FOREST INDUSTRIES INTELLIGENCE LIMITED

Report for AF&PA

Trade and Environment Program in Europe

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Overview and commentary

The recent expansion of certified forest area has focused strongly on **Eastern Europe**. Between January 2002 and February 2003, FSC certified forest area increased from 25.5 million hectares to 34.6 million hectares, with much of the growth in Poland (+2.17 million has), Croatia (+1.75 million has), Latvia (+1.42 million has), and Estonia (+1.06 million hectares). FSC certification in Eastern Europe has concentrated on state owned forest land. These areas are well adapted to the FSC, consisting mainly of relatively large contiguous forest areas, which are centrally planned, and which benefit from state subsidy.

However, the expansion of private ownership in Eastern Europe due to land restitution programs since the end of the communist era, has also provided a window of opportunity for development of PEFC certification in the region. PEFC certification schemes are now making significant headway in the Baltic States and in the Czech and Slovak Republics.

The last few months have also seen significant developments in **national forest certification schemes in developing countries**. In South America, both Brazil and Chile are moving rapidly towards finalisation of national schemes. And at a meeting in December 2002, African countries made plans for the development of a **Pan African Forest Certification** scheme closely mirroring the structure of PEFC.

But limited resources and political instability suggest that the process of developing forest certification in Africa will be a long drawn out affair. These problems have encouraged other approaches to promote sustainable forestry practices in the region. This report includes details of **initiatives by European companies holding large forest concessions in African countries** to implement sustainable forest management plans and an environmental code of practice.

Two large international meetings relevant to sustainable forestry and the wood products trade were held in January and February. With sponsorship from the Japanese government, FAO hosted an **"expert consultation on trade and sustainable forest management (SFM)"**. Reports from the meeting suggest this was primarily a talking shop which, while providing some useful insights, struggled to define a role in relation to existing processes (UNFF, ITTO, FLEG etc). By contrast, **an international conference on SFM criteria and indicator processes**, partly sponsored by the USDA Forest Service Program and Department of State, appears to have had a stronger focus and to have built more effectively on existing programs.

The **Forest Law Enforcement and Governance (FLEG) process** is now focused on the African Ministerial meeting due to be held in Cameroon in April 2003. Efforts by the European Commission to come up with an agreed set of proposals for an action plan on illegal logging have been delayed and are now due for publication in May 2003.

Meanwhile, with the European timber industry distracted by calls from environmental groups to introduce a "licensing system" to prevent illegal wood imports into the EU, discussions have been going on quietly behind the scenes on **a set of criteria for a new voluntary eco-labelling scheme on furniture**. Initial drafts of the criteria seem detrimental to the use of wood and have included requirements for per-centage certified content drawn largely from the FSC rulebook.

Amongst various on-going environmentalist campaigns in Europe, one stands out as making a positive contribution to the international debate surrounding tropical forests. This is the campaign launched by the WWF highlighting **the role of palm oil producers in the destruction of Indonesian forests**. For all the focus on illegal logging, this campaign is a useful reminder of the need for inter-sectoral policy approaches to the solution of forest land use problems.

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1 Forest certification developments

1.1 Pan European Forest Certification Scheme (PEFC)

1.1.1 PEFC progress

	Certified forest area (ha)	Number of C-O-C certificates	Number of PEFC logo users
Austria	3 924 000	134	73
Czech Republic	1 809 012	1	9
Finland	21 910 000	63	77
France	890 706	64	1193
Germany	6 273 658	175	4807
Italy	0	1	1
Latvia	17 295	8	110
Norway	9 352 000	3	12
PEFC Council	0	0	16
Spain	86 679	0	2
Sweden	2 272 905	22	56
Switzerland	64 572	0	0
Total	**46 600 829**	**471**	**6 356**

Table 2: PEFC Certified Forest Area, CoC certificates and logo Users, 31 January 2003

There have been few changes in the area of PEFC certified forest over the winter months. The only gains have been around 200,000 hectares in France and 170,000 hectares in Germany. However, between November 2002 and the end of January 2003, the number of PEFC logo usage licenses nearly doubled in France, from 620 to 1193, while in Germany the number of these licenses issued increased from 4536 to 4807. This suggests that the forest sector in France and Germany is gearing up it's PEFC marketing efforts.

1.1.2 PEFC Germany

Germany is currently the dominant supplier of PEFC certified wood outside the Nordic region. With the certification of 1,688 hectares of forest in Lower Saxony during November , total PEFC certified forest area in Germany passed the 6 million hectare mark. 56% of German forest area has now been PEFC-certified. As an example of PEFC marketing now underway in Germany, a pilot project involving a group of international designers and architects in the Cochem region, which is building environmentally-friendly houses on 37 construction sites, has specified that the wood used should be PEFC certified.

1.1.3 PEFC in Eastern Europe

Throughout Eastern Europe, support for different forest certification schemes is broadly split along ownership lines. Many state forests, which often comprise relatively large contiguous areas, which are centrally planned and which benefit from state subsidies, have proved well adapted to FSC certification. By contrast, the smaller non-industrial owners have tended to favour the PEFC. Although state owned forests still form an important component of forest land in Eastern Europe, the process of land restitution underway since the end of the

communist era, has meant that private non-industrial owners have become an increasingly important component of the Eastern European forest sector, notably in the Baltic States. Over the last 10 years, between 35% and 45% of forest land has been taken out of the hands of the state and returned to non-industrial owners in Estonia, Lithuania and Latvia.

PEFC certification has been gaining momentum in the Baltic States over recent months. Certification schemes in Estonia and Lithunania became members of the PEFC Council in November 2002, joining the Latvian scheme which was already a member.

In Latvia, PEFC certification has been led by the Latvian Forest Owners Association (KSMAA) which has provided a structure for group certification. KSMAA is working closely with the PEFC Latvia Council and the Latvian accredited certification organisation, EQ, to progressively increase the area of certified forests and number of chain of custody certificates in the country.

In Estonia, a Forest Certification Council (EFCC) was founded in October 2001 by two umbrella organizations – the Estonian Private Forest Union and Estonian Forest Industries Federation. It is registered as a non-profit organization, responsible for the development of sustainable forest management and certification in Estonia. EFCC has established four working groups to assist in the development of a national certification scheme for eventual submission for endorsement by the PEFC Council. Development of the scheme is already nearing completion. Efforts are also being focused on training for forest owners, industries and auditors.

The process of developing PEFC certification in Lithunania began in February 2000 with the formation of a working group comprising a wide range of interested stakeholders (including private forest owners, NGO's, state forest service, forest industries, and research institutions). This was followed by a series of seminars and workshops to discuss and raise awareness of forest certification in Lithuania. A pilot certification study was carried out in April 2001 and an evaluation published in March 2002. This process culminated in the constitution and launch of a National Governing Body for certification – formally titled PEFC Lithuania - on 15 November 2002. This body will consist of representatives from forest owner's organizations; state and local government; forestry contractors; wood industry and trading companies; NGOs; farmers organizations; labour unions; research organizations; and certification bodies.

