

Notes

35th Meeting of Intersecretariat Working Group on Forest Sector Statistics

Virtual meeting hosted by Eurostat, Luxembourg

09:00-13:00 hrs (GMT+1) on Tuesday- Wednesday, 1st – 2nd March 2022 and 12 April 2022 (09:00-12:00)

Mr Arturo De La Fuente Nuño, acting head of Eurostat's Environmental Statistics and Accounts unit opened the meeting.

1) Adoption of agenda

Participants:

UNECE: Alex McCusker, Florian Steierer, Daniel Griswold

FAO: Ashley Steel, Iana Arkhipova Iana, Sven Walter, Marcella Canero, Roberto Bargigia

ITTO: Jean-Christophe Claudon

Eurostat: Melinda Verebelyine Dosa

Melinda Dosa is Chair, Alex McCusker notetaker.

Participants introduced themselves and adopted the agenda.

2) Review of the Joint Forest Sector Questionnaire activities and process in 2021

a) Number and quality of replies

ECE: had 45 replies (out of 53 countries) (26 came through Eurostat), which continues a high level of replies over the last several years. Of these 20 provided updated figures. Direct responses totalled 19 (of 22 countries that ECE sends questionnaires to). JQ1 – 43 (four less than the 2019 record), JQ2 - 41 (no change), JQ3 – 37 (three less), ECE/EU - 30 (no change). Percentage of data points filled in for JQ1 was 66% (64% in 2019), JQ2 - 87% (2 percentage points more than 2019), JQ3 - 92% (91% in 2019), ECE/EU - 94% (97%).

COMTRADE was used to supplement wholly or partially for trade statistics for 8 countries.

JQ2019 actually set a record of 47 replies last year (2 additional replies received during JQ2020 cycle).

Eurostat: had 27 replies (stagnation) out of 31 countries, of these 26 could be published. 23 countries filled in the quality report. Average data coverage if ROB, JQ1, JQ2, JQ3, LAM&Chips, ECE-EU species, EU1, EU2 sheets are concerned: 74% 18 countries have a data coverage of >90%, 4 countries have > 75% (but less than 90%), 3 countries < 50% (**CH**, **EL**, **IS**) and 2 countries < 5% (**LI** and **LU**).

4 countries have not sent any data: **CZ**, **MT** (sent last year), **IE** (promised early 2022), **DK**.

Number of responses (filling out at least half of the datapoints) for the different sheets: JQ1 – 21, JQ2 – 26, JQ3 – 25, ECE-EU – 22, ITTO1 – 7, ITTO2 – 10, ITTO3 – 3.

Confidential datapoints: 0.35% of all reported datapoints (but many points not given because of confidentiality), mainly in JQ1 table.

ITTO: received 25/41 (60%), the answer rate has been improving a little compared to last year (53%). Despite best efforts in communication and sending reminder emails, still

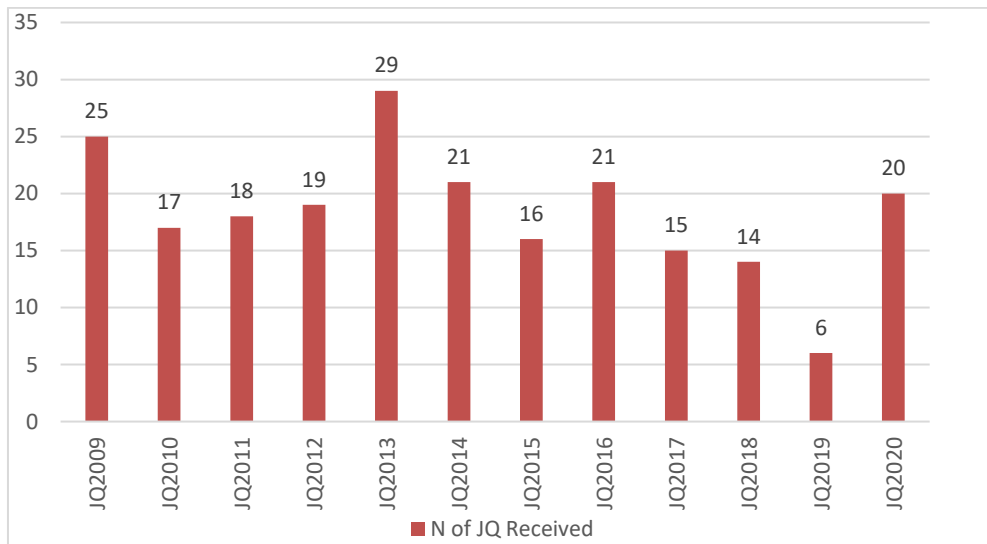
have difficulty to collect the questionnaire and especially for countries which have not submitted it for a long time (e.g. **Brazil, Cambodia, dem. Rep. of Congo, PNG, Venezuela**). Quality remains the same.

