SO4

<i>Area/action for FAO programme of work</i>	<i>Priority (H, M, L, De-emphasis)</i>	<i>Type (new, continued)</i>	<i>Level of action (subregional/regional/global)</i>	<i>Global Forest Goals</i>	<i>Area/action for FAO programme of work</i>
governance frameworks and measures, including regulations, standards and monitoring for forest management interventions and practices, and support capacity development in this regard;					
11. Continue to support the Forest Invasive Species Network for Europe and Central Asia (REUFIS) and its activities, in particular in organising topical trainings on emerging invasive species and seeking synergies with other relevant organisations such as Forest Europe;		Continued	Regional	Goal 1 Goal 5	SO2, SO5
12. Strengthen regional cooperation on forest fires		New	Regional	Goal 1 Goal 6	SO2, SO5
<u>Progress of Silva Mediterranea:</u> FAO to:					
13. Explore ways and means to develop and implement the project ‘MedForYouth-Empowering Young Entrepreneurs around the Mediterranean’		New	Regional	Goal 5 Goal 6	SO2, SO4
<u>Panel discussion: Emerging invasive species risk to European forests:</u> FAO to:					
14. Continue supporting the Forest Invasive Species Network for Europe and Central Asia and the implementation of its activities;		Continued	Regional	Goal 1 Goal 6	SO2, SO5
15. Support cross-sectoral forest protection measures to contribute to biodiversity conservation and climate change adaptation and mitigation.		Continued	Regional	Goal 1 Goal 3 Goal 6	SO2, SO5
<u>FAO’s work on biodiversity:</u> FAO to:					
16. Initiate, upon the adoption of the FAO Strategy on Biodiversity Mainstreaming across Agricultural Sectors, appropriate follow-up actions including a plan to mainstream biodiversity in the forest sector, and report on progress made at the next appropriate session;		New	Global, Regional	Goal 3 Goal 5	SO2, SO4
17. Continue to report on forest-relevant work of the Commission on Genetic Resources for Food and Agriculture, the implementation of the Global Plan of Action for the Conservation, Sustainable Use and Development of Forest Genetic Resources and the preparation of The Second Report on the State of the World’s Forest Genetic Resources, to the Regional Forestry Commissions.		Continued	Global, Regional,	Goal 3 Goal 5 Goal 6	SO2, SO4

<i>Area/action for FAO programme of work</i>	<i>Priority (H, M, L, De-emphasis)</i>	<i>Type (new, continued)</i>	<i>Level of action (subregional/ regional/global)</i>	<i>Global Forest Goals</i>	<i>Area/action for FAO programme of work</i>
<u>The role of sustainable wood value chains in achieving the SDGs:</u> FAO to:					
18. Support country efforts in the region to assess and harness the main contributions of sustainable wood value chains to the SDGs and climate change, as well as engendering and strengthening wood-based bio-economy at national level;		New	Global, Regional	Goal 1 Goal 2 Goal 6	SO2, SO4, SO5
19. Seek further cooperation with regional partners to build capacities to strengthen sustainable wood value chains and their contributions to the advance sustainable forest management, achieve sustainable landscapes and climate change objectives, including in relation to the Decade of Family Farming and the Decade on Ecosystem Restoration; and		New	Global, Regional	Goal 5 Goal 6	SO2, SO4, SO5
20. Engage with the public and private sectors to improve the public perception of sustainable wood products, emphasizing the benefits of sustainable wood value chains and pointing out the differences between sustainable and unsustainable wood products		New	Global, Regional	Goal 4 Goal 5 Goal 6	SO2, SO4, SO5
<u>Global processes:</u> FAO to:					
21. Continue contributing to the Global Climate Action Agenda and to promote forest related initiatives, projects and programmes as well as support countries in the development of their forest and other land use related proposals for the Green Climate Fund;		Continued	All	Goal 1 - Goal 6	SO2, SO5
22. Explore ways and means to help further enhance the forest sector's contribution to post-2020 global biodiversity framework and to highlight the importance of the local context;		Continued	All	Goal 1 - Goal 6	SO2, SO5
23. Further promote urban forestry activities;		Continued	All	Goal 1 - Goal 6	SO2, SO5
24. Take an active part in the UN Decade on Family Farming and scale up its support to forest and farm producer organizations through the Forest and Farm Facility;		Continued	All	Goal 1 - Goal 6	SO2, SO5
25. Inform COFO on plans for the UN Decade on Ecosystem Restoration;		Continued	All	Goal 1 - Goal 6	SO2, SO5
26. Support the implementation of the priorities listed in the EU communication 'Stepping up EU Action to Protect and Restore the World's Forests'.				Goal 1 - Goal 6	

