



## UNECE/FAO Team of Specialists on Forest Sector Outlook

First Meeting 2020, 17 September 2020

Online meeting Microsoft Teams

### Report

**Agenda** (indicated times were Geneva time)

Time	Agenda items
15:00 – 15:20	1 – Opening of the session and welcome remarks, (vice team leader, Jeff Prestemon)
	2 – Adoption of the agenda
	3 – Update on COFFI/EFC 2019, Working Party sessions and administrative issues concerning the ToS, Lia Fain
	4 – Membership and election of officers for the ToS on Forest Sector Outlook 2020/2021
15:20 – 17:30	<b>5 – Discussion on the FSOS draft with contributing authors and ToS members</b>

**Participants – ToS members and FSOS authors/contributors** (23 participants)

(participants that were not ToS members are indicated as “FSOS”):

Name	Organization
Dr. Annemarie Bastrup-Birk	European Environment Agency (EEA)
Mr. Andreas Eriksson	Swedish Forest Agency
Ms. Birgit Lia Fain	UNECE/FAO Forestry and Timber Section
Mr. James Griffiths	Sustainable Forestry Initiative (SFI) Inc
Dr. Mariana Hasegawa (FSOS)	European Forest Institute
Dr. Elias Hurmekoski (FSOS)	University of Helsinki
Dr. Ragnar Jonsson	European Commission - Joint Research Centre (JRC)
Prof. Bekir Kayacan	İstanbul University
Dr. Matleena Kniivilä	Natural Resources Institute Finland
Mr. Louis König (FSOS)	Wageningen Environmental Research
Dr. Alexander Moiseyev	European Forest Institute
Prof. Gert-Jan Nabuurs (FSOS)	Wageningen Environmental Research
Dr. Prakash Nepal	North Carolina State University
Dr. Juan Picos	Universidade de Vigo
Dr. Jeffrey Prestemon	USDA Forest Service
Prof. Ewa Ratajczak	Łukasiewicz Research Network - Wood Technology Institute
Dr. Christopher Reyer (FSOS)	Potsdam Institute for Climate Impact Research
Dr. Mart-Jan Schelhaas	Wageningen Environmental Research

Mr. Florian Steierer	UNECE/FAO Forestry and Timber Section
Dr. Andrzej Talarczyk	Bureau for Forest Management and Geodesy (Poland)
Dr. Hans Verkerk	European Forest Institute
Mr. Jeremy Wall	European Commission
Dr. Camilla Widmark	Swedish University of Agricultural Sciences

## Report:

### Agenda Item 1:

1. The Chair, Mr. Jeff Prestemon, vice team leader of the Team of Specialists (ToS), **opened the session and welcomed the participants** to the meeting. He thanked ToS members that have already reviewed the document and offered to provide further content where necessary. He also pointed out that the study had an agreed set of priorities that are at the core of the analysis. He further mentioned that some of the further content as suggested by comments might not be feasible within the currently available resources and time frame.

### Agenda Item 2:

2. The participants **adopted the draft agenda** without changes or amendments.

### Agenda Item 3:

3. The secretariat highlighted results and developments relevant for the ToS from **recent and future meetings of the governing bodies**:
  - At the Joint Session of the ECE Committee on Forest and the Forest Industry (COFFI) and the FAO European Forestry Commission in November (EFC) 2019, it was decided that the **ToS on Forest Policy is merged into the ToS on Forest Sector Outlook**. The latter ToS thus received some additional member and its ToRs were updated now including the changes highlighted in the Annex.
  - The **current mandate is from January 2020 until December 2021**.
  - In November 2021, COFFI/EFC will decide on a new integrated programme of work for the period (IPoW) 2022-2025. Leading up to this, the current integrated programme of work is undergoing a **strategic review**. As part of this, the work of the different ToSs was evaluated in an online survey. 67% of respondents stated that the ToS on Forest Sector Outlook is showing a great performance and should be continued.
  - **Under the new IPoW, the ToS on Forest Sector Outlook could be dormant** (and could be reactivated four years later to start the process for the next FSOS); the **ToS on Green Jobs could merge into the ToS on Forest Sector Outlook**; or the **ToS on Forest Sector Outlook could continue** with a focus on capacity building at the national level and knowledge exchange between the ToS members.
4. It was noted that the merge of the ToS on Forest Policy into the ToS on Forest Sector Outlook should be taken into account when discussing the continuation of the ToS and also a possible additional merge with the ToS on Green Jobs. It was further noted, that the work of the ToS on Forest Sector Outlook would be very relevant also between the outlook studies as there is a high

demand for this kind of work in member States and given that not all countries are at the same level concerning their expertise, many could benefit from an exchange with other countries or capacity building.

**Agenda item 4:**

5. The following persons were elected as team leader and vice leaders for the current period until December 2021:

- Leader: Dr. Jeffrey Prestemon
- Vice Leaders Dr. Ragnar Jonsson  
Dr. Andrzej Talarczyk  
Dr. Nicklas Forsell

**Agenda item 5:**

6. Participants congratulated the team of authors on the impressive and comprehensive FSOS draft. It was added that the draft reflects well the outcome of previous meetings and has a relevant set of scenarios. It was noted that the FSOS should be published as soon as possible.
7. Comments on the draft: The following were the main concerns, questions and suggestions raised by ToS members and authors:

**RESULTS:**

- For the demand scenarios, it was expected that the increase of sawn wood and fibre for textiles (especially on a global scale) would be higher.
- The development of Russian forest area in figure 3.1. could benefit from some additional explanations.
- For the what-if scenarios, it would be good to check the results on sawn wood with the EOS (European Organization of the Sawmill Industry) as there are some bigger than expected sawn wood exports from Europe, which is a high-cost region. Furthermore, legal realities should be considered as increases might be possible from a physical side, but not in the current legal framework.

