

ASIA-PACIFIC FORESTRY WEEK 2016

GROWING OUR FUTURE!

Clark Freeport Zone, Pampanga, Philippines

22–26 February 2016

Thematic Stream 1. Pathways to Prosperity: Future Trade and Markets Concept Note

1. Introduction

International trade and markets for forest products have slowly been recovering from the global recession. However, as the economic recovery remains unstable, a number of factors might still affect global timber markets creating both opportunities and challenges in markets and for trade in forest products. Meanwhile, it is widely recognized that increasing market access opportunities (including for new forest products and services) will assist countries to generate necessary financial resources and to implement national policies that promote sustainable forest management. The goal of strengthening the role of forests in economic development needs to be carefully balanced, however, against rapidly shrinking areas and fragmentation of remaining natural forests, and continued illegal logging, corruption and governance challenges. A sustainable future for Asia's forests requires a careful balancing of conservation, restoration, and improved efficiency and cost-effectiveness for production of wood and other forest products.

Asia-Pacific Forestry Week 2016 (APFW2016) will be held in Clark Freeport, Pampanga, Philippines on 22-26 February 2016. The proposed main theme of APFW2016 is 'Growing Our Future'. The content of APFW2016 is proposed to be run in five parallel thematic streams, the first of which is 'Pathways to Prosperity: Future Trade and Markets'.

2. Stream Objective

The objective of Stream 1 is to assist in achieving the main theme of APFW2016 through the exchange of experiences and perspectives among public and private stakeholders in the region, to review the latest developments in international forest trade and markets, and to address issues relating to the trends and future of the global trade and markets in the context of sustainable forest trade and pathways to prosperity of the region.

3. Scope of Stream

The scope of the stream is to examine emerging trends in trade and markets and global and local factors affecting these. Key questions to be addressed include:

- What new trends in timber and non-wood forest products trade are emerging and how have these changed since 2000? What new products and revenue streams have emerged (for example, payments for ecosystem services)? How will regional integration (through the ASEAN Economic

Community) and trade agreements (both bilateral and multilateral) affect the forest products trade in the Asia-Pacific region?

- How can we proactively grow awareness of and buy-in for a sustainable forest products trade in the future amid increasingly complex demands of society? How can national legality regulations, voluntary third-party certification, and other models of achieving legal and sustainable sourcing create synergies and work towards shared goals?
- How can enough wood and fiber be produced to meet the region's growing demand in a sustainable way?
- How have the timber legality standards that have emerged over the past decade affected market access and supply chain management in the forest products industry? How can barriers to entry for smallholders and small-scale producers be reduced?

4. Participants

It is expected that between 100 and 200 participants will take part in the Stream activities including a range of stakeholders representing policymakers, practitioners, academic and research institutions, NGOs and the private sector.

5. Stream Leaders

Thematic stream 1 will be co-led by the International Tropical Timber Organization (ITTO) and the World Resources Institute (WRI). ITTO is an intergovernmental organization promoting the conservation and sustainable management, use and trade of tropical forest resources with its focus on the world tropical timber economy and the sustainable management of the resource base, simultaneously encouraging the timber trade and the improved management of the forests. WRI is a global research organization. Its experts and staff work closely with leaders to turn big ideas into action to sustain our natural resources, focusing on six critical issues at the intersection of environment and development: climate, energy, food, forests, water, and cities and transport. As the stream co-leaders, ITTO and WRI will work together with other partners in designing, organizing and implementing the stream.

6. Organization of the Stream

To ensure the stream discussions are lively and innovative, various activities will be organized in a participatory way to generate maximum interest and involvement of participants. Keynote speakers who are leaders in their fields will be identified for the key issues of sessions 1 and 2, and will make presentations designed to draw participants to the APFW. Key partners will host concurrent participant-organized events during session 3. The following issues will be addressed in the stream sessions and related side events:

- Review and assessment of the world forest products trade and the Asia Pacific region's contribution
- Future trends in forest products trade from/to and within the Asia Pacific region (including the projected impact of the ASEAN Economic Integration)
- Opportunities and challenges for market access for forest products
- Market transparency, forest certification and legality issues (including potential synergies)
- Trade of new forest products and services including non-wood forest products (NWFPs)
- Competitiveness of products
- Sustainability of timber resources
- Development of small and medium producers including community forest enterprises, and policy options for reducing barriers to entry for smallholders and small-scale producers

The Stream will be structured around three main sessions as follows:

Session 1: Situation and trends in world forest products trade

This session will commence with a keynote presentation introducing the current situation and future trends for the world forest products trade, with a particular focus on the Asia-Pacific context, followed by a series of interactive panel discussions including questions and answer sessions for participants.

The first of these panel discussions will feature respondents from the attending government delegations and one or two independent institutions (academics or trade analysts). It will focus on questions surrounding growing domestic markets in the region, the economic slowdown in China, the effect of the ASEAN Economic Community on forests and timber trade, and the question of how the region will produce enough fiber to meet growing demand.

A keynote speaker and several relevant panelists will be invited for this session to make relevant presentations. The session will be held in two parts: the first part will feature the keynote and initial responses from the panelists. During a coffee break, questions will be collected from stream attendees, and passed on to the panelists to stimulate the second part of the discussion.

