

Forest-based value chains

Special focus LAC

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 value chains. Raw materials (roundwood and other forest products) can be produced **under**

28 June 2023 – Agenda

Welcome and keynote address

Moderation by *Eleonora Paci* INTPA F2

[Register here](#)



Forest-based value chains and wood products – Focus on LAC

Petri Lehtonen F4 Facility

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

Lyndall Bull FAO, Forestry Officer, Sustainable Forest Products

Developing wood processing cluster in Suriname – turning log exports to local value added

Benito Chin Wood Product Entrepreneur, representative and advocate of the Surinamese business community

Combining restoration and conservation with commercial wood-based value chains in Latin America

investment case with BGT Pactual and Conservation International

Caitlin Clarke Director of Policy and External Affairs at BTG Pactual

Discussion and sharing of experience

Objectives of this webinar

This course offers a specific focus on LAC ahead of the [EU-LAC Summit on 17-18 July](#).

Participants will leave the webinar with a greater understanding of:

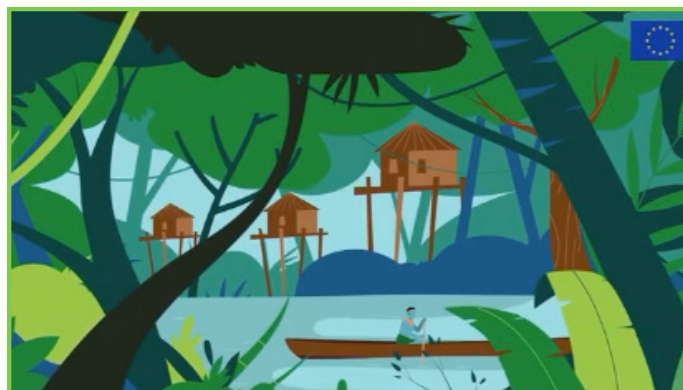
- Enhance their understanding of the nature and importance of forest-based value chains in LAC countries, with a specific focus on wood value chains;
- Discuss the opportunities and challenges linked the development and market of these value chains;
- Explore the role of EU support in promoting sustainable forest-based value chains and in mobilising private investments and sustainable finance, including EFSD+ applications.
- Be acquainted with some innovative cases and tools – exchange on good practices.

The course has a special focus on the LAC region completing a [previous course on forest-based value chains](#) held on 25 September 2022.

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 \(F4\)](#).

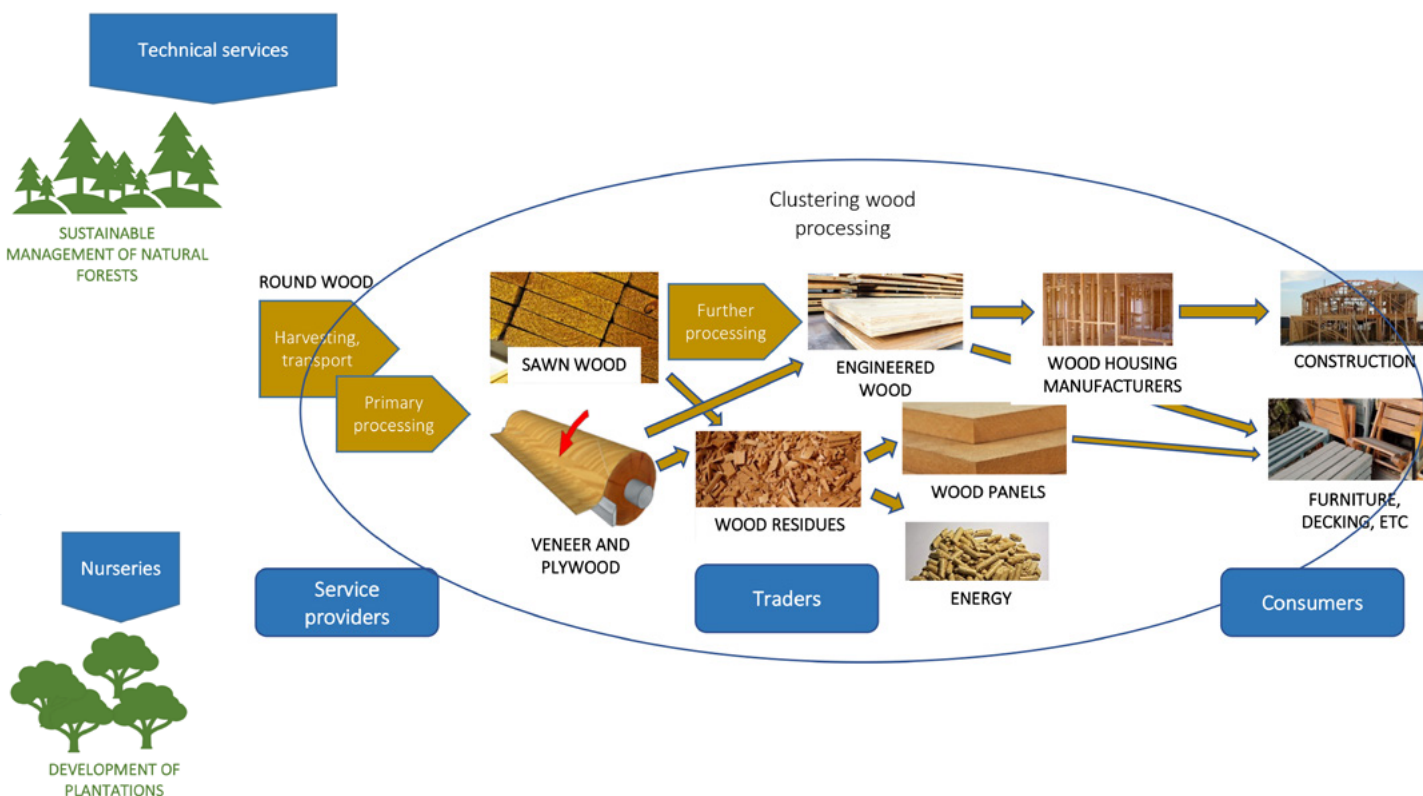
more sustainable forest management regimes, using efficient logistics and processing, to supply higher value-added products to local and regional markets. In Latin America and the Caribbean, opportunities exist to use wood more efficiently for construction materials, consumer goods, and other value-added products. 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 al-

uminium - which have far higher carbon footprints than sustainably sourced wood. With an emerging need for construction in growing urban areas, 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 PARTNERSHIPS ANIMATION](#)

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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■ **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.

Photo © EU VPA Guyana



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

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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.

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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.

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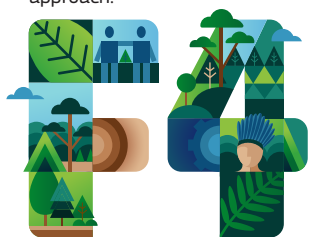


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Our future is in our hands and in our trees

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.
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