Level of country answers by JQ sheets:

JQ1	96% of the submitting countries filled this form
JQ2	100% of the submitting countries filled this form
JQ3	88% of the submitting countries filled this form
ITTO1	80% of the submitting countries filled this form
ITTO2	60% of the submitting countries filled this form
ITTO3	48% of the submitting countries filled this form
48% of the submitting countries were on time	

FAO: It was the second year that we sent out questionnaires without the Official correspondence unit. We sent an individual email to FAO Representatives (as agreed on the 17th of May 2021) following by two additional follow-ups: 24th of July and 17th of September. Moved deadline to 30th June.

We received 20 questionnaires out of 98. We received Equatorial Guinea, Kenya, and South Sudan (no response since 2014), Pakistan (no response since 2009). No reply to Brazil again, using contact from Advisory Committee on Forest Industries.



b) Successes/problems

ECE: had first reply from Albania in 12 years. Greece seemed to stall after progress last year with only limited data. Czechia, particularly important, did not provide data (used Timber Forecast Questionnaire). Data from Belgium continued unusable. Two countries provided very disaggregated trade data (not really usable without a great deal of work).

Montenegro improving rapidly. Ireland missed for 2nd year. Revision on removals by Italy.

ECE used COMTRADE extraction from FAO. Good access to all data.

ECE to share TFQ reply for Czechia with Eurostat. Discuss Belgium with Eurostat.

Eurostat: has not published EL data, but identified some consistency issues in past Iceland and Latvian data, they both need follow up. Belgium data required significant work but were used.

CH, EL, LU signed the ITTA agreement but provide very little data. I invite the IWG to consider whether to send them also reminders at some point?

ITTO: in 2021, ITTO received questionnaires from countries which had not submitted it for a long time: **Fiji sent 2 questionnaires, Cote d'Ivoire, Gabon, Trinidad and Tobago.** Will pursue the collection of questionnaires by sending reminder letters to non-submitting countries.

Sending ITTO reminder letters to Albania and Latvia was successful, not for Denmark. **ITTO to resend to Denmark ITTO official diplomatic contact and/or discuss with EU.**

FAO: Increased response rate. Work on the letter of Request of official correspondent (in Spanish, English and French). We sent 10 requests to FAO Reps and received 4 official correspondents: in Niger, Mauritania, Equatorial Guinea, and Gambia.

Revised list of correspondents.

Problems with flags, no flag for aggregated data. Issues with negative consumption. We could discuss this with Team of Specialists and at Joint ECE/FAO Working Party – request specific flag of aggregated data (exception to SDMX)
Could call national estimate “official data” for FAOSTAT purposes.

c) Data dissemination

ECE: ECE/FAO Forest Products Annual Market Review ready in September (data from August) using standard table of summary data and incorporated forecasts for 2021. Publicly available from November. Flat-file 1964-2020 published in August. INForest released in March 2021 (forest-data.unece.org) with special website interaction, update for 2020 prepared.

Eurostat: published data online at the end of November. A *Statistics Explained* article and a news item have been also published.

ITTO: updated the [online database](#) (21 products including 4 aggregates), for all countries in the world in February and August 2021 and published the [Biennial Review and Assessment of the World Timber Situation 2019-2020](#) in August 2021. Published a study on [India timber supply and demand 2010–2030](#) and a study on [forest product conversion factors for tropical logs and sawnwood](#).

FAO: [Yearbook](#) published in April 2021

FAOSTAT preliminary 2020 data in August, and final data in December. No publications are printed (except on-demand), continue to be 100% digital. Data on the main products derived from wood were also published in corporate [Yearbook 2021](#).

d) Data validation - discrepancies identified:

ITTO: Still lacking consistent efficiency conversion factors for the African region. Planning to work with ATIBT in the coming years when more funds will be available to finance a survey of the African private sector through the ATIBT network to collect more specific factors. The study might be added to the *Biennial Review and Assessment of the World Timber Situation 2021-2022*.

Depending on available funds, we are planning to finance a 30-year review of data, explaining trends on the long run.

Eurostat: Focused on consistency and time series.

