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AFRICAN FORESTRY AND WILDLIFE COMMISSION
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THIRD AFRICAN FORESTRY AND WILDLIFE WEEK
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Theme: Development of the Forest and Wildlife Sectors for effective contribution to Food Security and a Green Economy in Africa
STATE OF THE WORLD'S FORESTS 2014 AND THE NEXT FORESTRY OUTLOOK STUDY FOR AFRICA

BACKGROUND

1. In 2015, the eleventh session of the United Nations Forum on Forests (UNFF 11) will review the international arrangement on forests including progress towards achievement of the four Global Objectives on Forests and in the implementation of the Non-legally Binding Instrument on All Types of Forests (Forest Instrument). The Forest Instrument consists of 25 national policies and measures to achieve sustainable forest management as well as 19 measures related to international cooperation and means of implementation.

2. The review will be supported by information collected from country reports submitted to UNFF and information from other sources such as FAO's Global Forest Resource Assessment 2015 (FRA 2015), but one of the biggest challenges will be assessment of the second objective: "to enhance forest-based economic, social and environmental benefits, including by improving the livelihoods of forest dependent people". In particular, information about the socio-economic benefits from forests is not covered in great detail by FRA 2015 and there is little systematic data collection on this topic by FAO or any other agency.

3. The socio-economic benefits from forests have, therefore, been chosen as the theme for the next State of the World's Forests (SOFO 2014), which will cover the following four topics:

- 1) the importance of socio-economic benefits for the achievement of sustainable forest management;

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- 2) an assessment of the multiple benefits provided by forests;
- 3) policies and measures promoting forest-related benefits and the implementation of the Forest Instrument; and
- 4) linking the benefits to the measures - lessons learned and conclusions.

Following-on from this, it is also proposed to explore further the potential to increase the socio-economic benefits from African forests in the future, as the main theme of the next Forestry Outlook Study for Africa (FOSA II).

4. SOFO 2014 will provide important information for the international dialogue on forests and, by presenting and discussing the content of the report during the next FAO Committee on Forestry (COFO), it should help FAO member states to understand the issues and develop their proposals in advance of UNFF 11. This focus of SOFO 2014 and FOSA II will also be a response to the independent evaluation of FAO's work on forests (2012), which recommended that more attention should be given to this topic.

THE MULTIPLE BENEFITS PROVIDED BY FORESTS

5. SOFO 2014 will start by describing the multiple benefits of forests, why they matter and the interest in them raised in international and national policy debates. It will review the different approaches currently used to report on these benefits as part of the monitoring of progress towards sustainable forest management. It will also highlight some of the challenges in measuring and interpreting what is meant by "forest dependent" people.

6. One of the outcomes of this review will be a description of the weakness in current approaches to measuring progress towards sustainable forest management. Most reporting on sustainable forest management is based on the results of forest inventories that are very focused on measuring bio-physical attributes of forests (forest cover, biomass, carbon stocks, areas of forest managed for different purposes etc.) but much less effective at collecting information about how people use forests and how forests contribute to their livelihoods.

7. To address this issue, FAO has started working with a number of countries to expand their national forest assessment and monitoring programmes and has also been reviewing the availability of useful and relevant information on forest-related benefits from other data sources (e.g. agricultural censuses, population censuses and other household surveys, such as the World Bank's Living Standards Measurement Surveys). SOFO 2014 will describe these efforts and make recommendations about how they might be improved in the future.

8. Another challenge that will be examined in SOFO 2014 is the quantification of the multiple benefits provided by forests. Two of the main analytical frameworks used to quantify forest benefits are Total Economic Valuation (often referred to as simply "forest valuation") and the recently developed System of Environmental and Economic Accounts (SEEA) or "green accounts". While both of these approaches represent current "state of the art" in the measurement of multi-dimensional outputs, they are data intensive and require a major research effort that is beyond the means of many countries. They also do not reflect some of the most critical socio-economic benefits provided by forests, such as their contributions to the livelihoods of the poorest and most marginalized members of society and the provision of goods and services for which few or no alternatives exist.

9. SOFO 2014 will suggest how the socio-economic benefits from forests might be quantified and will present and use a simple analytical framework for measuring these benefits, focusing on: i) income and employment generated in the forestry sector; and ii) the contribution of forests to different dimensions of well-being.

Income and employment in the forest sector

10. FAO has collected and published information about income and employment in the forest sector since 1995. At present, the latest figures (for 2006) suggest that forestry accounts for only about 0.1 percent of employment and about 1.3 percent of national income in Africa. However, it is very likely that these figures vastly under-estimate income and employment, due to the high degree of informality in the sector. For example, most of the people employed in the production of fuelwood, charcoal and non-wood forest products (NWFPs) are almost certainly not included in these figures.

11. SOFO 2014 will update the official estimates of income and employment and attempt to estimate the magnitude of income and employment in informal and unrecorded activities. It will also, through case-studies, describe if and how this income and employment contributes to gender equality, poverty reduction and the solution of other socio-economic problems.

Contribution to well-being

12. Income and employment represent the socio-economic benefits from the production of forest goods and services that are traded in formal or informal markets. The other major group of socio-economic benefits from forests comes from the consumption of forest goods and services, especially where they meet basic needs and there are few alternatives or where they are produced as part of subsistence-based livelihoods. In addition to this, there are also other uses of forests that provide socio-economic benefits that may be important but are very difficult to quantify (e.g. social, cultural and spiritual uses of forests).

