

# Forest-based value chains

## Special focus on wood products

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WEBINAR BRIEFING NOTE

### THE GLOBAL CONTEXT

Global forest-based value chains, with around 5,000 different wood products, generate an annual value of €1,300 billion and support livelihoods of one billion, mostly rural people. A real opportunity exists to produce more from less, with more efficient use of raw materials for higher value products.

Since 1990, the world has lost 7% of its natural forests, mainly due to expansion of agricultural land and pastures. At the same time, the global consumption of wood products has increased 50 percent, and wood has been increasingly sourced from planted forests. In developing countries, demographic development and urbanization translate into growing material needs for housing and consumer products, and an increasing energy consumption. Recent forecasts suggest that the global demand for wood products will double by 2050. How can this challenge be turned into an opportunity – maintaining healthy forests while satisfying the growing needs for sustainable wood products? There are great opportunities to increase the productivity and sustainability of forest-based

### 20 September 2022 - Agenda

#### Welcome and keynote address

Patrice *Moussy* INTPA F2

Moderation by *Eleonora Paci* INTPA F2

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#### Forest-based value chains with focus on wood products

*Petri Lehtonen* F4 Facility

#### The role of innovative wood products to achieve carbon neutral and resilient economies

*Lyndall Bull* FAO

#### Uganda's journey to build a sustainable forest-based industry in the last 15 years

*Dennis Kavuma* Uganda Tree Growers Association

#### Asia and African Forest Value chains (Bridging the Gap)

*Paul Ankrah* global forest and industry expert

#### Discussion and sharing of experience

### Objectives of this webinar

Participants will leave the webinar with a greater understanding of:

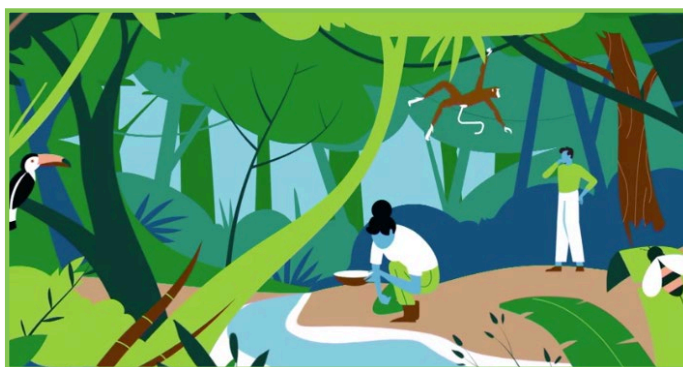
- The nature and importance of wood-based value chains in the partner countries;
- Global and local development challenges and opportunities in developing wood-based value chains;
- Options for EU support in developing sustainable forest-based value chains, and how to ensure that the forest-based value chains deliver the desired products and impacts – jobs, income, resilience – while maintaining healthy forests.

This webinar is part of the series of Webinars on [European Green Deal - Greening EU cooperation \(Environment and Climate Change\)](#), offered by the European Commission's Directorate General for International Partnership (DG INTPA). The webinar is organized by the [Forests for the Future Facility \(F4\)](#).

value chains. Raw materials (roundwood and other forest products) can be produced under more sustainable forest management regimes, using efficient logistics and processing, to supply higher value-added products to local and regional markets. In Africa, opportunities exist to use more wood for construction materials or consumer goods, and to produce and use wood-based energy in a more efficient way. At the same time, alternative clean energy sources can be promoted more strongly. This development path requires the cultivation of new skills and abilities, new products, and applications, as well as financing.