FAO: No changes from previous year, focused on getting corrections. Restored flags from ITTO.

- Apparent consumption

ECE: 2020 was a hard year for monitoring consumption and annual changes. These were affected by strong market swings during lockdowns and economic pressures. Trade data are mostly supplied by country as they prefer control and checking of the information. ECE agrees with this. Also using data from ITTO and COMTRADE to supplement.

- Annual changes
- Unit price
- Global checks

FAO: 5 leading countries, global total by product

Note discussion with UN COMTRADE group in spring 2021 to provide improved conversion factors (and unit value range)

e) Data exchanges among partner organizations

ECE to FAO:

Data supplied on time to FAO. Continued to have issues with flags for aggregations and national estimates. Problems with ECE database meant calculated items (sulphate bleached pulp, particle board without OSB and non-tropical non-coniferous industrial roundwood). Solution was to provide the other items and have FAO calculate these. Managed to fix many data problems thanks to rounds of data validation.

ITTO to FAO: Fixed official data flags. ITTO still to send the final data as soon as possible. FAO needs ITTO official contact points for the follow-up on non-ITTO items.

Eurostat to ECE: Data questionnaires were sent timely. Queries and answers from correspondents are not always getting communicated between secretariats.

Eurostat to ITTO: Normally ECE passes them on to ITTO. **We agreed that Eurostat would forward their questionnaires to both ECE and ITTO as received.**

FAO to ITTO: Sent all questionnaires directly.

f) Ancillary statistical activities by individual organizations

ECE

- Published Timber Forecast data and put forecast in Annual Market Review, prices (series from public sources and JQ unit value) and trade flow
- JFSQ Q&A session in May 2021
- Gathered suggestions for HS 2027

Eurostat:

- Statistics explained articles [Forests, forestry and logging](#), [Wood products – production and trade](#) and [Sustainable Development Goals – Life on land](#)
- Data collection for the European Forest Accounts 2021
- Data collection for Environmental Goods and Services Sectors accounts is ongoing
- Working Group Environmental Accounts in May 2021

FAO:

- CPC Ver.3 revision. Proposed 42 codes (37 at 5-digit level and 5 at 4-digit level). The process of revision should be completed by the end of this year. **ECE to discuss with FAO on definitions for energy chips.**
- [Pulp and Paper Capacities survey 2020-2025](#) published, again including data tables in Excel. 36 countries responded.
- [Classification of forest products 2022](#) published (The last revision was in 1982).
- ISIC rev 4.1 – **FAO to follow up on this with Office of Chief Statistician at FAO**
- Two on-line capacity-building workshops organized: one for Western Balkan and CIS-Region together with UNECE (9-11 Feb 2021), and one for West and Central African countries together with ITTO (25-29 Oct 2021).
- Work on drafting chapters of the new international merchandise trade statistics manual, particularly chapters on bilateral trade asymmetry, informal cross-border trade and price and volume measurement (on-going).
- Woodfuel modeling, expert group has met four times, all data prepared and initial estimates for woodfuel (not yet charcoal) prepared for review (on-going).
- Mekong project – exploring application of FPS trade data for understanding patterns of illegal logging (on-going).
- Work on HS 2027 (on-going).
- Work on a digital dashboard on FPS website – including trends in production and trade as well as forest product production in the context of other global data (on-going).
- Leveraging data to understand and estimate carbon storage in harvested wood products (on-going).

ITTO:

- **Workshop in Africa (on-line) 2021.** An online workshop co-hosted by ITTO and the Food and Agriculture Organization of the United Nations (FAO) has improved understanding of data collection and reporting practices in West and Central Africa and identified needs for technical training in areas such as the use of statistical software, survey design, and data communication. The workshop was held on 25–29 October 2021 and involved 41 participants from 16 countries. It was part of ITTO's and FAO's ongoing efforts to boost capacity for generating reliable statistics on forest products. The production of realistic and consistent forest-related data is one of the primary missions of both organizations.
- **Strengthening of the statistical database:** implementation of the new conversion factors inside the database and creation of a new form to solve trade discrepancies. Continuous improvement of the world totals by reducing trade discrepancies.

g) Pending issues
See list (Annex 1)

3) The JFSQ cycle in 2022

a) 2020 JFSQ revision/improvements -> JFSQ 2021

To be implemented in JFSQ2021

Comments Alex

- Changing merged cells across width to facilitate copying/pasting in JQ1 and JQ3
- Highlight issue of not filling in JFSQ (blank cells) – add legend (at bottom of each sheet, not ITTO3)
- “Of which” for fir/spruce and pine items in ECE-EU
- Typo in classification spelling in ECE-EU, row 45

