

The Secretariat for International Forestry Issues



*Illustration from
Sten Nilsson.*

SIFI strengthens Sweden's commitment in international forestry issues

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EDITORIAL

A SUPER-CYCLE IS A PERIOD of historically high global growth, lasting a generation or more, driven by urbanisation and technological innovation, characterised by the emergence of new economies. This we learnt at a seminar on 8 June in Stockholm which was entitled *Global Trends – Implications on the Development and Use of Natural Resources*.

In early May, the American think tank the Rights and Resources Initiative (RRI) organized a Blue Skies meeting in London at Chatham House with leaders and thinkers from all over the world. They discussed trends related to natural resources globally which are under stress from rising consumption and unsustainable production practices. The outcome of that meeting was the starting point for the seminar in Stockholm, co-organized by RRI and the Royal Swedish Academy of Agriculture and Forestry (KSLA), presented in this issue. The in-

ternational speakers represented PRISMA in Latin and South America, the African Forest Forum and the World Agroforestry Centre in Asia. The Swedish stakeholders were represented at the very highest level. Thereby the conditions were the best for a successful day.

In this issue we also follow the sixth Forest Europe conference in Oslo as well as the climate negotiating session in Bonn. Our last contribution reconnects to the development in Chile, where Prime Minister Reinfeldt visited and signed a memorandum of understanding on forest management. Sit back in the hammock and let the mega trends and the super-cycle guide you. A system way of thinking seems necessary and the future will let us know how successful the management of the natural resources will be, given the urgency and complexity of current developments.



Fredrik Ingemarson, editor

Territorial dynamics and disputes in the Peruvian Amazon

SUSAN KANDEL, DIRECTOR, PRISMA, EL SALVADOR

The magnitude of private and public investments in the Peruvian Amazon is immense. It is commonly acknowledged that infrastructure development is a major direct cause of deforestation. As part of the Initiative for South American Regional Infrastructure Integration (IIRSA) – over the next decade, 880 km of new highways and 2000 km of paved roads are to be constructed. The portion of the IIRSA road connecting Pucallpa with Cruziero de Sol will cross through a protected area and an officially designated indigenous territory of indigenous peoples in voluntary isolation. The initiative

also includes the construction of 15 hydroelectric dams in the Peruvian Amazon; the first to be constructed is expected to flood some 40,000 hectares.

With respect to private investment, there has been a rapid proliferation of concessions for hydrocarbon exploration and operation. This is not surprising given that the western Amazon and Andean piedmont contain some of the world's last unexplored regions with significant potential for oil and gas. What is particularly alarming is that more than half of all the titled indigenous land in the Ama-



zonía is covered by concessions. These hydrocarbon concessions cover more than 60% of the proposed areas for territorial reserves for indigenous groups in voluntary isolation. Other sectors in expansion include palm oil plantations for biofuels, REDD, and gold mining. These operations are in direct opposition to the interests and visions of traditional and indigenous populations of the region, and are generating new conflicts. ○

A challenge to implement the effects of the global trends

Trying to grasp what is going on and to prepare for a different future is necessary, but it is a challenge because change is so very fast and radical and it affects most aspects of life, not only business.

ÅKE BARKLUND, ACADEMY SECRETARY AND DIRECTOR, KSLA

Ten years ago the world's richest person was from the United States, the biggest car maker was from the United States and the world's number one exporter was the United States. Today the richest person is a Mexican, the biggest car maker is Japanese and the leading export country is China. We in the "rich north" have to realize we are no longer the obvious centre of the universe as we have been for the last centuries.

The seminar *Global trends – implications on the development and use of natural resources* in early June at the Royal Swedish Academy of Agriculture and Forestry was inspired by the Chatham House discussions a month earlier, which focused on three main aspects of interest for the green industries:

- Economic growth and models of development will increasingly be driven by governments, investors and consumers of the "rising world"; India, China, Brazil, etc.
- Interest will focus more and more on rural fertile land for competing produce of food, fiber, feed and fuel.
- An accelerated rush for land leads to instability, unrest and risk of violence.

