Webinar: Forest-based value chains and wood – Special focus on LAC

28th June 2023, 16:00-18:00 CEST, Zoom

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 was organised by INTPA F2/Forest Sector with the support of the Forests for the Future Facility (F4).

Questions and comments posted in the chat and verbally

N	Question/Comment	Response
1	Q : What are the important numbers to retain related to forest loss?	Deforestation and forest degradation are complex processes driven ultimately by growing demand due to population growth, urbanization, poverty, weak rule of law etc.. The main reason for conversion of forests to other land uses is expansion of agriculture and pasture (>80%). Unsustainable logging and fuel wood collection also cause forest degradation. FAO estimates that the world net loss of forests from 1990 to 2020 was 178 million ha. During that period 420 million ha of forests were deforested and converted to other land uses. At the same time forest area expanded 242 million ha thanks to afforestation and reforestation which has taken place by natural generation and planting.

N	Question/Comment	Response
2	Q : With the huge increase in wood demand (e.g. for construction) in next 10-20 years, is forest growth able to keep pace with this increase without causing deforestation?	Wood is largely used inefficiently, for low value products. Significant volumes of residues are accrued in harvesting and processing which typically involve wastes. This varies by countries/localities but in many cases - e.g. in tropical forests - 50% of wood volumes are wasted. Increase in volumes and value added of wood products can be partly reached with more efficient use of wood raw material for the most optimal/high value products. Another factor is material shift, e.g., by decreasing use of wood for energy products and increasing use of wood for wood products; or increasing the use of wood for solid wood products and decreasing the use of wood for pulp-based products. In addition, expansion of the forest resource base by natural regeneration and planting is critical. Reforestation is also a key target in global land restoration (e.g. Bonn Challenge). At global level the committed target for forest restoration and reforestation by 2030 is 373 million ha.
3	Q : A large share of products from Brazil is for Pulp. How (much) is that pulp used in Building sector?	The pulp in Brazil is mainly used for paper and board. Recently the fastest growing product segment has been packaging materials. The construction sector could use pulp-based products in insulation materials. In addition, many side products from pulping have multiple purposes, e.g. glues that can be applied for wood-based panels used in construction. To increase the use of wood for solid wood products one could start from changing the plantation regimes – diversifying species mix and favoring longer rotations. This way the planted forests could provide raw material for both solid wood industries (large dimension wood) and for pulping (small-dimension wood).

N	Question/Comment	Response
4	Q : Do you have personal experience with international donors helping to improve the business climate? If so, which was the best example?	In Suriname FAO assisted in developing forest finance strategy and related business planning where the Surinamese forest companies participated. The strategy as such had many elements that can improve the business environment. The strategy development included consultations with different stakeholder groups. The Surinamese business association carried out the consultation with private companies (including concession holders, wood processing companies, NTFP companies and ecotourism operators). After this process the Surinamese business association with assistance from FAO facilitated almost 20 companies to develop bankable business plans.
5	Q: For the industrial park, would a feasibility study be a first step? Or what needs to be done next?	The feasibility study is the next step and it partly on-going. FAO helped us to develop the ToRs for the study and we expect to finalize it this year. Here the support from the government and development partners is critical.
6	Q : Which is the current volume of logs exported by Suriname?	The volume of log exports was 400,000 m3 in 2021 and last year 300,000 m3. Ten years ago, the export volume was only 100,000m3 by it increased significantly and peaked in 2018 up to 550,000 m3. Apparently now it has again a downward trend and hopefully we can process mor of the logs locally.
7	Q : How to source carbon finance?	Carbon credits are part of the business cases, but the details cannot be revealed due to confidentiality. In the presented business cases the earning logic is structured with revenues from wood sales and value added from solid wood processing as well as carbon credits that are accrued with restoration, planted forests and carbon stored in long term wood products (e.g., engineered timber). As presented, about half of the area is under restoration with native tree species and other half with commercial timber species. The major opportunity for carbon credits are the voluntary carbon markets.

The presentations and other relevant materials are available on the Cap4Dev platform here.