Q&A session in May 2021:

- Change position of poplar and beech sawnwood on ECE-EU so it follows HS structure. **Postpone to Big Bang.**
- Permanently remove “other IRW” in EU-ECE. This was done ad-hoc by EU and ECE last year.
- Also remove ex-codes on EU-ECE. Done ad-hoc by EU and ECE last year.
- We should propose HS code assignment of “ex” codes in annex – see changes proposed for 3.2/4, and tropical on annex 2, JQ2 correspondence. Some items with ex codes (plywood, wooden furniture) not commented as they will change next year. See ECE cover letter and analysis of current ex-codes in JQ and what to do about them (annex 3)
- Highlight (again) definition of removals which includes ALL wood – change top row of JQ1
- At least two correspondents (Sweden and Netherlands) wanted to see “stemwood” as an item on JQ removals. This may be too hard for many countries but a special questionnaire might be useful, perhaps as part of a larger exercise on removals data practices in countries.
- Conversion factors could be made part of JFSQ – some confusion between historical ones in definitions and FAO Yearbook and the 2009 (2020) study. **The IWG suggested drawing attention to the FAO Conversion Factor Study** (<https://www.fao.org/documents/card/en/c/ca7952en>) in cover letters and reviewing the issue at another IWG meeting.
- Change translation of “recovered paper” in Russian.

No changes to definitions.

b) Deadlines and data exchanges

- FAO will prepare master copies by March 28.

<i>Agency</i>	<i>Eurostat</i>	<i>UNECE</i>	<i>ITTO</i>	<i>FAO</i>
Send out JFSQ to countries	April 8	April 8	June 13	May 17
Deadline for countries responses	Sept 9	May 20	September 30	June 30
Internal deadline (last day for new data additions)	Sept 25	June 30	<ul style="list-style-type: none"> • Mar 2023 (for the Biennial Review) • Oct 1st for JQ 2021 	Nov 15
Basic validation	Sept 30	July 1	<ul style="list-style-type: none"> • Mar 2023 (for the Biennial Review) • Oct 1st for JQ 2021 	December 7
Analytical validation (last day for data changes)	Oct 25	July 15	<ul style="list-style-type: none"> • Mar 2023 (for the Biennial Review) 	December 12

Dispatch to ECE	JQ as received			June 30 Provide COMTRADE data to ECE in JFSQ structure (and JQ3 and ECE-EU) with 100% mirror data
Dispatch to FAO (for checking and final)		No-mid year upload, send July 29 and Nov 15	Questionnaires as received ITTO items dataset in March 2022 and 1 December 2022	
Dispatch JQ to ITTO	JQ originals for ITTO countries as received, eliminating any confidential elements	As received. Forecast data after committee meeting in November. Advise them when final data in Dec are available (3rd week)		Send all JQs to ITTO as received
Database upload	November	August / December ?	February and July	December 15

c) Future: Ideas for “big bang” for JFSQ2022.

What potential changes are needed/desired for JFSQ to be issued next year? Typically we only make changes to questionnaire every 5 years when we adapt new HS codes so that would be next year.

The Working Party in 2006 summarized the following for including new items in JFSQ (ECE/TIM/EFC/WP.2/2007/3, para 14)

The views of the Working Party expressed last year were conveyed to the IWG and, along with the basic principles below, form the background for any decisions taken on the JFSQ. These principles include the following: (a) a clear definition, including HS codes; (b) potential to collect data; (c) interest shown in having data; (d) avoidance of duplication; (e) continuity of data series over time; and (f) changes are long lasting.

IWG discussed option of adding 4 additional rows (total veneer, total coniferous veneer, total non-coniferous veneer and total tropical veneer), separating out from veneer for plywood, to questionnaire which could be implemented at next “big bang” (IWG in 2023, when JQ2022 is aligned with HS2022). This would improve data in wood balance. **Discuss again at 2023 IWG.** No trade codes exist for distinguishing by use so maybe only production?

Total veneer		
Coniferous veneer		
Of which: used in plywood		
Non-coniferous veneer		
Of which: used in plywood		
Of which: tropical veneer		
Of which: used in plywood		

Eurostat: Although it has been raised and rejected in the past, Eurostat proposes to change the name of the questionnaire indicating the year the data collection is carried out. This is the practice for all the other existing questionnaires at Eurostat. It would be definitely confusing in the beginning for some parties but it is also confusing at present for some (other) parties including submitting countries.

