

**ICFPA Annual Meeting &
53rd FAO Advisory Committee on Paper & Wood Products
23 - 24 May 2012
Le Meridien, New Delhi, India**

REPORT

Summary of joint ICFPA and ACPWP policy discussions

The Joint Policy discussion provided an opportunity to share experiences and report on work undertaken by the ICFPA members and FAO on climate change, water, Rio+20 and certification and legality processes. The water discussion drew from CEPI's work in the past two years, and the relevance of emerging water footprints and water certification were raised. FAO re-iterated its previous presentations to the Committee for collaboration. The importance of water use in forestry was taken up later in the recommendations for FAO's next year's work. Certification and legality discussion brought up the present ambiguity surrounding what qualifies as a proof of legality of imported wood products in the EU and in the USA. Forest certification is considered un-equivalent to a FLEGT legality certificate, especially when the EU Timber Regulation comes into force in March 2013.

Detailed Discussion

Forests and water

Bernard de Galember (CEPI) provided an update of information on the water footprint network (WFN). Issues related to forests and water are considered an emerging challenge for the industry. The water issue is not only relevant to dry regions, as for example New Zealand raised a point that its forestry sector receives frequent enquiries about water quality, quantity and first right of use. 3 issues of importance:

- Water certification system
- Water footprinting
- EU water scarcity and drought

Generation Awake is a European website about water that is directed at youth:

<http://www.generationawake.eu/en>

Victoria Heymell provided an update on FAO's work with water and forestry. The theme of water and forestry has been discussed by the group in past meetings held in Rome in 2007 and 2008. FAO would like to see further attention paid to this issue. In spite of increased global momentum on the topic, it is still not receiving adequate attention by the international community and there is a need to move from a conceptual discussion to concrete assessment work.

The need for a proper analysis of water and forests was recognized by the group. It was agreed that a recommendation should be drafted based on the need to develop information on the relative impact of different land uses on water and ensure that some economic analysis be incorporated, mainly on comparing the value added that is generated in final products (forest products versus



agricultural products). This may support further the understanding of the broad economic importance of trees and forestry.

Climate change

David Rhodes updated the group on the on LULUCF process and Jane Molony provided some information on REDD +. Jukka Tissari updated the group on the work of the FAO forestry department climate change programme, which included a suggestion for regular reporting to CEOs.

Carbon neutrality of biomass

The importance of harvested wood products and their value in holding carbon was discussed as well as the need to stress the link between forests, harvested wood products and bio-energy, particularly in political discussions.

Certification and legality policies

There are many approaches to certification and legality and all are different. Certification in itself does not guarantee the wood to be legal, although certification is equivalent to a legal process in some countries, though not all. One certification agency is not sufficient. An ISO-based forest certification would be equivalent to a legal process. While certification can be a good indicator of SFM, it was stressed that the process should not become too detailed and complicated.

Summary of 53rd Session of FAO ACPWP

Item 1:

Presentation on ACPWP renewal (strategy, focus and membership)

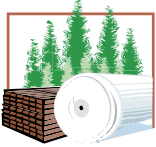
Jukka Tissari provided a paper on ACPWP renewal.

A point was made in the beginning that the renewal process of the ACPWP coincides with the **FAO's new Strategic Framework**, where forests are explicitly mentioned in some of FAO's Strategic Challenges and Objectives. The Committee wanted to communicate back to FAO and the media that forestry and forest-based industries are strategically positioned close to rural communities, they are providing livelihoods and contributing to the eradication of hunger globally. The role of forests in mitigating climate change and improving energy security were also highlighted.

Discussion on the **renewal and membership** of the ACPWP gave endorsement to the proposed new name (Advisory Committee on Sustainable Forest-based Industries, ACSFI), its mandate to craft a two-year working agenda, to set up Working Groups and a Steering Committee, and drive membership towards a broader geographic balance with better representativeness of mechanical and chemical forest industry, as well as a suggestion for a private forest owners association to join.

Total membership would be kept on a manageable number (around 25-30). Explicit listings of members and invited advisers will be prepared towards late-2012, following further discussions during COFO (24-28 September 2012).

Strategic focus of ACPWP's future work will be on the benefits of forest product value chains in climate change mitigation and low-carbon bio-economy, collaborative business models and partnerships along the value chains, joint communication and participation on international *fora*, and in FAO's publications on forest resources and outlooks.