The outcome of the Chatham House meeting was properly presented and then commented on by the Asian, Central American and African representatives before the presidents/directors of the Swedish University of Agricultural Sciences, Forest Industries Federation, Forest Agency, WWF and Family Forestry discussed the presented implications and how they prepare for tomorrow's world. Two independent views were also given by Timwood AB and by Stockholm Resilience Centre.

Hope for the future

Despite the – normally expressed – gloomy perspectives of the future, the rounding up panel provided a hopeful view of the future. Business, governments and civil society must and will cooperate in a new and fruitful way. It is often the case that the problems of tomorrow are analysed with yesterday's solutions. But man is a very creative creature. New methods and tools will be invented to tackle the challenges of the future, not least with the help of the millions and millions of fresh talent from the "rising world". Massive investment in education, and in research and development was the prescription provided by the panel, as well as acceptance of unorthodox thinking.

As for forestry, my own comment as a former sawmiller is to design Swedish forest management to produce high quality trees and process them into unique and expensive wood. Bring on board the right advertising and sales people in the markets of the "rising worlds" today because it takes time to build up a brand. There is a burgeoning middle class "out there" looking for the good life.



Lars-Göran Sandberg, Timwood AB, and Arvind Khare, the Rights and Resources Initiative, during the Global Trend seminar's panel discussion.



Andy White. Photo: Anna Strom.

Trends shaping land use and natural resource governance to 2030

Resources, rights, and development in a changing world was the title of a Blue Skies meeting at Chatham House in London on May 3–4 2011. This meeting was organized by the Rights and Resources Initiative (RRI) and participants were 20 specially invited leaders and thinkers from all over the world. They discussed trends related to natural resources globally which are under stress from rising consumption and unsustainable production practices.

ANDY WHITE, DR., COORDINATOR, RIGHTS AND RESOURCES INITIATIVE



Rights and Resources Initiative (RRI) is an international coalition created five years ago working on the issue of forest and land governance in the developing world primarily. The meeting falls into two areas of interest for the Energy, Environment and

Development Programme (EEDP) of Chatham House: the new project on Resources Futures and the work on illegal logging and forest governance.

The purpose of the Blue Skies meeting was threefold: **1)** to better inform our understanding of the local and global forces shaping land, forest and natural resource ownership, use, governance and development over the next two decades; **2)** to explore the implications of these forces on rights and development in rural and forest areas of the developing world, and on the broader political economy; and **3)** to share experiences and strategies which may help improve local regimes around these issues, as well as global policy and legal frameworks.

Forces shaping the future

World-wide, natural resources – land, forests, biodiversity, water, wetlands, and minerals – and the systems that govern their ownership and use are under strain, if not in crisis. Climate change is dramatically altering ecological systems and increasing the vulnerability of rural people and resource production systems and these changes will undoubtedly disrupt political and economic regimes in the coming decades. The future of natural resources and whether they can be sustainably governed to provide the products and services needed for local and global survival, if not prosperity, is not at all clear.

Among the many factors and forces driving and shaping the future at least three are certain:

- *First*, global growth, development models, and land and resource use will be increasingly shaped and defined by the governments, citizens and private investors of the rising economic powers of Brazil, India, China and other middle income countries.

- *Second*, the rural and forested areas of the developing world – 30% of the global landscape – will be the focus of increasingly intense global interest and contest, both for producing the additional food, fuel, wood and water required to feed and service global demand, and for maintaining globally relevant ecosystem services, including securing forest carbon and biodiversity.