ITTO would prefer year of issuance, also pointed out to be consistent we should request all years (e.g. JQ 2019-2021).

FAO proposed making title more clear – JFSQ for Forest Sector Data for 2019-2020. *ESS* (*FAO*) sends 3 years in questionnaire (with pre-filled), calling it year of missing data. *FAO* suggests to maintain use as is.

ECE uses reference year (date for which we want data), as in *JWEE* and *TFQ*.

Review at 2023 IWG.

ECE will request suggestions from ToS and WP on possible new/dropped items.

4) **Global classifications:**

- a) HS2022 correlation table (preparation for JQ2022). Timing and work involved
 - *IWG* agreed it would need a special 2-day session, preferably in person, preferably before next *IWG* (perhaps immediately followed by *IWG*). Note complexity of paper items (although these have not changed).
- b) HS2027 round – review list of suggested changes (Alex). **ECE to prepare list** for ToS meeting and subsequent work by *IWG* to prepare for September 2022.
- c) Combined Nomenclature of the EU (Melinda)
 - Reviewed CN 2022 changes (many due to HS 2022)
 - EWP item discussed

5) **Other Business**

- a) Inclusion of engineered wood products as a JQ4 in the future. **To be discussed at next IWG. ECE will send questionnaire and data from 2018 EWP.**
- b) COMTRADE data versus trade data submitted by countries (Ashley)
 - See report from *FAO* consultant. A number of points were made about the need for review of data and inconsistent figures in COMTRADE. In particular there is a need to check unit values for COMTRADE data.
 - Known issues exist with COMTRADE data for Canada which reports in nominal board feet and corrections should be weighted by volume of trade with USA to bring to actual m³.
 - *ECE* pointed out *ECE/FAO* Working Party had previously endorsed using national data. Many countries go to great lengths to provide data in correct units. It was suggested that the Working Party take up the issue again before *FAO* comes to a final decision.
 - *ECE* and *ITTO* raised the issue that if *FAO* uses COMTRADE then data at *FAO* would no longer match data at *ECE* or *ITTO*, breaking one of the two key principles of the *IWG*.
 - *ITTO* pointed out that STIX data (stix.global) would be useful for analysis as this is checked and verified. *ECE* mentioned that not all countries are listed and misses some data totals.
 - *ECE* mentioned that about 10% of countries and perhaps important countries do not have trade data available through COMTRADE. Data for these countries is only available through national correspondents.

- ITTO pointed out that STIX data (stix.global) would be useful for analysis as this is checked and verified. ECE mentioned that not all countries are listed and misses some data totals. ITTO underlined need for mirror data analysis in doubtful cases. (see annex 4)
- c) Construction of FAOSTAT database.
The revision of the FAOSTAT database using the new statistical working system was discussed. In particular, the data quality or source indicators (“flags” in FAO system). ECE noted that countries may submit official data as totals which are then disaggregated through estimation. When the disaggregated and estimated values are entered as estimates, the system forces the total to be also flagged as an estimate. This is incorrect. It was also pointed out that currently, when a country provides an aggregate and all the subitems, the FAOSTAT system identifies all aggregates as estimates.
It was suggested that the Team of Specialists and Working Party take up the issue.
- d) Understanding and managing negative consumption (Iana).
- Largest issue is “other fibreboard”, 25% of data is negative AC. Handle on case-by-case basis. Most of this trade should be under MDF.
 - “Recovered fibre pulp” – not being published at FAO due to low production numbers. Possible to use apparent consumption of recovered paper to estimate this. High political interest in this as part of circular economy.
 - A systemic problem is related to wood chips which are processed in forest (counted as roundwood) and then exported, without showing up as chip production.
- e) EPF wood construction survey request. There is interest at political level and **ECE/FAO will pursue at next ToS meeting.**
- f) Organizational and staff changes
- Eurostat: Melinda Verebelyine Dosa joined Eurostat 1 March 2021, Head of Unit will retire in May 2022.
 - ITTO: Mrs. Sheam Satkuru (Malaysia) has been appointed as new ITTO Executive Director during the Council Session in December 2021.
 - FAO: Mette Loyche-Wilkie, Head of Forestry Department, left in December 2021.
 - ECE: Matt Fonseca retired in August 2021. Alex McCusker will retire May 2022. Daniel Griswold will be taking over as focal point on forest products statistics as well as for ToS and IWG.
New section chief (P5) Liliana Annovazzi-Jakab as of April 2021.
- g) National correspondents
- Latvian national correspondent has changed. Also Luxembourg and Montenegro.
 - FAO requesting designation of official correspondents.
 - No changes between which organization is responsible for sending questionnaires to countries. See list from last year IWG.
- h) Place and date of 36th IWG meeting (2023) (or in-between)
- ITTO to host meeting in accordance with rotation of hosting (Yokohama). Early February 2023. Plan for 4 days with HS 2022 changes.
 - Do we want an intermediate meeting this summer?