Detailed Discussion

The ACPWP needs to be more responsive to the broader work currently be undertaken within FAO, including changes in FAO, the new Strategic Objectives and the greater cross cutting nature of the work that is being pursued. ACPWP indicated their strong desire to remain an integrated part of FAO's strategic work, to be operative and to be able to influence the main strategies of FAO.

Without emphasizing the actual membership and names on the list, members agreed with the overall spirit of the document. Forest-rich members Sweden and Finland raised a suggestion of sending a joint letter to FAO indicating their interest in remaining a core partner, in addition to individual letters to their respective governments.

The benefits of aligning with FAO through the ACPWP were recognized as good, but it was also recognized that there are many criteria to satisfy and that it may not be possible to reach out for all of these. There was a general desire to keep the committee to a manageable size and with the focus to remain on private sector and industry, including some private forest owners associations.

There was agreement on the concept, name, scope, basic elements and membership of the steering committee and an understanding that it will remain as it is until May 2013. It was recognized the steering committee should have a minimum number of members, but that there is no restriction to other members attending steering committee meetings.

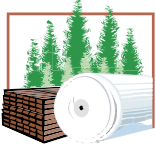
Following ACPWP-53 FAO will refer back to its legal department to initiate the revision of the statutes and Council resolution of the Committee. Individuals identified for the new committee will then have to be approved on a non objection basis by their respective Governments.

Item 2:

Report on FAO's action on the recommendations of ACPWP-52nd

FAO reported back to the Committee on three recommendations made at ACPWP -52nd, namely explaining its work on climate change, Rio+20 and an assessment of a dialogue process between forest industry and the conservation community. Preparations for Rio+20 had heavily employed the Secretariat, BRACELPA, CEPI and ICFPA, whose collaboration was set to make this event a very successful one. New FAO guidelines on Climate Change for Policy-makers and Climate Change for Forest Managers were highlighted, as well as other publications from the FAO Forests and Climate Change Programme. The Bonn climate negotiations agenda was reviewed, and an overview of world carbon markets in 2010-2011 was presented. Finally, the process to develop a dialogue between forest industry and the conservation community for the continuous improvement of SFM was discussed. The feasibility of conducting a process to set up such dialogue was assessed through the report by Victoria Heymell, FAO Consultant. The report's core message was the necessity to ensure that any new dialogue brings added value on the existing ones. Examples on on-going dialogues on global and national level were given. The discussion reaffirmed that experiences of the most effective dialogues stem from national level. There was a general conclusion that a new international dialogue is not warranted in the Committee at this time.

Detailed Discussion



Climate change

Jukka Tissari provided the ACPWP with a presentation of work that has been undertaken on climate change in the forestry department. Eduardo Rojas assured the group that FAO is bringing key people on board in this important area. Maria Sanz-Sanchez will be leading the group working on REDD+ in the forestry department.

Rio +20

Jukka Tissari provided an update on the joint side event that was being organized by FAO, BRACELPA and other ICFPA members for Rio +20. The organizers of this event were thanked for their inputs. It was agreed that all members should advertise this event widely to encourage high attendance, as this will be one of many events being undertaken during Rio + 20.

Industry and the conservation community

Victoria Heymell presented a paper from FAO for facilitating a discussion between forest industry and the conservation community at a global level. Several examples were provided by ACPWP members on how collaboration between industry and the conservation community has worked at country level:

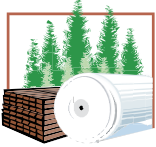
- In New Zealand there is a good dialogue with the leading environmental groups. As they have to develop joint agreements, statements and accords together, there is “buy in” from both sides to this, whereby both jointly take responsibility for an outcome. Two examples include the agreement on climate change and the agreement on illegal logging.
- In Australia by comparison, environmental organizations are often political with an agenda based on membership and political power. In such cases environmental outcomes are only a minor part of their agenda. Australia saw little chance for a positive dialogue.
- In Canada the Boreal Forest Agreement has been most successful, however it took two and a half years to get it signed, following at least 10 years of negotiations prior to that.
- In Brazil, the experience of working together with NGOs has been very positive, and has improved the ability to negotiate policy with the government. Today, industry first approach the NGOs, after which it is generally easier to get policy through the government.
- In Ghana there had also been a problem of mistrust between ENGOs and industry, partly exacerbated by the influence of strong environmentally orientated NGOs on the local communities. Once local communities were shown the real facts and figures on returns from forestry this became less of a problem.