Outside the Baltic Region, private forest owners in the Czech Republic are taking a lead in pursuing PEFC certification. The first PEFC certificates were issued in the Czech Republic by Bureau Veritas Quality in November last year. The certificate has been issued under PEFC procedures for regional certification and is valid for a 5-year period. 366 applications from forest owners managing around 1,750 000 hectares have now been endorsed. Another 68 forest owners representing 50 000 hectares are still undergoing the certification process.

PEFC Czech Republic is also co-operating closely with PEFC Slovak Republic, in order to speed the development with the latter scheme. In October 2002, the Slovak Forest Certification Association (SFCA) was founded to lead the certification development process in the country. Current members of the SFCA include forest owners and wood processing companies.

1.2 Forest Stewardship Council (FSC)

1.2.1 FSC Certified Forest Area

Between January 2002 and February 2003, FSC certified forest area increased from 25.5 million hectares to 34.6 million hectares (see table at end of report). By far the most significant growth was in Eastern Europe, notably in Poland (+2.17 million has), Croatia (+1.75 million has), Latvia (+1.42 million has), and Estonia (+1.06 million hectares). During the same period, there was also fairly rapid uptake of FSC certification in Canada (+0.91 million has) and the United States (+0.90 million has).

A number of FSC certificates were withdrawn during 2002, including an area of 200,000 has. in Ukraine, 145,000 has in Mexico, and 45,000 has in Indonesia.

FSC certified area by continent is as follows: 12.4 million has in Western Europe; 11.3 million has in Eastern Europe; 5.0 million has in North America; 3.9 million has in Latin America; 1.2 million has in Africa; 0.7 million has in Australasia/Oceania (mainly New Zealand); and 0.2 million has in Asia.

FSC certified forests remain highly concentrated in developed countries and in "countries in transition". Only 5.4 million hectares are located in the developing world, much of this area comprising plantations

1.2.2 FSC Issues

A review of recent documentation issued by FSC indicates that major issues being addressed by the organisation at present include:

- **The need to become financially viable**: sustainable financing has been a constant headache for the scheme's management. These problems came to a head in summer 2001 when, according to the FSC's Executive Director, FSC went through a financial crises. Since then FSC has been trying to diversify sources of funding and to adopt a more business like approach.

- **Decentralisation** – FSC is currently seeking to decentralise many functions to the national initiatives. In part this seems to reflect the challenges posed by competition from alternative schemes, such as PEFC, which have highlighted the importance of national level certification initiatives, and the need for a diversity of national approaches to forest certification.

- **Independence from other schemes** – the FSC is being promoted as a self-sufficient framework for forest certification. At the General Assembly in November, FSC members passed resolutions "not to recognize other forest certification schemes as equivalent to the FSC system" and "to focus communications strategies on FSC attributes that differentiate it from other certifications systems". Many corporate members of FSC have been supportive of FSC working towards mutual recognition with other certification schemes. However green groups have vigorously opposed such proposals and seem to be winning the argument within FSC.

- **Increase participation in tropical countries** – the need to increase the relevance of FSC to forest owners in developing countries has been a central theme of FSC discussions. The challenges faced by FSC in these countries are considerable. One idea that has received some attention within FSC is to develop "phased" systems of certification. Phased certification would be a departure from the FSC "all-or-nothing" approach to conformance with the FSC Principles and would play an important role in increasing accessibility to FSC certification. However reaching agreement on these systems seems to be progressing only slowly. A motion on their development was withdrawn at the FSC General Assembly in November. The idea of phased certification is likely to run up against objections from environmental groups that see it as a watering down of the FSC standards. The deep involvement in FSC of western green campaigning organisations, that are suspicious of moves to allow certification of any timber from natural tropical forest, is likely to remain a significant obstacle to FSC extending it's influence in tropical developing countries. Furthermore, the controversy surrounding previous FSC certifications in tropical countries, some of which were withdrawn following green objections, has damaged the reputation of FSC in parts of the tropics, notably in Africa and the Far East. Much FSC activity in the tropics is now focused on Latin America.

- **To improve availability of FSC certified product** – increasing the availability of FSC certified products remains a constant theme of FSC deliberations. Much of the emphasis now seems to be on changing the rules for per-centage based claims, and on the introduction of procedures to allow FSC labelling of recycled timber and fibre.

- **Rationalising/harmonising the certification process** – several of the motions passed at the General Assembly in November focused on measures to rationalise and harmonise the certification process, including the introduction of standard procedures on the suspension and withdrawal of FSC certificates; a single consistent scoring system to be used by all certification bodies; standard management systems for certification bodies, and a common set of professional standards for forest auditors. However FSC has so far resisted demands from green interests for the international harmonization of regional or national FSC forestry standards.

- **Increase participation by non-industrial owners** – at the General Assembly in November, FSC passed a motion "to support small and low intensity forest management". Efforts will now be focused on making FSC certification more accessible to smaller owners. But since many small owner interests have become disenchanted with FSC, and are now working through other schemes, these measures may arrive too late to significantly boost FSC uptake in this sector.

- **Improve transparency** – FSC is now seeking to address some long running criticisms relating to the transparency of standards used for forest assessments. At the November 2002 General Assembly, FSC passed a motion to phase out the use of "interim" standards, which are prepared by certification bodies in the absence of a national standard developed by a stakeholder group. A large proportion of FSC certificates have been issued against these interim standards (notably in Eastern Europe), a practice which has been perceived as undermining the credibility of the FSC scheme.

- **"High Conservation Value Forests (HCVF)"** – the certification of forests of high conservation value has been contentious within FSC, given the gulf of opinion separating green groups and commercial interests over exploitation of so-called "old growth" forests. FSC is now trying to reach agreement on a toolkit for identifying and managing HCVF. Draft versions of the tool kit are currently available at www.proforest.net

1.2.3 Criticism of FSC certification in Estonia

NEPCon, the Baltic partner of SmartWood, the FSC certification programme of the Rainforest Alliance, has issued vigorous denials of claims that illegally logged wood from an Estonian National Park has been processed by a SmartWood FSC certified sawmill. According to the Taiga Rescue Network (TRN), local environmental groups claim that Imavere Sawmill, the largest sawmill in the Baltic countries with a yearly processing volume of 700,000 m3, purchased timber that had been "illegally logged" from Lahemaa National Park, the oldest national park in Estonia. The purchases are alleged to have been made during March, April and May last year. The sawmill was issued with FSC Chain of Custody certification by NEPCon in June 2002. According to TRN, the Imavere Sawmill subsequently confirmed that the timber was delivered to their yard but that it was neither bought nor processed by the company.

1.3 Australian Forestry Standard

Australia is progressing in the development of a national forest certification scheme. A national certification governing body, AFS Ltd, is currently being formed by the principal sponsors including the national organisations representing the forest industries, private and public forest growers, and governments. It will also include representation from unions and the community.