6) Meetings of Interest to IWG

- 21 March - International Day of Forests (theme Forests for sustainable lifestyles and a circular economy)
- April 28-29 - ECE/FAO Team of Specialists on Forest Products and Wood Energy Statistics (merged in 2022-2025 programme of work) – on-line
- 1-3 June - ECE/FAO Joint Working Party on Forest Statistics, Economics and Management – Geneva (hybrid)
- November - Committee on Forests and the Forest Industry – Geneva
- Eurostat Working Group – tbc Feb 2023
- FAO – COFO in October 2022 (Rome)
- ITTO – Council Session in the Fall of 2022.
- ITTO – Latin America capacity-building - exploring possibilities for 2022 or 2023.

ANNEX 1 - PENDING ISSUES FROM PREVIOUS MEETINGS

Paragraph in IWG 34th meeting notes	Pending issue/action point	Status <i>(to be updated!)</i>
2 h)	ECE will continue to work on improving the definition of chips and particles.	Transferred to Team of Specialists for further discussions. Still open issue 2022.
2 h)	[Canada chip production] Should be revised backward or fixed from 1998 onwards and wood residues production from 1993 onwards. Postponed to 2020.	Not done in 2021.
2 h)	ECE will be trying to fix this [IRW data 1964-1989] and will share the correction file with FAO. In progress.	Continued.
2 h)	Eurostat: will download the entire FAOSTAT data in order to check it with the Eurostat data and will communicate the discrepancies found with FAO data.	Postponed to 2021. Dropped due to difficulty of making improvements to data.
2 h)	IWG partners agreed to investigate how to clarify laminated flooring in HS 4411. FAO will go through all national extended HS codes and prepare information for the next IWG. ECE will ask European laminated flooring association. Not done.	Postponed to 2021. Will pursue as part of HS 2027.
3) a) i)	Possible addition of a “quality” sheet (metadata explanations) [Eurostat] The IWG supported the idea of the quality sheet. It should be clear that this is not to be requested every year. Some of the questions seem too specific (PRODCOM, GPA), not focused enough on JFSQ. FAO will share their data quality sheet (introduced in JQ2017). Partners can add their own specific sheets to the JFSQ.	Postponed to 2021 (generated automatically). This has been implemented by Eurostat.
2 c)	ECE will discuss [Italian removals] directly with authors of article. FAO could provide text to highlight inevitable uncertainties in all official statistics – for discussion at following IWG.	Done 2021.
3)	Ex-codes problems in item 3.2 and 4 cause problems for countries. Since this will not be fixed in HS2022 we should consider other solutions at next IWG meeting	ECE proposed that we include a specific solution (50/50 split) in JFSQ

		annex and cover letter. Also plywood C/NC could split along ratio of known C/NC
2 e)	FAO is discussing internally with FAOSTAT and will provide updated flags to partners.	Under internal discussion at FAO and raise at Working Party
Mid-term meeting	CPC version 3: FAO has requested to be part of the task force. FAO already has a classification system, which is under review. Iana has prepared a large table of codes and consultant will assist with inserting into CPC or in developing FAO extensions. Submissions should be submitted by 10 Dec. In Oct/Nov will be the bulk of the work to insert 150 codes for forest products into the system.	Done.
Mid-term meeting	Stemwood, roundwood, removals and wood fuel: broad definitions. ECE will pursue this in a Team of Specialist sub-group.	Not yet started 2022.

Annex 2 - HS 2027 – Final list for proposals

Timing: HS 2022 proposal was submitted to WCO in Apr 2017 and provisionally approved by WCO HS Committee in Sep 2018. We have collected input from ECE/FAO Team of Specialists and Working Party members (2/2022). Given time needed to develop proposal we should now aim for proposal in September 2022 for fall 2022 WCO meeting. **Items in green** will form basis for preparation of proposal. Inclusion in the proposal dependent on satisfactory definitions and justifications.