**MISSING ASPECTS:**

- In chapter 3.3 it would be good to have some comments or a discussion on circularity and the use and re-use of wood fibres
- More explanations of the scenarios and SSPs would be useful for the reader.
- It would be interesting to look at possible impacts of EU policies on wood supply, which could be significant for some countries in the future.
- It would be useful to include the aspect that forests are increasingly used for health (forest bathing etc.), and that might affect the production of forest products, reducing availability of wood for industry.
- Some more information about the limitations of the approaches and tools could be added; this includes mentioning possible ranges of results.
- The SDG framework and its adoption across the UNECE region as well as the role of forest certification are missing in the study.

- In a future study it could be interesting to quantify the effects of the forestry sector on other sectors with input-output calculations and analysis.
- There could be more information on the significant structural changes in the pulp and paper industry in the first two chapters.
- European policies such as green deal, biodiversity strategy, recovery plan and forestry strategy (due early 2021) should be mentioned.
- A small part on non-tariff trade barriers would be good to add.
- Forest soil carbon should be considered when looking at carbon in the wood.
- Biodiversity is linked to climate change and should be mentioned in that context.

**ENERGY ASPECT:**

- In the energy part, it would be good to include a discussion of the effects on land use for energy productions (e.g. windmills, hydropower).
- The question was raised about the role of bioenergy on structural changes.
- Concerning wood energy, it needs to be taken into account that no matter how efficiently wood is burned, it still puts carbon back into the atmosphere.
- Transport bio-fuels coming from wood should also be considered in this context.

**EDITING/STRUCTURE:**

- The graphs need better labelling.
- The text would benefit from highlighting interim conclusions. This would make it easier for the reader as even the conclusion parts of chapters are relatively long.
- It would be easier for the reader to have all graphs inside the text and not in the Annex.
- Small editorial aspects like consistency of colours for countries in the different figures could be improved.

**COVID-19:**

- Covid-19 could have more long-lasting effects, especially on trade, pushing the world towards regionalization and away from globalization.
- The medium to long-term effects of Covid-19 should be considered as it is a game changer; it will change how we live our lives including our consumption patterns. Currently the draft is only looking at short-term effects.
- Due to Covid-19 people turn to the forest for health reasons. This tendency might remain even after the pandemic; it could also be linked with a higher awareness for sustainability issues in general.
- It would be most practical to have a Box on Covid-19 and its impacts at the beginning of the study and to not change other parts of the texts. This box should state that most of the text was written before Covid-19. Covid-19 also shows how quickly things can change and that the study is not a forecast but just shows different pathways.
- The box could also make the specific link between the study and its importance for policy makers: Covid-19 will be a game changer because of policy measures that policy makers will take. The study shows different pathways depending on different policy choices as well as structural changes.

**Other comments:**

- It is not realistic to split urban and rural areas when looking at the forest sector as these two parts are highly interlinked.
  - If more content is added, it could be considered shortening other parts to avoid having a document that is too lengthy.
  - It is important that the results are not misinterpreted, especially with respect to carbon. More explanations might be necessary.
  - The study should not go into policy guidance or recommendations and should highlight the limitations of the approach.
8. Next steps and timeline: The secretariat mentioned the following concerning next steps and the timeline of the outlook:
- The **deadline for comments** was on 16 September 2020.
  - The secretariat and the authors will try to **address as many of the comments as time and resources allow** in the following weeks. The author group will come up with a process to systematically address the comments.
  - The secretariat is currently contacting possible authors for **conclusion chapter 5**. The author of chapter 5 should have a clear understanding of the policy side and be able to get across messages to policy makers. Chapter 5 could include some aspects that have not been covered by the other chapters such as green jobs etc.
  - Once the final draft is consolidated including chapter 5, a **professional editor** will be hired.
  - After the editing the draft will be submitted to the **printing department**, which will work on the visual aspects of the study including **graphs and pictures**; this process takes approximately 6 weeks.
  - The **publication date is possibly at the end of this year or the beginning of next year** depending of the availability of various actors (author of chapter 5, editor, printing department).
  - Once the pdf-version is available, the secretariat will organize a **launch event** (probably online) and write a press release.
  - The **methodology report** and the **web page with access to detailed results** are planned to be made available at the same time.
  - Afterwards more **creative ways of dissemination** such as short videos etc. could be discussed (possibly at the next ToS meeting at the beginning of the year 2021).
  - The FSOS will also be presented to the **Working Party in March 2021**.
9. For follow-up: The following people offered to support the outlook by providing content/support:
- Jeremy Wall could help with text on EU policies and review the conclusion chapter.
  - James Griffith offered a text box on SDG framework and forest certification (already sent).
  - Annemarie Bastrup-Birk offered to write a box on the link of biodiversity and climate change.
  - Jeff Prestemon and Matleena Kniivilä offered to draft the Box on the possible impacts of Covid-19 as they are already working on this as part of their present work.

## ANNEX: Terms of Reference ECE/FAO Team of Specialists on Forest Sector Outlook 2020-2021

### 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/** Joint Sessions of ECE COFFI and FAO EFC, Geneva, Switzerland, 2019.

**Approved by:**

**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