Session 2: Opportunities and challenges for market access

This session will discuss topics with regard to factors and actions affecting forest products market access relevant to the Asia-Pacific region, such as the development of timber legality requirements, procurement policies, forest certification and voluntary private sector measures, international environmental regimes, trade agreements affecting timber products, public procurement policies, etc.

In this session, a joint panel between Stream 1 and Stream 4 will be co-organized by ITTO and WRI together with the Stream 4 leader(s). A roundtable discussion featuring distinguished panelists will be led by a moderator who will host this session. A keynote speech will address the changing dynamic of forest governance and trade in the Asia-Pacific region in light of emerging timber legality regulations, national standards, bilateral and multilateral trade agreements, and private sector measures such as licensed and certified timber.

After the presentation, the plenary will continue with a round table discussion. Respondents will be invited from regulatory bodies and enforcement agencies from the EU (EUTR competent authorities), USA (Department of Justice/APHIS), Australia, and Indonesia (SVLK), and representatives from governments discussing the introduction of similar voluntary or mandatory measures (e.g. China, Japan and Korea). In addition, a representative of the private sector will be invited to comment on the presentation as well.

Session 3: Partner-led concurrent events

In order to promote dialogue between the various stakeholders involved in the forest products trade, this session will feature a set of partner-led concurrent events. These will provide space for exchanging experiences and perspectives on the latest developments and future trends in forest products trade and markets. While there will be a strong effort to recruit representatives from the private sector to host and participate in these events, this format will also allow for participation of a broad range of other actors. The possible partners therefore include the following:

- Forest products industry associations
- Major forest products companies
- Community forestry enterprises
- Non-timber forest product enterprises
- Certification and standard-setting bodies
- Service providers
- Civil society organizations, and
- Regulatory agencies from governments in the region

These partner events could focus on a variety of topics, including:

- The growing domestic markets in the region
- The costs and challenges of entry into export markets, especially those that have passed legality regulations or national legality assurance systems
- The potentials for synergy between legality regulations, procurement policies, third-party certification, and other market-based approaches
- The role of producer and industry associations
- The role of bilateral and multilateral trade agreements in shaping the trade
- The potential for developing new markets (PES, etc.) for forest products and/or services
- Best practices and lessons learned from working to support smallholder market access, among others.

The three sessions of Stream 1 are summarized in the table on the following page.

Sessions	Potential Topics
1. Situation and trends in world forest products trade	<ul style="list-style-type: none"> ▪ Review and assessment of the world forest products situation ▪ Future trends in timber and non-timber trade and markets ▪ New products and services
2. Opportunities and challenges for market access	<ul style="list-style-type: none"> ▪ Forest legality-related issues ▪ Market access and transparency – trends and new developments ▪ Forest and timber certification ▪ Public procurement policies ▪ Bilateral and multilateral trade agreements
3. Partner-led concurrent events	<ul style="list-style-type: none"> ▪ Demand and supply of forest products: emerging domestic markets ▪ Enabling market access for small and medium producers ▪ Competitiveness of forest products and sustainability issues ▪ Potentials for synergy between legality regulations, procurement policies, third-party certification, and other market-based approaches ▪ The role of producer and industry associations ▪ New markets (PES, etc.) for forest products and/or services

7. Stream Structure

The APFW2016 will commence on 22 February. Stream 1 activities will be conducted on 23-24 and 26 February. The Stream activities will be scheduled as follows:

Time	Activities		
TUESDAY, 23 FEBRUARY			
13:30 - 13:45	Opening of the Stream		
13:45 - 15:00	Session 1: Situation and trends in world forest products trade		
15:00 –15:30	Tea/Coffee Break		
15:30 –16:30	Session 1: Situation and trends in world forest products trade (continued)		
16:30-18:00	Side events	Side events	Side events
WEDNESDAY, 24 FEBRUARY			
09:00 –10:30	Session 2: Opportunities and challenges for market access		
10:30 –11:00	Tea/Coffee Break		
11:00-12.30	Session 2: Opportunities and challenges for market access (continued)		

12:30 –13:30	LUNCH		
13:30 –15:00	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events
15:00 –15:30	Tea/Coffee Break		
15:30 –18:00	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events
FRIDAY, 26 FEBRUARY			
09:00 –10:30	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events
10:30 –11:00	Tea/Coffee Break		
11:00-12.30	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events	Session3: Partner-led concurrent events
12:30 –13:30	LUNCH		
13:30 –15:00	Wrap-up and Summary		

8. Sponsorship

Limited funding will be available for keynote speakers and panelists. Further information can be obtained by contacting ITTO or WRI (see below).

9. Partners and Speakers

The stream will be jointly organized by ITTO and WRI. Other interested international, regional and national organizations will be invited to participate as partners. FAO will help identify and encourage a wide range of partners to support the stream.

1-2 keynote speakers and around 5-6 panelists for sessions 1 and 2 will be identified by the co-organizers and partners and invited to participate in the stream. A moderator will be invited for organizing and hosting each of these sessions. The co-organizers will also work with FAO to select the submission from the APFW website for concepts for parallel events hosted by partners during session 3. The moderators (assisted by appointed rapporteurs) will capture main points and recommendations which will be reported to relevant plenary sessions of the APFC.

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