- Do we / Can we go back and ask for fibreboard by thickness and density again (now in CN). IWG agreed it was important, **FAO will check to see if this is possible.**
- 4401.22 add eucalyptus chips (now in CN). **Go ahead with this.**
- Split sleepers (4406), hoopwood (4404) and treated wood (4403.12) into tropical and non-tropical non-coniferous. **ITTO will provide justification.**
- 4403.11 split into pine/etc. Drop.
- 4403.12 split into oak/beech/eucalyptus, etc.. Drop
- 4406.11/91 split into pine/etc. Drop
- 4406.12/92 split into oak/beech/eucalyptus, etc. Drop
- Edible insects (FAO may work on it)
- Rubber wood added to tropical roundwood/sawnwood (ITTO / FAO). **Yes, add this as separate 6-digit code (HS 4407.24 [code dropped 2007] or .29 or new items)**
- Separate laminated flooring from 44.11 (US has codes already). **Strong support from countries and industry, go ahead.**
- Rosewood (*Dalbergia* and other spp) 4403, 4407, to talk to ATIBT and FAO-FLEGT. **Yes, add this as separate 6-digit code.**
- Separate shavings from 4401.49 (code exists in US, CA). **Yes, if enough data from other countries.**
- ITTO proposed following tropical species codes under 4403.4x, 4407.2x, 4409.22. **Add as 6-digit code and remove from Tropical Annex**
 - mengaris (merbau) ind. roundwood
 - okoume ind. roundwood (China has specific codes for these and its imports alone for these two are above \$80 million each)
 - merbau sawnwood
 - ipe sawnwood (world imports also exceeded \$80 million over certain years recently.)
- 44.16 barrels of oak. **Go ahead.**
- 44.15.2x separate code for pallets. **Go ahead.**
- Splitting chips and particle board by end use. **Try to determine definitions and submit in proposal if feasible.**
- **FAO to check Feb 2021 workshop notes for question on adding NWFP**
- CEPI notes change in kraftliner. Drop - notes are not for IWG.
 - The first concerns the definition of the raw materials content, we propose to explicitly mention the reference to a primary pulp content instead of fibre content. That to avoid any confusion with recycled papers which are also composed of “*wood fibres obtained by the chemical sulphate or soda processes*” but recycled at least one time
 - The second proposal is about the minimum substance. Indeed, there are more and more kraftliner below 115 gsm proposed on the market under the packaging lightening policies effects. Thus, the simplest is to remove this substance reference

- EOS/Austria - Add log size (4403) to more non-coniferous. Right now only birch and beech. **Yes, request EOS for which species. (could divide HS into 2 types >15)**
- Pellets (FPAMR author) - It would be possible to divide this code into bags packed in 10-15-20 kg bags intended for premium consumption by households. Drop, too detailed.
- 4407 - sawnwood. Is it possible to split on green and dry sawn timber and also into thick lumber? Drop, too specific and complicated.
- 4412 Separate out laminated and raw plywood. **Ask EPF – we think not enough interest.**
- Separate out laminated and raw particle board. **Ask EPF – we think not enough interest.**
- (4411) to get figures in m3 as additional units of measure **(is this already there? Check explanatory notes and units at HS)**
- Spain (and Portugal)
 - Veneer - Separate out bamboo. **Need more data and justification**
 - Frames - Separate out bamboo
 - Cork - split by planks/pieces **Check this for market size.**
 - Prepared cork - by thickness and type **Check this for market size.**
 - new code - Pine oil - crude gum, by source species. **Check this for market size.**
- Switzerland - Add Biochar. Drop, too hard to distinguish, too small level of trade..
- Portugal (sent March 9, endorse Spain with some extension)
 - New code - Pine nuts – by main species and shell type. **Check this for market size and food safety.**

Annex 3- Ex-codes and what to do with them

The most important point with the ex-codes is that we don't undercount data (by not including it) and we don't doublecount it (by including in each parent JQ item).

Tropical items (1.2.NC.T, 6.NC.T, 8.1.NC.T)

We managed, in HS2017, to put ALL the tropical items into single HS groups for each product. Before that they were in an "other" category that combined with non-tropical non-coniferous.

The codes that are left for 1.2.NC.T and 6.NC.T are pretty minor (4403.12, 4406.12)

For plywood it can still be significant. However this should be fixed in HS2022.