<i>Area/action for FAO programme of work</i>	<i>Priority (H, M, L, De-emphasis)</i>	<i>Type (new, continued)</i>	<i>Level of action (subregional/ regional/global)</i>	<i>Global Forest Goals</i>	<i>Area/action for FAO programme of work</i>
<u>Implementation of the UN Strategic Plan for Forests and collaboration with UNFF, beyond WIPoW:</u> FAO to:					
27. Continue supporting the implementation of the UNSPF;		Continued	Global, Regional	Goal 1 - Goal 6	SO2, SO4, SO5
28. Work with UNFF secretariat to explore opportunities for organising regional events during technical sessions of the Forum aiming at enhancing global-regional interaction and highlighting the contribution of regional forestry commissions and other UNFF regional and sub-regional partners to the implementation of the UNSPF and the achievement of the Global Forest Goals		Continued	Global, Regional	Goal 5 Goal 6	SO2, SO4, SO5
29. Continue its leadership role in the CPF		Continued	Global, Regional	Goal 6	SO2, SO4, SO5
<u>Preparations for RCE 32 and COFO 25 and for the XV World Forestry Congress (FAO governance):</u> FAO to:					
30. Developed its recommendations for the Regional Conference for Europe, COFO and the programme priorities and requested the secretariat to translate these into the template as contained in Annex VII and share them with other Commissions as well as the secretariats of the Regional Conference and COFO; and		Continued	All	Goal 5 Goal 6	SO1 - SO5
31. Invited the Chairperson of the Regional Conference for Europe to give adequate attention to the recommendations of the Commission in the agenda of the Conference		Continued	Regional	Goal 5 Goal 6	SO1 - SO5

[English only]

Annex VIII

Transcript of the recording¹³ of agenda item 5k) Election of officers, date and place of next meeting; Thursday 7 November 2019, (between 15:34 and 16:12)

Recording time marker: 00:26:19

EFC Chair: Thank you colleagues for your contribution. Now, we are moving to the next agenda item which is 5k) “election of officer, date and place of the next meeting”. For the moment we have indication of ... we have the current situation of the Executive Committee, we have two seats becoming available. One for replacing Rob Busink from the Netherland[s] and one for replacing Kenan Kilic from Turkey. So, we have one country from the European Union and one for a non-European Union country. And we received five indication[s] of interest by member[s] of European Forestry Commission to present themselves for the Executive Committee. We have, we received indication from Italy, from Finland, from Switzerland and from Uzbekistan, this means

EFC Secretariat: You said five, indeed four.

EFC Chair: Four, I am tired apologize I have to be more concentrated with this, four, this was the reason I was looking, I no, apologize: four. So, Italy, Finland, Uzbekistan and Switzerland. So, in this case if we have four candidates for two seats, we will need to make an election and before this election we will have to see if we have the quorum enabling us for voting. So, this is the first step we have to tackle, for that reason I would like to help to ask Ekrem to help me in seeing if we have this quorum.

EFC Secretariat: Thank you very much Madame Chair, maybe yeah, maybe you get reaction from the floor then we continue.

EFC Chair: Yes

Finland: Chair, just asking the floor before we go to quorum, I think, are all the candidates eligible for choosing, that's my question because it would it be useful to know who are the candidates and whether they are eligible or not before we [proceed] I mean.

EFC Secretariat: Heikki you are the candidate from yourself Finland, am I right?

Finland: We have communicated, that is what we have communicated to the secretariat of the committee, yes.