13. These socio-economic benefits can be described as the contribution of forests to human well-being and SOFO 2104 will focus on several important examples of these, such as their contribution to:

- nutrition and food security (use of edible NWFPs, fodder, and energy for cooking);
- shelter (subsistence use of wood and NWFPs for building materials);
- energy (subsistence and total use of wood energy);
- health (use of medicinal plants from forests and other forest-related benefits); and
- social, cultural and spiritual uses of forests.

14. In each of these topic areas, SOFO 2014 will describe the different benefits provided by forests and attempt to quantify their importance at the global and regional level. With the use of case-studies and other qualitative information, this will include consideration of factors such as the importance of these benefits for specific groups (e.g. women and marginalized people) and the degree to which forests are essential for meeting these needs. It will also describe some of the challenges with definitions, measurement and data collection for each of these topics and propose ways that the analytical framework for assessing the socio-economic benefits from forests might be improved.

MEASURES TO SUSTAIN FOREST-RELATED BENEFITS

15. The next part of SOFO 2014 will describe the various measures that countries can use to promote or sustain the socio-economic benefits identified above. It will focus in particular on the national policies and measures agreed in the Forest Instrument that are relevant to the

production of socio-economic benefits. It should be noted that a large majority of the policies and measures of the Forest Instrument are quite broad in scope and do not focus directly on socio-economic benefits, but the following appear to be most relevant and will be targeted in this analysis:

- 1) policies and measures to create enabling environments to encourage investment, and related involvement of local and indigenous communities;
- 2) policies to enhance access to forest resources and relevant markets in order to support livelihoods and income diversification from forest management;
- 3) policies that encourage provision of goods and services contributing to poverty reduction and the development of rural communities;
- 4) policies that promote efficient production and processing of forest products, with a view to reducing waste and enhancing recycling;
- 5) policies that promote fair and equitable sharing of benefits from the utilization of traditional forest-related knowledge and practices;
- 6) policies and measures to recognize the range of values derived from goods and services and reflect them in the marketplace; and
- 7) voluntary instruments to develop and promote forest products from sustainably managed forests and to improve market transparency.

16. In each area, the analysis will explain how these policies and measures can contribute to the production of socio-economic benefits and it will try to assess the extent to which countries have implemented these. Information for this analysis will be obtained from country reports to international bodies (e.g. UNFF, FAO, ITTO and Criteria and Indicator processes), information from FAO's databases (national forest programmes, forest policies, laws and regulations, etc.), plus reviews of other relevant information sources (e.g. on forest certification).

17. The final part of SOFO will describe (and quantify if possible) what the different measures have achieved in terms of greater production of socio-economic benefits. This will include specific examples from countries in different regions and, to the extent possible, a broader assessment of progress at the global and regional level. It will also discuss some of the other factors that may be encouraging or restricting progress (from the experiences of countries), as well as the potential for replication of the different measures by countries. The section will finish by presenting some conclusions for countries to consider and suggestions for further research, data collection and technical assistance that might help to improve the effectiveness of the different policy measures and instruments.

REALISING THE DEVELOPMENT POTENTIAL OF AFRICAN FORESTS

18. FAO Forestry has produced regional forestry outlook studies since 2000, on a rotating basis through the different FAO regions. The first Forestry Outlook Study for Africa (FOSA) was published in 2003 and provided an overview of historical trends and developments in the forest sector and possible future developments to the year 2020. FAO's auto-evaluation of its work on outlook studies (2005) suggested that this work provided useful and important perspectives on future developments for policy makers, investors and others with an interest in the sector. The more recent evaluation of FAO's work on forestry (2012), confirmed that

FAO has a comparative advantage in this work and that it appears to be appreciated by many stakeholders, but that the impacts of these studies are quite difficult to measure.

19. The first round of regional forestry outlook studies were all quite broad in scope and covered a wide range of issues and challenges for the forest sector in each region. As FAO has embarked on a second round of outlook studies, countries have suggested that this broad approach be replaced with one that is more focused on current important issues in the sector. For example, the recently completed European outlook focused heavily on the increasing demands for bioenergy production in the region and the implications for the sector.

20. A preliminary examination of economic and demographic trends and projections for Africa suggests that this region will face many challenges over the next 20-30 years with, for example:

- a doubling in the total population from 1 billion to 2 billion in 2040;
- a doubling in the economically active population (i.e. in contrast to many other regions, Africa's population will remain young, demanding jobs and income opportunities);
- a 50 percent increase in the rural population, but a three-fold increase in the urban population; and
- rapid growth in income (although from a very low base).

21. The intensity of natural resource management in Africa can also be increased significantly in both forestry and agriculture, to achieve higher crop and timber yields per hectare and improve value-chain development and capacities for adding value to the wealth of natural resources available in the continent.

22. In light of these projections and following on from the analysis that will be presented in SOFO 2014, FAO proposes that the overall theme for FOSA II should be the opportunities and challenges for forest sector development in the continent, focusing on the creation of income and employment from value-chain development (in both formal and informal markets), as well as the potential to increase the socio-economic benefits from the forest sector.

23. Specific topics to be covered in the next outlook study could include:

- the potential to increase the productivity of forest management in Africa;
- enhancing forest products trade (both within Africa and with the rest of the World);
- the demand for forest products to meet the needs of Africa's expanding cities;
- opportunities for new market development (food packaging, high-quality products);
- capacity needs for wood product design and technology; and
- development and utilization of modern forms of wood energy.