In any case, the "recommended" procedure for all tropical items is to look at the imports from tropical countries for the total non-coniferous category and not to rely on assuming the goods have been correctly classified as tropical/non-tropical. The countries should be those ITTO classifies as tropical producers (https://www.itto.int/about_itto/members/). This does imply pretty significant work.

Wood residues and recovered post-consumer wood (3.2 / 4)

This code can't be easily split. We tried to get recovered wood into HS2022 and were rejected because we could not provide a good enough distinction. Ideally a country will have some study or analysis which would give a level for the amount of traded recovered wood. Also, if there is no sawmilling industry we could assume almost all the exports would be recovered wood.

Countries give data sometimes for only 1 item (typically 3.2). In this case we can just leave item 4 empty (not zero).

The secretariat could analyze data that seems correct and calculate a standard split. This can be tricky because the data from countries that are "correctly" reporting may not be typical of all countries with different industry structure.

Failing all else, we can just divide the data for 4401.40 equally across both JQ items. As we have different units (m3 /mt) the source data should be converted correctly.

Plywood coniferous and non-coniferous (8.1.C, 8.1.NC)

We can leave this alone for time being, the HS2022 codes will include a more comprehensive split of coniferous and non-coniferous.

Fibreboard (8.3.2, 8.3.3)

We assigned, in 2017, code 4411.14 to both of these items and asked countries to make the split as they could (see note on annex sheet in JFSQ). We don't need to change the note now and should review it in HS2022.

If the country has data (more detailed trade classification or perhaps on production), it can make its own expert judgement.

Failing all else, if we have to make a decision on splitting 4411.14, we currently say to put it all into 8.3.2 (MDF).

Wooden furniture (13.5)

We can leave this alone for time being, the HS2022 codes will include a split of these items into wooden and non-wooden furniture parts.

Printing and writing paper, ready for use (14.5.1)

This is quite unclear as to how much actual printing and writing paper winds up here. We don't have enough knowledge to propose anything.

ECE cover letter comments on handling "ex" codes

Changes to the HS classification introduce a number of "ex" codes, codes that only partially apply to a specific JFSQ item. The IWG suggests that HS "ex" codes be divided amongst JFSQ items by one of the following procedures (listed in order of preference):

- The preferred solution is to use a more-detailed national classification system (where this exists) to assign subcodes of the "ex" codes into the correct JFSQ item;
- Use expert judgement to assign the volume and value of trade in the "ex" codes to the correct JFSQ item;
- Divide the data for volume and value of trade of the "ex" codes amongst the JFSQ items to which they apply.
- Correspondents are requested, when completing JQ2, to cross-check the data classified by HS code in national trade statistics as "tropical" with the data classified by actual country of origin.

Annex 4 - Example of mirror data analysis

Ukraine imposed a log ban in 2017 and this shows in the UNECE figures (exp. of con. logs was 12 000 m³ at \$73/m³). However if we look at the mirror stats we get 702 000 m³ at \$56/m³. If we look at the detail of the mirror we get 384 000 m³ at \$44/m³ imported in Romania, 138 000 m³ at \$102/m³ imported in China and 177 000 m³ at \$47/m³ imported to the rest of the world mainly to Europe. Romania imports of coniferous logs in the UNECE is exactly the same as COMTRADE meaning that we have a rather large trade discrepancy between Romania and Ukraine for 2017 in the UNECE data.

The same problem arises for 2018, the UNECE data for Ukraine exports is 3 000 m³ at \$58/m³ while the mirror stats 449 000 m³ at \$65/m³ (the main importer being again Romania at 285 000 m³ at \$49/m³). Again the Romania data imports of con. logs in UNECE is the same as COMTRADE so we again have a trade discrepancy between these two countries for 2018.

The problem is not the trade discrepancy in itself, even though it is rather large (more than a million m³ was exported between 2017 and 2018), the problem is the interpretation of the data published. Someone looking at UNECE data for Ukraine will conclude that the log ban was strongly enforced from 2017 but at the same time will find Ukrainian logs in the Romania official data. So there is a problem of consistency in the official data that is published. Either we believe that the log ban was indeed enforced and so we have to clean the Romania, Chinese data etc... by saying that they are "wrong" or we believe that the log ban was not immediately enforced and so the data for Ukraine is "wrong." It must be either way but not both at the same time. My experience is that log ban is never fully enforced immediately so I rather favor mirror stat for Ukraine for 2017 and 2018 and I can keep a certain consistency in the data for world exports and imports.

(Jean-Christophe Claudon, ITTO)

The list of countries by responsible organization did not change, see last year's notes.