EFC Chair: Here is the list of candidates: we have for Switzerland: Keith Anderson, we have for Finland: Heikki Granholm, for Italy: Enrico Pompei, we have for Uzbekistan: Mr. Abduvokhid Zakhadullaev. Is this responding to your question, yeah?

EFC Secretariat: If you agree I will read the names of countries, the member of European Forestry Commission members in alphabetic order to check quorum and whether to represent officially their governments.

EFC Chair: again

Finland: I am terribly sorry I come back, but I asked two questions: who are the candidates? And that led to my second question, that was: are those candidates eligible or not? So, when we read the rules of procedure the candidate, if they are not in in the meeting room my questions is: are those candidates registered to the meeting and therefore can they be eligible for election?

EFC Chair: Yes, the rules you are referring to.

¹³ Full audio recording: <https://conf.unog.ch/digitalrecordings/#>

Finland: Well, maybe it would be right that the secretariat of the Committee [Commission] refers to the rules, but I am just referring to the rules of the European Forestry Commission.

EFC Secretariat: There was one case I mean in especially in case of Turkey that we elect one member while he was not present in the session, so there is no rules but if you like to know about the, you know, the rules that was the case.

Finland: To my reading that is: “the Commission shall elect a chairman and three vice chairmen from among the representatives of the Commission at the end of each session” so it means in my reading of the rules of procedure there is such a rule vis-à-vis what you said mister secretary of the Commission. So, my reading is that you select, elect bureau members among the representatives to the Commission and my questions was whether all these four candidates are representatives to the Commission at this session or not.

EFC Secretariat: Can I reply - Mette?

FAO, Mette Wilkie: I am happy to go back to our legal office to get a legal opinion on that, my reading of this is that it is representatives to the Commission whether they'd be at the current meeting or not, but I can go back to our legal office and find out if they have a different interpretation of that part.

EFC Chair: Yes, please.

Finland: Thank you, I think that was in the rule II of the Rules of Procedure, may I draw your attention to the rule I of the same rules of procedure, I think that would be quite useful if there has been a practice which is not in accordance with the rules I think that is one mistake if there is a mistake you may not have to repeat it a second time. So it seems to me that according to the rule I paragraph 2: “each member of the Commission shall communicate to the Director General of the organization the name of its representatives before the opening of each session of the Commission” and then the paragraph 3 continues “that the Commission shall elect one chairman and three vice-chairmen among the representatives to the Commissions” so to my reading it is very clear that you communicate who is the representative and then you chose among those representatives, to me that is quite crystal-clear. Thank you.

EFC Secretariat: I mean we need to get the legal advice, we need to wait but yeah you are right whatever happened, if it was not really in accordance with the rules we shouldn't practice again, but that I mean happened in the past that is what I can tell you. But we need to get legal advice about the question that you raised, Heikki.

[Pause]

FAO, Mette Wilkie: Just to confirm, I have consulted with our legal office in FAO. And he confirms, they do not need to be present in the room. We have had quite a liberal interpretation of the rules also in terms of accreditation. As you know we have not requested, or we have not often received official accreditation letters for people coming to our Commission meetings, it has been enough that they are registered. If you had a Convention, we would have required that you have an accreditation in which case that would also be the basis for whether or not we have a quorum for a vote. So, the answer from our legal office is that there has been a tradition in the past as well that the way this has been interpreted is that people do not need to be in the room to be elected or eligible.

EFC Chair: Switzerland or not? No.

Switzerland: My question was basically covered by the second question that Finland was asking and ehm particularly because I didn't get the name from the candidate from Italy, if you would mind repeating that? And I think to make more precise, I understood Finland's intervention just now, to be asking about rule I paragraph 2, if in fact the member was communicated to the Director General, the name of the representative of Italy before this session. I think that was the question.

EFC Secretariat: Regarding para second it is a bit difficult question, but for this session none of the countries communicated their candidate with FAO, if we start to question that one, it is a bit, you know we didn't get any nomination. In the past I got only four, five for each

session, but this time I didn't get any official communication, although it was requested in the letter.