Australia's forest certification system will be based on the Australian Forestry Standard (AFS) which has been developed within the framework of the Montreal Criteria for Sustainable Forest Management over the last two years. The AFS also drew on a National Forest Policy process to carry out regional forest assessment and prepare Regional Forest Agreements. These Agreements have established the basis for a comprehensive forest conservation reserve system and for sustainable forest management in Australia.

The AFS was prepared through a multi-stakeholder technical drafting committee and was released in October 2002. The AFS contains 9 criteria and 40 requirements that provide for economic, social, environmental and cultural values based on the Montreal Process criteria. The AFS was developed within Australia's formal standards setting framework, and has been confirmed as an Australian Standard.

Certification to the AFS will be undertaken by accredited, independent third-party certification bodies within an accreditation programme developed by the national accreditation body. The AFS will be voluntary in its application, and be available to all forest types both by tenure and scale of ownership with guidance material provided to cover native forest, plantations and small ownerships.

Australia produces over 24 million m3 of wood per annum, from both its native forests, and, to an increasing extent, its plantations of radiata pine and eucalyptus. The forest sector is Australia's second largest manufacturing sector, and employs around 80,000 people. It is a significant element in rural and regional communities in this highly urbanised country. Even so, Australia is a net importer of forest products, and significant efforts continue to encourage the development of the sector, particularly through plantations. Australia, being far from major wood production/consumption nations and seeking to expand its export markets, sees the importance of establishing recognition of its forest management standards in international markets. This encouraged AFS Ltd to become a member of the Pan European Forest Certification Council in November 2002. AFS Ltd is particularly interested in the role PEFC may play in the Asia region.

1.4 Brazilian CERFLOR

The Brazilian Forest Certification Program (CERFLOR) has been developed within the national framework guided by the rules of the Brazilian standardization organization (Conmetro). The CERFLOR standards were prepared by the Brazilian Association of Technical Standards (ABNT). ABNT's procedures relating to implementation and revision of standards are also applied to the CERFLOR standards.

The executive body of Conmetro is the National Institute of Metrology, Standardization and Industrial Quality (Inmetro). As the sole accreditation body in Brazil, which is also recognized by the International Accreditation Forum (IAF), Inmetro establishes rules for the accreditation of forest organisations based on international accreditation standards. Inmetro has also established the basic requirements for group forest certification and specific rules for conformity assessment for chain of custody within the CERFLOR framework.

The process of developing CERFLOR was inserted into the Brazilian system for conformity assessment during March 2001. The scheme was launched in August 2002 and was due to become operational in January 2003. CERFLOR became a member of the Pan European Forest Certification Council in November 2002.

CERFLOR is a voluntary program developed co-operatively by a range of stakeholders at the national and regional levels in Brazil. The development process included representatives from producers, consumers, governments, NGO's and other organizations. The Brazilian Government, through the Ministry of Development, Industry and Foreign Trade and the Ministry of the Environment, has supported the development of the program.

The consultancy firm Indufor Oy has been commissioned to carry out an assessment of the CERFLOR scheme against requirements established by international frameworks, including the Forest Stewardship Council (FSC), the Pan European Forest Certification Scheme (PEFC), the International Tropical Timber Organization (ITTO), Tarapoto Proposal and the International Forest Industries Roundtable (IFIR). This work is expected to be concluded in the near future.

1.5 Chilean CERFLOR

Chile is now developing a national forest certification scheme under the title CERFLOR Chile. The aim is to develop a scheme meeting internationally accepted criteria for sustainability, transparency and independence, while ensuring that it is cost-effective. So far, 9 principles have been evolved for the operation of the scheme:

- The use of forest resources must be planned according to a long-term management plan and appropriate to the scale of operations.
- The use of forest resources is planned and managed so that natural ecosystems are protected and that negative impacts on biodiversity are minimized.
- Forest resources are managed to maintain their health, vitality and productivity.
- Forest resources are managed so as to minimize negative impacts on the productivity of soils and on the quantity and quality of waters
- Forest managers respect the rights of local communities
- Forest managers respect the defined and documented or legally established rights of indigenous peoples
- Forest managers respect the rights of the forest workers, compensating them fairly and safeguarding their health and safety at work.
- Forest managers respect the laws of Chile and the international agreements and treaties to which Chile is a signatory.
- The forest resources and the system of management will be regularly monitored with the purpose of evaluating the economic, social and environmental impact of management.

1.6 Pan African Certification

In December 2002, the African Timber Organisation – with French government support – arranged a workshop in Gabon to discuss the feasibility of establishing a Pan African Forest Certification scheme. The workshop included representatives of the governments of ATO member countries, together with international organizations and donors, private corporations and NGO's. Delegates agreed that the African countries should start working on a framework for the recognition of national certification frameworks in Africa, a similar approach to that adopted by the Pan European Forest Certification Scheme. Certification should also build on work already carried out by ATO to develop a harmonized forestry standard for African countries. The workshop gave ATO a mandate to draw up terms of reference for the implementation of such a system, to look for the necessary finance, and to facilitate the establishment of national certification working groups.

1.7 EU Furniture Eco-label

Following the results of a feasibility study focusing on a European eco-label for furniture, in June 2002 the European Commission decided to develop EU Eco-label criteria for this product group. Stichting Milieukeur, the Netherlands' "Competent Body" for the European eco-label, is now leading in the preparation of the criteria. An independent firm, Consultancy and Research for Environmental Management (CREM), is assisting Stichting Milieukeur in the project.

The product group to be covered by the eco-label aims to be as broad as possible, with the emphasis on office furniture, school furniture, children's furniture, wooden furniture and household furniture, where some positive market interest has been expressed. The draft criteria for the eco-label include coverage of wood and panel products raw materials, in

addition to a range of other materials including plastic, steel, aluminium, foams, fabrics, leather, adhesives, and solvents.

The first Ad Hoc Working Group Meeting for the development of criteria took place in June 2002 in Brussels with work scheduled to be completed within a maximum of 18 months. The working plan has been divided into six phases as follows:

- Phase 1: Forming of the Ad-Hoc Working Group (AHWG)
- Phase 2: Definition of product group and sub-sections
- Phase 3: Establishment of the methodology. First meeting of the AHWG.
- Phase 4: Analysis of key environmental performance and health related issues and second meeting of the AHWG.
- Phase 5: Drafting of criteria and user manual. Draft final report. Third meeting of the AHWG. Presentation to the EU Eco-labelling Board (EUEB)
- Phase 6: Development of a finalised criteria proposal and final report.

The work plan is currently into phase 5. A first set of draft criteria was prepared in October 2002 and an amended version issued in early March 2003. The third and final meeting of the AHWG is scheduled for 18 March 2003 in Brussels.

Like many European Commission processes, there was little advance publicity. Initial consultation focused on a limited range of invited stakeholders. The list of attendees at the second AHWG in November 2002 shows that only a single wood industry association participated, and this a national representative from Italy (Federlegno-Arredo). By contrast, the aluminium and plastic industries each had two representatives at European level.