Further details on country level collaboration can be found in the Annex to the report on forest industry and the conservation community.

Eduardo Rojas mentioned that the CPF engagement with ENGOs has been on hold. At UNFF 9, a request was made that CPF re-engage with ENGOs, as well as more broadly with civil society.

It was agreed that now may not be the time to develop a process linking forest industry and the conservation community at the global level, but that this may be better left to be undertaken at national or regional level where appropriate.

Details of Discussion leading to the development of the recommendations



The discussion on industry and the conservation community led to further discussion on NGOs in general and whether FAO has a role to tell governments how they could educate youth on the subject of SFM. It could be possible to identify what already exists around the globe and then produce a standardized product. South Africa provided an example of how this has been very effective, indicating that through recycling it had been possible to get access to schools and education. This opened the possibility for discussion on whether a recommendation should be developed around a focus on education and students, with an idea to develop some generic educational material.

A possible recommendation identified was about the need to increase the expertise in the area of bio-energy, as it is closely related to climate change and is consistent with other pertinent issues, including land use, land use change and food security.

Canada made it clear that trying to influence education in Canada would not work, as education is managed at provincial level. However there is a large shortfall of labor anticipated in the industry in the coming years, to the order of 50,000 – 100,000 people. Therefore there could be interest in developing educational strategies to encourage youth into this field. It was noted that it is valid to link labor needs in bio-economy, bio-energy and educational strategies.

FAO reminded the Committee of a product on recovered papers, currently being worked on. This is produced every three years and is due out in 2012.

Further discussion ensued on the need to encourage a more coordinated approach with key players in the use of forest based products for construction. It was also agreed that now more than ever, the position of forestry in FAO is very much needed and that the role of forestry is complementary to food production in many areas.

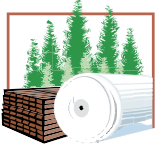
Recommendations of ACPWP-53 to FAO

ACPWP has concluded its 53rd Session on May 24, 2012 in New Delhi, India. The committee welcomes the proposed new FAO Strategic Objectives in which forestry and forest-based products play a vital role. The forestry and forest-based industries is strategically positioned as an integral part of rural communities providing livelihoods and contributing to the eradication of hunger globally. Forests and forest products have a strong track record of developing a variety of products and services in a sustainable manner. Forests and forest products offer innovative solutions to many of the world's most pressing problems including climate change mitigation and energy security.

By offering a variety of business opportunities including the emerging bio-economy, in combination with sustainable forest management, forest-based industries contribute to increased wealth, environmental progress, and direct and indirect employment, thus addressing many of the global challenges identified by FAO.

Recognizing the strategic present and future contribution of forestry and forest-based industries to the cross-cutting strategic objectives of FAO, ACPWP requests that FAO provide adequate resources to ensure that forestry and forest-based industries can continue to play this important role.

Recommendations to FAO from ACPWP:



1. ACPWP recommends that FAO adopts the proposed advisory committee structure reflecting greater geographic balance, scope, new name, and more formal role in the Program of Work and Budget of FAO.
2. Develop a water analysis on the relative impacts/efficiency and value added of water usage by forestry versus agricultural crops.
3. Work with the industry to understand what future skills and educational strategies are needed as a result of the transition to a bio-economy.

Analysis on the relative impacts/efficiency and returns of water use in forestry – the rationale

Increasingly targeted concerns are being expressed about the impacts of planted forests, especially commercial timber plantations on water resources. There are extensive studies available in some countries which attempt to quantify the absolute water use of trees which are grown commercially and these studies are used increasingly by ENGOs to portray the industry in a negative light. What is needed in the agricultural and forestry landscape is a comparative, high level study of the relative impacts/efficiency and costs of water use in different agricultural (e.g. sugar, cotton) and timber crops. These need to be quantified in terms of what the different relative benefits are in terms of job creation, other social services and economic contributions, especially taking into account the entire value chain of products.

Closing matters

Some important dates:

- Wangari Maathai Award 2012: closing date for nominations is 15 June 2012. See the web page: <http://www.cpfweb.org/77034/en/>
- COFO: 24 – 28 September 2012
- COP 18: Qatar, 26 November – 7 December 2012
- Conference on Forests and food security: FAO, Rome, 13 – 15 May 2013

Date and venue for ACPWP-54th confirmed: Brazil, 4 – 6 June 2013

Tentative:

ACPWP-55th: the USA (2014)

ACPWP-56th: Germany (2015)