Norway: This is just a personal request, I will have to leave now because of my plane. But I would very much like to cast a vote and I feel this is dragging out, is it possible to mandate a representative to take my vote?

FAO, Nabil Gangi: Madame la President, thank you for giving me the word, I am the secretary of the Regional Conference for Europe, may I request that a quorum checking be taken first by calling the names after which we can see whether elections can proceed or not. I think this is the appropriate approach for any conferences, elections or voting procedures. Thank you.

EFC Chair: Thank you very much for your advice. This is what we will do immediately.

EFC Secretariat: OK thank you very much. So, I will go EFC members in an alphabetic order, I will read the names to check whether they are present or not. Let me start: Albania – no; Austria- yes; Belarus- no; Belgium-yes; Bulgaria- no; Croatia-no; Cyprus-no; Czechia- yes; Denmark- no; Estonia-yes; Finland-yes; France- yes; Germany-yes; Greece-no; Hungary-no; Iceland-no; Ireland-no; Israel-no; Italy-yes; Latvia-no; Lithuania-no; Luxemburg- no; Malta-no; Netherlands- here; North Macedonia-no; Norway-yes; Poland-yes; Portugal-no; Romania-no; Russian Federation-yes; Slovakia-yes; Slovenia-no; Spain- no; Sweden-yes; Switzerland-yes; Turkey-yes; Ukraine-yes; United Kingdom of Great Britain and Northern Ireland- no; Uzbekistan- yes. According to our note and calculation 18 members are present here out of 39 plus EU. So, quorum, it is not fulfilled.

EFC Chair: What does this mean concretely? Is that the current Executive Committee will still be in place and will be replaced in the next session of the European Forestry Commission, that could be an extraordinary one specifically implemented for that, for this election an option can be that the delegates, members of the European Forestry Commission ask the secretariat to organize this new election as soon as possible.

Finland: I find this quite, well of course disappointing that we are not able to agree, it is not because we had a candidate. I think it would be useful to move forward on this. Why I believe this is extremely extraordinary that secretariat first the secretary of the Committee [Commission], he said that we have not been following the rule, then we heard from the lawyer of the FAO also indicating that we do not need to follow the rule and now we started to do the counting of quorum on request of the Chair and the secretary of the Committee [Commission], so my question is that why do you in the podium bring up the quorum rule, but not to follow other rules. I find it little bit difficult to this procedure that we have been followed if this is the case I request that these explanations by the Chair and FAO will be duly recorded in the meeting report and the proceedings of these discussion will be well captured. But before that I asked a question that nobody challenge the issue of quorum in my understanding where the members to the COFFI body were discussed, but now the quorum discussion was taken forward by the secretary and the Chair. I am a little bit surprised that because of this we are not able to agree on the bureau members, executive committee members. Can I have the explanation on why did we follow the rules in certain parts but not in other parts?

FAO, Nabil Gangi: Thank you Madame le President, two issues the Commission could convene regardless of how many members are there, the general rules regarding the quorum pertain to the voting, so any issues on voting is where the quorum aspects are invoked, and the quorum aspects is basically the half plus one of the member states. On the second subject, at no point has the legal council indicated that we have broken the rules, the legal council has explicitly said that the interpretation of the rules has been that members could be elected, could be eligible for election, even if they are not in the meeting hall during the election procedure. So, this is an interpretation of the rule and not a breaking of the rule thank you Madame Chair.

FAO, Mette Wilkie: To add to that, the COFFI rules might be slightly different from the European Forestry Commission, here we are following the rules and procedures of the European Forestry Commission and it also says that in addition to the above rules, and that's on the voting and procedures, the provision of rule 12 shall apply mutatis mutandis. And

those rules, the general rules of the FAO, very clearly specify how this should be conducted and what constitute a quorum. We'd be happy to make all of that information available to all of those who are here today.

EFC Chair: I would like to share with you the rule 12b). Telling us precisely before proceedings to a vote or election the chairperson shall announce the number of delegates or representatives present if less than the number required for a quorum is present the vote or election or shall not be held.