Such imbalance meant that from the perspective of the wood industry, the first draft set of criteria released in October 2002 were deeply flawed. The criteria included a requirement that, in order for a furniture product to be eco-labeled, at least 70% of wood content by volume would have to be certified. This requirement is taken direct from the Forest Stewardship Council rule book. There was no recognition of the major constraint to wood products' supply that this level of certified content implied. The first set of criteria for wood also focused exclusively on "forest of origin", and failed to give any credit for the other environmental life cycle benefits of wood (carbon sequestration, low energy use, renewable etc.). Meanwhile, the environmental criteria established for aluminium and steel were negligible.

Following the November meeting, European wood trade associations, led by CEI-Bois representing the wood processing sector, became active in an effort to have the criteria amended. They gained support from the Enterprise Directorate of the European Commission for a major rewrite. They also arranged a meeting with responsible officials from the EC Environment Directorate and the relevant "Competent Body" which was attended by representatives of 8 European wood-related associations.

Despite being harangued by the wood industry, the Environment Directorate were unreceptive to their calls for a major reduction in the % content of certified wood material. The most recent set of criteria, published in March 2003, continue to refer to the 70% requirement. However, some significant concessions were made. An escape clause was introduced for non-certified wood, or for certified wood not meeting the criteria. Suppliers may satisfy the eco-label requirements by preparing a "dossier" providing proof that wood derives from sustainable source. Furthermore, the criteria for aluminium and steel have been strengthened, including requirements for recycled content and a possible provision that if the furniture contains too much aluminium/steel, it cannot receive an eco-label.

To some extent the debate over the criteria for furniture eco-labels may be academic. Contacts with Europe's large furniture manufacturers indicate that there is little interest in this sector in the environmental issue generally or in eco-labels in particular. Furthermore a wide ranging survey of attitudes to wood amongst these companies carried out by an Italian consultancy firm in 2001, indicated that environmental concerns relating to wood were very

low on their list of priorities (the majority of European furniture manufacturers said the environment was “of no interest”). So, as with other voluntary labelling schemes, there is every likelihood that if the criteria are set too high, there will be little uptake.

On the other hand, the presence of IKEA on the original AHWG group is telling. There may be growing interest in eco-labels amongst some big European retailing firms, although not in the trade itself. Furthermore, the use of the FSC 70% threshold limit as a *de facto* international standard for chain of custody may set a precedent within the EU

1.8 Certification schemes “too complicated” for European consumers

A new study concludes that existing certification schemes, especially the FSC and PEFC, are too complicated for European consumers and that most buyers are satisfied with reliable information about the origin of wood. This is one conclusion of an article submitted to the journal *Small-scale Forest Economics, Management and Policy* by Tage Klingberg of the Department of Business Administration at the University of Gävle in Sweden. This conclusion follows on from Klingberg’s analysis of various studies into consumer attitudes to forest certification in Europe.

Klingberg notes that certification is often said to be *market-driven*, in the name of the end consumers, i.e. those who finally use the wooden products. However, he believes the impetus for certification may be more correctly described as *organization-driven*, that is, driven by environmental NGOs, forest owner organizations, forest corporations, professional consulting firms and retailers.

Klingberg asks the central question “What do the consumers want and think?” Several studies carried out by researchers at the University of Gavle in a number of European countries have indicated that the environmental argument ranks third or fourth place for the customer – after product, price and quality. However consumers also want the material to be produced in a sustainable way. Many, when asked, think certification and labelling are desirable and important. On the other hand, most consumers do not know about FSC or PEFC and they are not interested in the details. Awareness of brands is low and, in any case, consumers care little for forest certification brands. Many say they just want to know where the wood is coming from. They also largely trust the dealers concerning product quality.

Klingberg notes “*the attitudes of consumers may be somewhat of a paradox. People want human activities to be sustainable. They will buy wood products if they believe these come from sustainable sources. But they don´t want to go into detail. If using wood is acceptable – then it is fine. Then they look at price and quality…[T]he critical factor for the wood suppliers may thus be that there is a public image of wood being acceptable…. Once wood is accepted – or some kinds or origins of wood are accepted – then ´green` arguments do not assist in selling larger quantities*.”

Klingberg concludes “*at least some kind of product declaration may be needed, so as to get over the threshold of public acceptance. Once over the threshold, traditional product arguments and marketing strategies dominate…..the leading systems of today, particularly FSC and PEFC, may be more detailed and more complicated than consumers want. Information about the origin of the wood may be sufficient to satisfy most people*.”

2. International Agreements and Institutions

2.1 Expert Consultation on Trade and Sustainable Forest Management

An Expert Consultation on Trade and Sustainable Forest Management: Impacts and Interactions was convened at the FAO headquarters in Rome between 3-5 February 2003. The consultation brought together 73 participants from 26 countries, representing government, international organizations, non-governmental organizations (NGOs) and the

private sector. The Consultation, which was financed by the Japanese government, was designed *"to provide a forum to debate how current developments in trade policies and market development affect the sustainability of forest management, and how sustainable forest management (SFM) is changing trade patterns and market share.*" The meeting was the first of a two part series. A second expert consultation is planned for April or May 2003 which will include trade policy-makers and trade specialists.

Participants at the consultation met in a Plenary session on the first day, to hear presentations on trade and forest management; global trends in trade of forest products and services; wood trade agreements and restrictions; governance and trade in forest products and services; cross-sectoral policy impacts; and new markets for environmental services. Many of the presentations were by employees of the International Institute for Environment and Development (IIED) based in London that has been contracted to undertake much of the background research. On the second day, participants debated the issues in four working groups: trade measures and policies; trade, finance and industrial structure; governance and trade; and extra-sectoral influences and the environment. A closing Plenary session was held on the third day to hear the results of the working group debates.

The formal report of the meeting prepared by the International Institute for Sustainable Development (IISD) indicates that a wide range of issues were discussed. However, since the intention was only to share information rather than to build consensus, the discussions did not lead to any conclusions or recommendations.

Some of the highlights from the presentations include:

- **Forest products trade**: James MacGregor, Research Associate at IIED, presented a paper on Global Trends in Trade of Forest Products and Services. He noted that the object of his study, which divided work into 12 regions based on tropical and non-tropical forests, was to collect and analyze data on forest products trade in order to identify trends. Regarding key trends, MacGregor highlighted, amongst other items, increases in specialization, intra-regional trade, rising competition and growing emphasis on sustainable forest management. He forecasted that: consumption and production of all timber products will rise by an estimated 10% in 2010 and 15% by 2020; the percentage of plantation wood in total world trade will rise by 50% in 2020 and 70% in 2040; trade/output ratios will continue to rise; and the capture of non-timber values associated with forests will increase.