- The *third* and related factor is that the contest for land and resources will be contentious and potentially violent. The some 2 billion owners and dwellers of these areas are among the poorest and most politically disenfranchised on the planet – and they have unmet expectations for justice. Most rural and forest areas of the developing world are characterized by a limited respect for human and civil rights, poor governance, unequal treatment of women, entrenched state-dominated tenure and industrial interests, and often corruption –making conventional business and conservation models suspect and increasing the potential for political volatility.

Understanding these global factors and forces, as well as the fundamental political, technological and economic transitions underway, is essential to understanding the possibilities for realizing just and equitable development at the local level, and sustaining natural resource protection and production at the global level: two intrinsically linked goals that are of vital interest to us all.

Key observations from the Blue Skies meeting

The framing presentation pointed to a systems failure in dealing with megatrends and **transformations** as is evident in **1)** the energy sector, in which the developments in efficiency cannot outweigh the increase in consumption growing at a much quicker pace; **2)** the naivety of global emission reduction concepts when 3 billion people cook with solid fuels, and 1.7 billion without electricity; **3)** the imbalanced and uncontrolled global economy; **4)** the failure in food supply and security; **5)** dwindling availability and quality of minerals; **6)** declining terrestrial ecosystems; **7)** increased biodiversity losses; **8)** failure to reach millennium development goals; **9)** over one billion people starving; and **10)** more than 1.7 billion people living in absolute poverty.

These are all important and interconnected components of a larger system – and unpleasant surprises are going to happen if these failures continue to go unchecked. Policy makers and the scientific community underestimated the impacts of the transformational changes that are occurring, as well as how dramatically the South radically transforms the global society and the globe. Thus far, there is no plan that aspires to action.

A **”super-cycle”** is “a period of historically high global growth, lasting a generation or more, driven by increasing trade, high rates of investment, urbanisation and technological innovation, characterised by the emergence of large, new economies, first seen in high catch-up growth rates across the emerging world”. The first super-cycle was associated with the United States from 1870 until 1913. The second super-cycle was after the Second World War until the early 1970s. It is now suggested that the world entered into a third super-cycle at the beginning of this century and that it could go beyond 2030. This super-cycle will be characterized by massive population growth in developing and emerging economies, rapid urbanisation (extra 680 million in cities 2030), and a burgeoning Asian middle class. By 2030, conservative estimates see the world economy growing to more than USD 300 trillion from USD 60 trillion today. Emerging economies will contribute with two-thirds of real global growth. The West will grow but the East will grow faster, so the economic balance of power will continue to shift from West to East (currently the West has 60% of the global economy

but by 2030 this will be closer to 29%).

A **series of clashes** within the current context provides a need to plan more smartly:

The first clash is that the developing world is contesting the economic and political power of the developed world on a more equal footing than ever before. Increased income means increased influence. The negotiation table on the most pressing global issues has been limited (e.g. G7/G20) and this must change going forward and include those that have previously been unheard.

A second clash is in human trends, technology and natural resources. Technological innovation is an important economic driver in alleviating water stress, world hunger, etc. but no one-size solution is appropriate – for example, consider the literacy and learning level of each country as a limiting factor to invest technology in a number of countries to help them develop. Often in developing countries a ‘digital divide’ exists, which can set apart the ‘nouveau riche’ and extreme poor.

Overall, one of the main themes that continually arose throughout the meeting was the inter-connectedness of land and land rights issues with other sectors, crises, and challenges. There was a general sense given the growing importance of all natural resources that ‘resource rights’ was the correct point of departure and that the ‘systems’ approach was the right way to frame the analysis and consider implications of future actions. It was also agreed that the time to start engaging the emerging countries and helping them shape the new global regime ‘was yesterday’. As said by Robert Zoellick at the spring 2011 Annual Meetings, change and uncertainty is “the new normal”. ○



CHATHAM HOUSE

Other key observations during the Blue Skies meeting

- Access to land and competition and conflict over water.
- Speculative food commodity markets.
- Land rights confuses the market.
- The interests of stakeholders is often a disincentive to investment.
- The need to encourage sustainable investment.
- Rights of local communities and political mobilization.
- Poverty is a dynamic state and donors are reviewing their role.