Recording time marker 00:49:45

Switzerland: Having been present in the COFFI vote, the quorum issue was not brought up actually. There was just a vote, cast. So, we don't know actually if there was quorum. Maybe the secretary did that work, but it was not publicly subject made by the chairs. Also, we do think it would be very useful to have a record of this in the official report of the session and also what is the way forward, what are the suggested ways forward, are we thinking of having an extraordinary session where an election takes places, where quorum is resolved? Or are we thinking is it possible by mail? And what exactly are also the chances of each of the candidates to present their case and their country's case as they did in the COFFI election? Thank you.

FAO, Mette Wilkie: As was mentioned earlier by the Chair, we can have an extraordinary session. It could be in connection with COFO or with another meeting. It could also be delegation to the Permanent Representatives in Rome. That's what we did with some of the discussions that we had on the IPC. By mail I don't think it is possible, because it does say that it has to be by members that are present during the session, but I will refer that to our legal office as well if need be.

EFC Chair: At that point delegates should indicate us if we have to wait for the next EFC session or if there is an intention in the room to try to have it as early as possible. You should indicate us, what is your wish on that. Yes, Finland.

Finland: I think there are a number of, I think I am not completely satisfied with the explanation still from the FAO side. I mean that, I understand that the lawyer said that the person does not need to be in the room to be elected. I take that one. It may be that he or she is in the break, in the bathroom or something. But in regard that to me it is extremely clear the rules of procedures of this Commission. Rule number I paragraph 2 and the Rule number II paragraph 1, that you have to be, that the chair person and the vice-chairmen shall be elected among representatives to the Commission. And the representative of the Commission is communicated to the Director General before the session. So, in this regard, it's different that whether you are in the room or not. The question is that whether you are representative or not. And that was my question. I still have not been answered whether all these four candidates are representatives to the Commission at this session. In my understanding, we have been shared the list of participants and I have noted that at least one of the candidates has not been mentioned in the list of participants which in my understanding means that that person is not the representative of in this Commission for the time being. So, can you confirm that all nominees have been registered as a representative or have they not. And if not, how many delegates it leaves us to be chosen.

FAO, Mette Wilkie: I can only confirm that no, none of the parties to the EFC sent a nomination or a delegation to the Director General as requested in Rule number I. So normally, we would ask for a accreditation letter from the government saying this is the person that will represent our government at this meeting. We did, received no such letters from any of the members of this Commission.

EFC Chair: Finland.

Finland: I think at least my delegation have registered to the COFFI and to the 40th session of EFC through the, according to the instructions that we have been provided electronically. And at least I can assure you that my registration has been accepted. So, in my reading people who have been registered through electronic means to the EFC should be considered as a representative to the Commission. If not a single person in this room has sent the formal registration to Director General, then what are we doing here? None of us, we are attending

the EFC, so EFC cannot take any decision. There should be the blank sheet out of this meeting, because nobody is present, in your explanation.

FAO, Nabil Gangi: Thank you, Madame, la Presidente. I believe the registration system has taken over from the procedure letter to the Director General. The question that was posed by the esteemed member was whether the, who has submitted letters to the Director General, and I think rightly my colleague has answered that none has submitted letters to the Director General. Nevertheless, the registration system in the current approach basically takes over. And hence, the secretary in his wisdom should have been able to present who has been registered and accordingly who is being represented to this Commission meeting. Having said that again, this has no bearing relating to the holding of the meeting and the quorum aspects only pertain to the general rules of FAO, not of the UNECE, but they are the general rules of FAO relating to holding voting or elections whereby the quorum constitutes half of those registered plus one. Thank you, Madame, la Presidente.

EFC Chair: So, I have to repeat my question: Do you want to see the same Executive Committee active until the next EFC session or do you want to see an extraordinary session of EFC for the election of the new Executive Committee. We need an input from your side on that. If not, it will be at the next EFC session in 2021.