- **Links between forest products trade and sustainable forest management (SFM)**: Maryanne Grieg-Gran, Director of Environmental Economics Programme at IIED, presented a paper addressing how the structure of the forest products industry affects SFM. Regarding industrial structure, Grieg-Gran highlighted three key trends: an increase in consolidation, an increase in vertical integration, and increasing foreign direct investment (FDI). On the relationship between trade and industrial structure, she noted that while trade liberalization has driven both consolidation and foreign direct investment there is also evidence suggesting that trade restrictions, such as export bans, have driven these trends. On industrial structure and SFM, she argued that as company size and market share increase, so does a company's power within the supply chain. She also argued that vertical integration facilitates end-user pressure for SFM. Grieg-Gran also discussed the possibility that private financial institutions and government financial agencies could pressure companies to incorporate SFM practices.

- **Impacts of trade liberalization on forest governance**: Based on several case studies, Michael Richards (consultant to IIED), considered the relationship between trade liberalization, corruption and transnational corporations. These studies demonstrated that weak enforcement capacity had increased returns from corruption and illegal logging, and that stronger enforcement led to higher returns from SFM and a more efficient use of wood. He concluded by suggesting that the best way to improve forest governance is through economic and political development.

- **Trade policy and land use patterns**: William Hyde, forest economist, suggested that:
    - trade leads to general improvements in economic welfare and the environment and that some forests recover with trade;
    - the imposition of environmental standards in developed countries only shifts the environmental costs to developing countries that cannot afford to enforce these higher standards;
    - agricultural policy, particularly farm subsidies, is dominant and the net effect is to decrease forest coverage;
    - other government policies have contributed to an expansion in low wage subsistence agriculture which competes for forest cover.
    - agriculture policy impacts may be more important to examine than forest policy impacts.

The Working Group discussions covered an equally diverse range of issues, although with little apparent agreement. As usual certification was a focus of debate. Some regarded certification as a financial incentive for SFM, others as an extra cost with little benefit. Some participants viewed certification as possibly trade-restricting and others regarded it as an opportunity to promote trade. There was also discussion of the role of trade restrictions. Some believed such restrictions can be counterproductive as a means of improving industry efficiency and promoting SFM. Others saw trade restrictions as a means of stimulating local industry.

2.2 Criteria and Indicators for Sustainable Forest Management

An International Conference on the Contribution of Criteria and Indicators for Sustainable Forest Management: the Way Forward (CICI-2003) was held from 3-7 February 2003, in Guatemala City. Over 100 participants attended the conference, representing 52 countries, 11 international organizations and three non-governmental organizations (NGOs).

CICI-2003 was hosted by the National Forest Service of Guatemala (INAB), in cooperation with the Food and Agriculture Organization (FAO), the International Tropical Timber Organization (ITTO), the Finnish Ministry of Agriculture and Forestry, the United States Department of Agriculture Forest Service Program and Department of State. The conference was organized in follow up to recommendations made by an FAO Expert Consultation on Criteria and Indicators (C&I) for sustainable forest management (SFM) in Rome, Italy, in November 2000.

At present, there are nine processes to develop criteria and indicators at international level in various regions of the world. The most significant of these in terms of forest area are the Pan European (Helsinki) Process, the Montreal Process and the International Tropical Timber Organisation. Generally these processes work independently from one another. However, a central assumption of CICI-2003 is that there are potential benefits to be gained through improved coordination and a degree of harmonization between the processes.

Discussions at CICI-2003 were structured around four themes, with consideration of each supported by background discussion papers and working group sessions:

- strengthening the elaboration and application of C&I for SFM;
- promoting political commitment for the use of C&I as tools for SFM;
- strengthening institutional capacity and stakeholder partnerships for implementing C&I and facilitating information exchange;
- contributing to the work of the United Nations Forum on Forests (UNFF) and to the international initiatives on C&I related to sustainable development.

Markku Simula, independent consultant, started the meeting with a presentation outlining issues to be addressed in C&I regional and international processes. These included:

- recognition of the merits of increased compatibility and consistency;

- the possible need for a global set of C&I;
- harmonization of existing concepts, definitions and methodologies;
- potential coordination and cooperation mechanisms between regional processes;
- the role of C&I in national forest monitoring, assessment and reporting;
- and the practical application of national, sub-national and forest management unit (FMU) C&I, including the relationship with the certification standards.

On the last issue, Simula clarified that despite similarities between the broad objectives and methods of C&I and certification systems, certification is a tool used mainly for the purposes of private entities, while C&I are often government-led. Simula emphasised some of the challenges of implementing C&I, including: lack of political will; technical and institutional constraints; the use of inconsistent data by national governments and international organisations; and poor and irregular data collection by national governments.

Recommendations published at the end of the meeting included:

- efforts to enhance collaboration and co-ordination among the C&I processes should rely on existing institutions and frameworks;
- countries should develop and integrate C&I into national forest programs;
- countries should use C&I as a means to inform decision makers and the public on the status of forests and their impacts on other related and non-related sectors;
- countries should promote broad stakeholder participation for the development, implementation and monitoring of C&I in order to strengthen political commitment;
- countries should identify or establish national and sub-national bodies as needed to promote and monitor implementation of C&I;
- countries with limited capacity should consider starting with an easily-measured core set of indicators and expand gradually;
- indicators should be developed at forest management unit level to address the specific needs of communities, small landowners and forest managers;
- voluntary approaches, such as certification schemes, should be encouraged to use C&I.

2.3 Forest Law Enforcement and Governance

The international process for Forest Law Enforcement and Governance (FLEG) is now focused on the AFLEG Conference due to be held Yaounde, Cameroon, on April 1-4 2003. This ministerial-level conference is expected to produce a declaration on forest law enforcement and governance in Africa for endorsement by African and other governments. It is also expected to produce an Action Plan to tackle the illegal exploitation of forest products and their associated trade.

Meanwhile, the European Commission has yet to publish a final communication on the EU action plan on illegal logging. The action plan announced in 2002 is now expected to be ready by May 2003. Responsibility for the action plan has shifted from DG External Relations to DG Development and DG Environment. This is a move that has been welcomed by environmentalists. For example, the NGO FERN states "*Commissioner Nielson's track record shows his commitment to this issue. His challenge now is to ensure that a high quality action plan is presented to the Council and the European Parliament, while simultaneously convincing member states that a European Regulation to control the imports of illegal timber is needed*."

In the U.K., the Royal Institute of International Affairs has been actively promoting interest in illegal logging, with support from the UK's Department for International Development. It plans another consultation meeting on illegal logging and control of trade in illegal timber a few weeks after the publication of the EU communication - provisionally in late April or early-mid May. RIIA has also produced a discussion paper on *WTO Implications of an International Timber Licensing Scheme*. This is a draft paper, for discussion and comment, on the possible treatment under WTO rules of a legality licensing scheme for timber and wood

products designed to exclude illegal (and therefore unlicensed) timber from consumer markets.