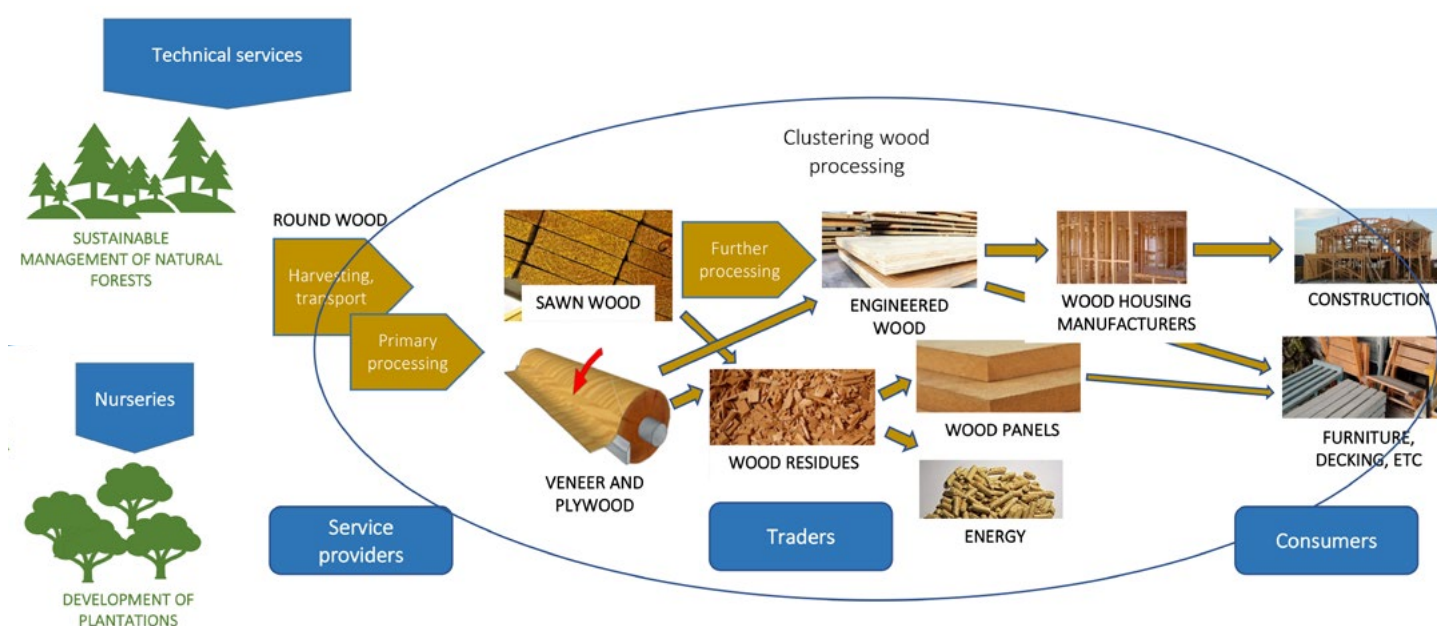
Several forest-rich developing countries produce low value-added wood products only, using inefficient technologies and wasting lots of valuable raw materials. The amount of wasted wood in harvesting and processing can be up to 50% of the total volumes. Consequently, many of these countries have gradually turned into net importers of forest products. Professionally managed natural and planted forests can increase carbon stocks and conserve biodiversity, while supplying deforestation-free and sustainable wood for various products. Long-lived wood

products, used in housing for example, are significant carbon capturers and can replace non-renewable materials such as steel, concrete, and aluminium – which have far higher carbon footprints than sustainably sourced wood. With an emerging need for affordable housing, especially in African urban hubs, wood can be part of the solution. In addition, wood products can be used for textiles and plastics, which are often manufactured from unsustainable materials. A state-of-the-art approach to wood-based value chains can create decent jobs and income for local communities in rural areas and increase the means available for conservation of forests and the provision of ecosystem services.



[FOREST PARTNERSHIP TEASER](#)

## WOOD-BASED VALUE CHAIN FOR SOLID WOOD PRODUCTS





# FORESTS VALUE CHAINS HIGHLIGHTS

■ **EU support** (policy dialogue, budget support, grants, technical assistance, EFSD+ to mobilize private investment) can be a game changer in developing sustainable forest-based value chains in partner countries, which is well aligned with the Green Deal objectives, EU policies and international agreements.

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■ **Developing value chains (VCs)** starts with the selection of the most potential VCs (based on markets, resources, infrastructure, and comparative advantages), followed by an analysis of the selected VCs, mapping the actors and their specific interests, capacities, opportunities, risks and constraints, and formulation of strategies to address these. The analysis should take the effects of climate change on the VCs into account and suggest how to increase the resilience of the VC actors.

■ **More efficient wood processing** and wood use for energy, including the cascading use of forest products and substitution of fossil-based materials, can contribute to reducing the material footprint of the forest sector in the face of an increasing demand.

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■ **The global consumption of natural resources** is expected to almost double from 100 billion tons in 2019 to 180 billion tons in 2050, because of a growing global population, urbanization and increasing affluence. Forest products represent a significant part of natural capital in the partner countries.



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■ **The investments in forest-based value chains** in the partner countries are challenging due to the high risks (or perceived risks) because of limitations in infrastructure, level of organizations, human skills and capacities, available technologies as well as weak governance and policies. EU and other international support can reduce the risks and accelerate the urgently needed investments.

■ **Forest-based value chains** can have significant impacts on sustainable and decent jobs and better livelihoods in the partner countries.

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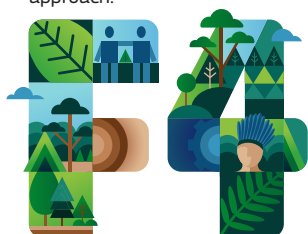


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*Our future is in our hands and in our trees*

#### WHAT IS A FOREST PARTNERSHIP?

Forest Partnerships are a comprehensive, holistic and integrated approach to protect, restore and ensure the sustainable use of the world's forests and in particular key tropical forests. Forest Partnerships are a pillar of the Green Alliances foreseen under the European Green Deal and are part of the [regulation proposal on commodities and products associated with deforestation and forest degradation](#). In its [Forest strategy](#) the EU commits to protect and restoring forests, boosting a sustainable forest-based bioeconomy. In the [Communication Stepping up EU Action to Protect and Restore the World's Forests](#), the EU supports partners to tackle deforestation in a partnership approach.



**FORESTS FOR THE  
FUTURE FACILITY**

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The Forests for the Future Facility (F4) provides technical support to contribute to healthy forest ecosystems and forest-related value chains in Asia, Africa, the Caribbean and Latin America. The Facility is managed by [DG International Partnerships Unit F2 – Environment, Natural Resources, Water](#).

This publication has been prepared by the Forests for Future Facility. It does not represent the official view of the European Union.