Finland: [no microphone...] to the way forward. But I think the first one is this is truly recorded in the, what we have requested, that's the first one to kept that documented, the, my understanding that there are three options actually on the table. One is that we suspend the 40th session of the European Forestry Commission and then we would be able to continue at appropriate place and time at the later stage, that would be the one way. The other one is that like you said that the current Executive Committee members would continue and then of course for the next two years and then there is a possibility to have the extraordinary meeting on this regard. So, I think in my understanding there is a possibility also to suspend the meeting and then at the appropriate time we could come back to that. Thank you. But anyway, I think it would be useful to move forward at this session. Our preference would be that certain unclarity on the situation would be tried to be solved as soon as possible. I think that would be the benefit to this process. That would be our preference. Thank you.

EFC Chair: [no microphone...] for receiving more precise information on the rules. In case of no quorum, the vote or election shall not be held. It is not a question of be suspended, it shall not be held. Please, Switzerland.

Switzerland: Yes, to maybe respond to you, made several suggestions of where we might be able to make the next vote and one was the possibility of the COFO next year, another one would be even earlier, possibly with Permanent Missions in Rome. In order to consult these and the preference of Switzerland, I would have to take this back though. So I am afraid, some kind of solution on the lines of what Finland's first option was might be a temporary suspension until the agenda can be finished or also the, I think there was also an offer to, or a request to have the proceedings of this session, this particular part recorded and we would only make a request that that is done in the spirit of total neutrality on part of the Chairs. As a candidate, I have felt pressure from different sides, and this has been for me in stark contrast with the COFFI election that was just the day before. So we would really request that in the framing of this, we are not mentioning already what preferences might be the eventual outcome of the election rather than also giving candidates a chance to circulate the interest of their country and who their candidate is, finally, officially, before perhaps for us, I think, the COFO would be an interesting solution maybe, which would give us time and how we would then deal with ongoing work and the consolation of leadership right now, that's probably more a technical matter. So, we would welcome your guidance on that.

Recording time marker 01:01:30

FAO, Mette Wilkie: In terms of recording this, certainly we will. We can ask the secretariat to do so, take recordings of matters and how it was discussed today. In terms of moving forward, as we said we have 2 options either we stick with the existing members until the next meeting which is in 2 years time or we request the secretariat to explore options for having another vote as the most appropriate point in time or as soon as possible, so we can put that request forward. It can then be had can then either at COFO or if you express that interest or wish to have it even further see how we can do it with the permanent

representatives. In terms of the clarity of what goes forward, it is clear here that if there is no election on the membership, then the membership continues until the next session or until such an election has been held.

FAO, Nabil Gangi: Thank you Madame le President, once again just to append to my colleagues' statement, as secretary of the Regional Conference, we would be happy to host any extraordinary meeting of the Commission during the Regional Conference to be held in May 2020, should the esteemed members wish to do so.

Ukraine: Thank you Madame Chair. I also would like to draw the attention to my colleagues that if we chose an option that we have the elections next session then we broke other rules of procedure because people will be in office more than 8 years. So, if we can't do elections right now our preference will be to request secretariat to find a solution as soon as possible, preferably before the new year to take opportunity for new members of the executive committee to take their role in all necessary meeting preparations.

EFC Chair: Finland.

Finland: I could easily support the Ukrainian proposal, if there is a possibility to find a solution before the end of the year that would be our preference, of course by the permanent representatives for instance in Rome we are happy to work in that regard. Alternatively, if it has to go for the next year, maybe the Working Party would be, actually that we could have it back-to-back here in Geneva. Working Party in my understanding is scheduled, is it March? So, we could have the extraordinary meeting or suspended meeting of the EFC to be continued at that, 1 hour or something like that, it might be useful that one, thank you.

FAO, Mette Wilkie: Certainly, a possibility to also have an extraordinary meeting of EFC, absolutely. I will not go into details, but suspension is not an issue here. We have an election, we have decided that we don't have the quorum for the election, we can still complete the meeting as it was scheduled and, in the agenda, even though there is no election, so there is no question about the need for suspension of this session. But we can certainly set an extraordinary meeting up, either before the end of this year in Rome, or in connection with another meeting where we think we will have a quorum of the members of this Commission.

EFC Chair: So, I think we can close in such a way this agenda item.

Time Marker: 01:05:55