3. National forestry regulation and initiatives

3.1 Indonesia and Illegal logging

3.1.1 Weak log prices point to a failure to control illegal logging

Indonesia has been a major focus of attention in relation to illegal logging which is recognized as being endemic within the country. The situation is so bad that the Indonesian government has been encouraged to draw up bilateral agreements with at least three large buying countries (China, Malaysia and the U.K.) in an effort to improve enforcement. Indonesia's central government has stated that officially sanctioned harvests in commercial concessions during 2003 will be only 6.89 million cubic meters, down 40% from last year. The government has also stated that if efforts to reduce harvests are not effective, Indonesia "*will lose all trees from the Sumatran forests in five years and from the Kalimantan forests in 10 years*". The government estimates that more than two million hectares of forests land were lost last year because of illegal logging.

Environmental groups point to some limited success in controlling illegal logging in Indonesia. In February 2003, the Environmental Investigation Agency (EIA) and their Indonesian partners, Telapak, issued a press release praising *"the unprecedented enforcement operation being carried out in Tanjung Puting National Park by the Indonesian government.*" According to EIA, the joint operation launched in late January and involving the Ministry of Forestry, the police and the army, resulted in serious disruption to the illegal logging activities within the park and the nearby ports of Kumai and Pangkalanbun. Reports from the field indicate that up to 20 ships had been seized carrying 20,000 cubic metres of illegal timber from the park. Logging infrastructure such as rails and camps have begun to be destroyed.

But such operations are a drop in the ocean. Other evidence suggests that measures taken so far to halt illegal activity have been ineffective. For example, the Japan Lumber Journal reports that domestic log prices in Indonesia are "weak", which seems surprising at a time when the government is seeking to impose huge decreases in wood harvests. In reality, the challenges faced by the Indonesian authorities to enforce forestry legislation and impose logging restrictions are immense. Corruption is widespread, while many communities have become heavily dependent on the income derived from the illegal wood harvests. Furthermore, in 1999 the central government handed over many responsibilities for regulation of forest resources to district authorities as part of an attempt to dampen down demands for autonomy from regional separatists. Without the full co-operation of these district authorities, Indonesian logging is likely to continue at unsustainable levels.

3.1.2 Devolution undermines forestry control - the case of West Papua

Many of the problems associated with bringing an end to illegal logging in Indonesia are illustrated with reference to West Papua (the western half of the island of New Guinea). According to a recent article in a newsletter issued by 'Down to Earth' (an NGO based in London - see http://dte.gn.apc.org/), this area of Indonesia still hosts significant areas of forest - reckoned to cover over 33 million hectares in 1997 - or over three quarters of the territory's land surface.

There are currently 53 large-scale "HPH" logging concessions in West Papua, covering between 11 and 13 million ha, plus hundreds of small-scale concessions issued since 1998. "Down to Earth" claims that most of the large concessions were handed out to well-connected business and military associates during the Suharto era. But the inaccessibility of these areas and the fact that these forests tend to have less commercially valuable timber meant that the pace of logging was slower than in Sumatra, Kalimantan and Sulawesi. Some

companies also ran into determined resistance from indigenous landowners. As a result, even with extra tax incentives to encourage logging in West Papua, rates of harvesting have been considerably lower than in other areas.

During 2001, apparently 45 of 54 HPHs were active, each cutting an average of 25,000 m3 of timber per year, just 22% of the cutting target (excluding illegally-felled timber). Log production from West Papua between 1995-2000 was 1.7 million m3/year or 37% of the target of 4.5 million m3/year. Most logs were sent to other islands for processing.

However, "Down to Earth" suggests that logging in West Papua's forests accelerated last year driven in part by the scarcity of timber on eastern islands such as Sumatra and Kalimantan. Logging companies previously operating in these regions are now shifting to West Papua, while Indonesian and Malaysian companies are looking to the region to supplement their log supplies. Merbau is perhaps the most sought after timber species from the region. The focus of the current timber boom is on the "Bird's Head" region in the west of the territory with much of the business activity going on in the port of Sorong.

However the process is driven not only by the large logging companies. Equally important is recent devolution legislation which significantly reduced central government control over logging operations. Hundreds of small concession permits called IHPHH are now being issued by the district heads in West Papua under the government's decentralisation measures. These measures, introduced in 1999, were designed by the central government to appease Indonesia's regions without inflaming separatism. To achieve this, the central government bypassed the 30 provinces, and handed most of the authority to the 360 or so districts—considered too small to challenge the central government. But many are also too small to cope with tasks like forestry regulation and are rife with corruption.

According to "Down to Earth", the 100 ha IHPHH concessions are supposed to be managed by local communities through co-operatives (Kopermas), but are often manipulated or bought up by timber entrepreneurs with the help of local officials. As there is no supervision or accurate mapping, the IHPHH system has been extremely destructive. Although central government has ordered the district chiefs to stop issuing the licences, this has had little effect.

According to regional politicians opposed to the IHPHH system, companies are manipulating the Kopermas scheme by paying people to log as much wood as possible. The practice is hard to stamp out, because many district officials are also involved and profiting from the scheme. "Down to Earth" claim that the rampant corruption in Sorong means that the export ban on raw logs imposed by Jakarta in October 2001 is routinely flouted.

3.2 Central African initiatives

3.2.1 Sustainable forest management plans

The number of forestry concessions in Central Africa implementing sustainable management plans has increased rapidly over the last few years, according to a report by Dr Bernard Cassagne in the latest newsletter published by ATIBT, the France-based tropical wood association. But the report also highlights the scale of the remaining challenges.

The move towards development and implementation of sustainable management plans has been led by some of the holders of large commercial concessions. It has been driven by various factors including growing political pressure to implement sustainable practices; increased demand for wood from well managed sources; new regulations imposed by producing countries – often under pressure from large donors; and the increased scarcity of productive forest territory.

Data provided by Dr Cassagne indicates that in the five major timber producing countries of Central Africa (excluding DRC), an area of concessions totalling 15.85 million hectares is now engaged in the process of developing sustainable forest management plans, with much

of this area concentrated in Gabon and Congo-Brazzaville. This network of managed concessions is being developed alongside a network of totally protected areas with an area of a little less than 10 million hectares.

Development of sustainable forest management plans in African tropical forest is a lengthy and technically challenging process. The ATIBT is facilitating this process through the publication of guidelines and provision of training courses on forest management planning. Financial support is being provided by the French Agency for Development.

Pre-requisites to implementation of sustainable forest management plans in Central African forests include:

- consistent forest policy and secure land tenure;
- reliable information on forest ecology to allow effective demarkation of forest into productive and protected areas;
- and an inventory of timber resources, including data on forest growth, to allow reliable assessment of sustainable harvesting volumes and intensity.

The plans should include operational requirements, set out in an operational manual, to ensure that: each harvestable tree is individually identified; that the network of roads and tracks is planned to reduce forest damage; and that the felling is controlled to minimise waste. There should be training for all personnel. The plans should also include a social section, setting out actions to enhance the welfare of workers and villagers.

Dr Cassagne acknowledges that this approach to forestry in the Central Africa has limitations. It is applicable only to the large well capitalised forest concession holders rather than to smaller and community managed forests. However work has started in Gabon to establish suitable management procedures for smaller concession holders.

There are also challenges. The costs of developing and implementing management plans are high. The pressure to convert forests for agriculture and commercial cash crops is intense. The existence of a plan is itself no guarantee that a concession will not be converted in mid cycle (after all we talking about several decades). So success is at least as dependent on political will and effective land planning by government agencies as it is on the commitment of commercial forestry operators.

But there are grounds for optimism. Dr Cassagne notes that the process of developing the plans has led to a “formidable exchange” of information between forestry operators, forestry administrations, donors, NGOs, forestry consultants, and researchers. There is growing willingness amongst these groups to work together.

3.2.2 IFIA Code of Conduct

Alongside the efforts of ATIBT to promote sustainable forest planning in Central Africa, the Interafrican Forest Association (IFIA) is promoting a “Code of Conduct for the sustainable management of forest concessions in Central and Western Africa”. Eight companies operating in Central Africa became signatories of this Code at the “Conference of the Central African Humid Eco-systems” (CEFDHAC) in June 2002. These companies include: in Gabon, Thanry/C.E.B., Leroy-Gabon, Rougier-Gabon, and S.B.L.; and in Congo-Brazzaville, C.I.B, I.F.O./Danzer, I.T.B.L/B.T.A, and Mokabi-Rougier.

The Code commits these companies to manage and utilize tropical forest according to sustainability principles as defined through national forest policy and at international level (for example ITTO and ATO). Signatories are required to respect all relevant national laws, including those respecting to taxation, and to implement a sustainable forest management plan. If the signatory works with a sub-contractor, they must make every possible effort to assure that the sub-contractor also respect legislation. Signatories must respect the rights of local communities. They must be attentive to the impact of hunting, and should develop and enforce internal forest company regulations forbidding their employees from poaching and hunting for profit. In the same manner, signatories are committed to persuading their forest

subcontractors and haulers to follow suit. Signatories must also elaborate wildlife management plans.

To ensure implementation, IFIA is committed (with the aid of the financial donors) to create a monitoring committee including all the parties concerned with the Code. IFIA is at present negotiating with the World Resources Institute with the aim of auditing and monitoring of the Code.

Underlying uncertainty in relation to forest policy in Cameroon has so far discouraged any uptake of the Code in that country. However IFIA hope that several Cameroonian companies will become signatories before the end of 2003.

4 Environmental campaigns

4.1 "Illegal logging" in Estonia

Environmentalists campaigns have focused on so-called "illegal logging" in Estonia over recent months. There have been claims that "illegally sourced" Estonian wood is being "laundered" through large Nordic wood products companies and sold as legitimate product. The "illegal logging" seems to comprise mainly tax evasion by small private forest owners, which green groups are portraying in the worst possible light.

In February, the green campaigns culminated in the issue of a "*joint appeal by environmental groups and industry against illegal logging in Estonia*". The appeal was directed to the Estonian prime minister and called for the inclusion of the following principles in Estonia's new forest act:

- clear marking of wood products so that legally and illegally sourced timber may be identified;
- the state to undertake and publish a complete inventory of forests;
- a review of forest taxation policy to promote sustainable forestry and to reduce the forest managers´ incentive to avoid declaration of forest management activities;
- improved supervision of forest and management activities and preventative measures to reduce illegal activities.

The appeal was signed by AS Stora Enso Mets, AS Mets&Puu; Södra Eesti AS; Estonian Green Movement-FoE; and Estonian Fund for Nature.

4.2 Swedish-Latvian timber trade

The World Wide Fund for Nature (WWF) issued a report at the beginning of 2003 entitled "Responsible Trade in the Shadow of Illegal Logging – Swedish import of Latvian Timber". The report suggests that while Swedish companies can trace much of the Latvian timber they source back to forest of origin, they have a low level of knowledge of the forest management's impact on the Latvian forests. WWF claim that 50% of Latvia's exports go to Sweden every year and that illegal logging is a problem in Latvia.

WWF calls on Swedish companies to take the following steps:

- establish/improve existing systems that enable effective tracing of timber;
- improve transparency of financial records to ensure proper payment of fees and taxes by suppliers;
- develop and update company environmental or purchasing policies to specifically relate to Latvian conditions;
- obtain FSC chain-of-custody certification of subsidiaries and of imported FSC certified timber;
- increase demand, education and assistance for forest management certification.

Copies of the are available from lena.dahl@wwf.se

4.3 Rising German concern for illegal logging

A national TV report in January claimed that Germany is a large consumer of tropical timber from illegal harvesting. The report drew heavily on the WWF report *The timber footprint of the G8 and China* which claimed that 80% of harvesting in Indonesia is illegal. It highlighted that Germany is a significant buyer of wood laminates and plywood from Indonesia.

Meanwhile WWF Germany has stepped up efforts to raise awareness of illegal logging in Germany. It recently held a seminar for companies to discuss different ways to ensure that timber traded is legal. The seminar included speakers from WWF, IKEA, Proforest and the Tropical Forest Trust. WWF used the seminar to press the case for ”independent and credible third party certification such as through the FSC”.

4.4 Impact of palm oil business on Indonesia’s forests

A report released by WWF in December 2002 suggests that key actors in the international palm oil trade chain - investors, traders and retailers - could save forests in Indonesia by developing, promoting and implementing sound practices rather than encouraging destructive ones.

According to the report, Oil Palm Plantations and Deforestation in Indonesia, global demand for palm oil will increase from 22.5 million tons per year currently to 40 million tons in 2020. In order to satisfy this demand, producer countries will need to establish 6 million hectares of new plantations by 2020, with half of these predicted to be in Indonesia. Unless the institutions that will finance the expansion of the sector, and the companies that buy palm oil, insist on sound environmental, social and economic practices, WWF claims that the result will be an expansion of plantations at the expense of natural forests in Indonesia - a country that already has one of the highest rates of deforestation in the world.

Since 1985, Indonesian oil palm plantations have grown from some 600,000 hectares to more than 3 million hectares in 2000, leading to dramatic loss of forest. WWF suggest that for economic reasons and due to poor governmental control, rather than establishing oil palm plantations on widely-available degraded lands, estate companies clear land by setting fire to natural forests on their concessions. WWF claim that the rapid expansion of the oil palm sector has been financed to a large extent by European, North American and East Asian financial institutions which, for the most part, rarely try to improve the social and environmental practices of their clients.

The Netherlands, the UK and Germany are Europe's main palm oil importers, and the European Union has a share of 17 % of the global palm oil market. Palm oil is found in a wide range of food and non-food products, including cosmetics, detergents, confectionery, chocolate, ice cream, ready-to-serve meals, and margarine.

5 Meetings

5.1 Future Meetings in Europe

5.1.1 4th Ministerial Conference on the Protection of Forests in Europe (MCPFE), Vienna, April 2003. Issues highlighted for discussion: biodiversity aspects of sustainable forest management; national forest programmes; the experiences and challenges of forestry in Eastern European countries; economic aspects of sustainable forest management; climate change; cultural and spiritual aspects of SFM; and research.

5.1.2 3rd meeting of the Ad-Hoc Working Group on furniture eco-labels, Brussels, 18 March. To finalise criteria for European ecolabel on furniture, including consideration of criteria for wood raw material

5.1.3 ECE/FAO seminar- Strategies to stimulate and promote the sound use of wood as a renewable and environmentally friendly material, 24 to 28 March 2003, Poiana Brasov, Romania. Themes addressed will include:

- Why promote the use of wood ?
- The place of sound use of wood in strategies for sustainable development of the sector.
- Is wood really "environment friendly"? - the lessons of life cycle analysis.
- New markets: the example of bio-energy.
- Promotion of wood: success stories
- Competition and substitution between forest products and other materials.
- Marketing and promotion of non-wood products and of forest services
- Communication with consumers and the general public
- Trade: certification, e-commerce and standards.

The seminar is open to all. There will be invited and voluntary papers. The programme will be structured to take account of contributions proposed by intending participants. Up-to date information on the seminar, will be made available on the Timber Committee website (http://www.unece.org/trade/timber).

5.1.4 **Royal Institute for International Affairs, Consultation on Illegal Logging, London, late April/early May (to be decided)**. UK national consultation to consider follow-up to the publication of the EC Communication on an Illegal Logging Action Plan. More information at www.illegal-logging.info

5..1.5 International Conference on Rural Livelihoods, Forests and Biodiversity, 19-23 May 2003, Bonn, Germany. Conference to consider the role of forests in supporting rural livelihoods in developing countries and in maintaining biodiversity. Key objectives are to survey current knowledge, and identify policy lessons and a future research strategy. For more information contact: William Sunderlin, CIFOR; tel: +251-622-622; fax: +251-622-100; e-mail: w.sunderlin@cgiar.org;
Internet: http://www.cifor.cgiar.org/shared/template/livelihoodconference.asp

5.1.6 Third session of the United Nations Forum on Forests (UNFF-3), 26 May 2003 to 6 June 2003, Geneva, Switzerland. For more information, contact Mia Soderlund, UNFF Secretariat; tel: +1-212-963-3262; fax: +1-212-963-4260; e-mail: unff@un.org; Internet: http://www.un.org/esa/sustdev/forests.htm

5.2 Future meetings outside Europe

5.2.1 AFLEG Ministerial Conference, Yaounde, Cameroon, April 1-4 2003. A ministerial-level conference and technical meeting for networking and knowledge sharing. A declaration on forest law enforcement and governance in Africa is to be finalized and endorsed by African and other governments. An Action Plan will be developed to tackle the illegal exploitation of forest products and their associated trade. Other goals of the meeting are to explore best current thinking on forest governance, deliberate on illegal forest exploitation in the African continent and associated trade, and identify potential stakeholder partnerships.

5.2.2 34th Session of the International Tropical Timber Council, Panama City, Panama, 12-17 May 2003. For more information, contact: International Tropical Timber Organization; tel: +81-45-223-1110; fax: +81-45-223-1111; e-mail: itto@itto.org.jp; Internet: http://www.itto.org.jp/

5.2.3 12th World Forestry Congress, 21-28 September 2003, Quebec City, Canada. Held under the auspices of FAO. For more information, contact: World Forestry Congress 2003 Secretariat; tel: +1-418-694-2424; fax: +1-418-694-9922; e-mail: sec-gen@wfc2003.org; Internet: http://www.wfc2003.org/

Rupert Oliver
AF&PA Technical Consultant, 12 March 2003

Changes in FSC Certified Area January 2002 to February 2003 (hectares)

Country	Area	Area	Chng	%
	Jan-02	Feb-03		Chng
Total	**25523426**	**34623026**	**9099600**	**35.7**
Poland	3806160	5980181	2174021	57.1
Croatia	241234	1988480	1747246	724.3
Latvia	264854	1685932	1421078	536.6
Estonia	517	1063517	1063000	205609.3
Canada	123253	1034439	911186	739.3
United States of America	3030014	3928932	898918	29.7
Brazil	1046961	1281869	234908	22.4
Chile	182541	353577	171036	93.7
Germany	280622	436896	156274	55.7
South Africa	806143	952285	146142	18.1
Hungary	60720	188687	127967	210.7
New Zealand	502404	610819	108415	21.6
Netherlands	69808	124163	54355	77.9
Sweden	10117431	10165028	47597	0.5
Guatemala	306317	348122	41805	13.6
Zimbabwe	91476	127285	35809	39.1
Uganda	0	35000	35000	na
Romania	0	31611	31611	na
Switzerland	71065	102538	31473	44.3
Russia	215715	246185	30470	14.1
Malaysia	55083	77242	22159	40.2
Uruguay	62004	75063	13059	21.1
United Kingdom	1055238	1062365	7127	0.7
Argentina	22232	28656	6424	28.9
Nicaragua	0	3500	3500	na
Ecuador	20000	21341	1341	6.7
France	15363	16375	1012	6.6
China	0	940	940	na
Thailand	5428	6349	921	17.0
Finland	93	120	27	29.0
Japan	6390	6414	24	0.4
Austria	3366	3366	0	0.0
Belgium	4342	4342	0	0.0
Belize	95800	95800	0	0.0
Colombia	20056	20056	0	0.0
Czech Republic	10441	10441	0	0.0
Denmark	372	372	0	0.0
Ireland	438000	438000	0	0.0
Italy	11000	11000	0	0.0
Liechtenstein	7372	7372	0	0.0
Lithuania	66141	66141	0	0.0
Namibia	61130	61130	0	0.0
Norway	5100	5100	0	0.0
Panama	8383	8383	0	0.0
Papua New Guinea	4310	4310	0	0.0
Philippines	14800	14800	0	0.0
Slovakia	48159	48159	0	0.0
Solomon Islands	39402	39402	0	0.0
Swaziland	17018	17018	0	0.0
India	175	0	-175	-100.0
Honduras	13868	13398	-470	-3.4
Sri Lanka	17825	9790	-8035	-45.1
Costa Rica	76459	64405	-12054	-15.8
Bolivia	983263	970214	-13049	-1.3
Indonesia	151589	106292	-45297	-29.9
Mexico	762989	619824	-143165	-18.8
Ukraine	203000	0	-203000	-100.0
E. Europe	4916941	11309334	6392393	130.0
N. America	3153267	4963371	1810104	57.4
Latin America	3592490	3895825	303335	8.4
W. Europe	12085562	12383451	297889	2.5
Africa	975767	1192718	216951	22.2
Australasia/Oceania	554499	662914	108415	19.6
Asia	244900	215413	-29487	-12.0
Developed country	15733861	17950269	2216408	14.1
Developing country	4865252	5356051	490799	10.1
Transition countries	4924313	11316706	6392393	129.8