A Chatham House meeting summary is published at www.sifi.se.

Institutional reform, ‘quality’ growth, may help sustain world’s resources

Reforming international institutions, encouraging ‘quality’ growth and giving local populations equitable rights to land could be decisive steps towards ensuring a more sustainable use of natural resources, including of forests, a seminar in Stockholm heard in June.

ANNA STROM

However, speakers warned the 80-strong audience at the Royal Academy of Agriculture and Forestry (KSLA) action had to be swift and taken as part of efforts to address challenges on the level of the global system.

The 8 June event, entitled Global trends – implications on the development and use of natural resources, followed on the back of a meeting at Chatham House in London last month. There 20 experts outlined a series of global trends, or ‘megatrends’, expected to drive change in the next couple of decades. Its Swedish co-chair, KSLA fellow Sten Nilsson, tried to put the trends and their implications into context for the international crowd assembled in Stockholm.

‘Unprecedented’ change

“We have never had so many human-induced transformations in history as we have today”, said the former director of the International Institute for Applied Systems Analysis (IIASA) and current advisor to the Canadian government, adding that the speed with which these changes were occurring was “unprecedented”, and that “we are lacking a lot knowledge” on the interactions of the trends and their impacts.



Sten Nilsson. Photo: Anna Strom.

Launching into an exposé of scientific predictions Nilsson said that, by mid-century, the world population was expected to increase by a third. This would include a doubling of people in the ‘middle class’ in developing countries to six billion.

While oil and mineral reserves were already peaking, global energy production was set to triple

by 2050. Then bio-based production – to which both agriculture and forestry supply raw materials – would be worth USD 280 billion, having expanded at an annual rate of 12–15%.

The developing countries would be the ones setting the global agenda, Nilsson affirmed. Already in 2013 the developing world would be good for all but half the world’s collective gross domestic product, up from 37% of global GDP in the year 2000, he said.

If left to the devices of markets and business as usual under the current international regime, the rapid change seen could produce “unpleasant surprises”, said Nilsson, pausing to catch his breath.

‘Little progress’ on climate change

To be sure, recent advice (from the United Nation’s Intergovernmental Panel on Climate Change) showed that global greenhouse gas emissions were at an “all-time high” and that, despite intense global negotiations, “not much progress has been achieved”, according to Nilsson.

Others would have added that, as yet, there was no new international regime in sight to replace the UN’s 1997 Kyoto Protocol on Climate Change after its expiry in 2012. Indeed, Stockholm Resilience Centre head Johan Rockström suggested to the seminar, to prevent global temperatures from rising more than two degrees above pre-industrial levels in 2050, which is a goal adhered to by the EU and UN, the world would need to rally around a treaty with the clout similar to that of the so-called Montreal Protocol, under which UN member countries have cut emissions of substances involved in the thinning of the Earth’s atmospheric ozone layer. There could be such agreements for countering climate change and for arresting the loss of biodiversity, according to Rockström.

For his part, Nilsson went on to say that ecosystems and their services, and biodiversity, would be impacted



Speakers at the Global Trends seminar. Front row from the left: Arvind Khare, RRI, Washington; Susan Kandel, PRISMA, El Salvador; Johan Rockström, Stockholm Environment Institute and Stockholm Resilience Centre; Andy White, RRI; Lars-Göran Sandberg, Timwood AB; Godwin Kowero, African Forest Forum; Åke Barklund, KSLA.

Middle row from left: Sten Nilsson, KSLA; Ujjwal Pradhan, The World Agroforestry Centre, Indonesia; Lisa Sennerby Forsse, SLU; Håkan Wirtén, WWF; Johan Schaar, Sida; Lennart Ackzell, LRF. Back row from left: Fredrik Ingemarson, SIFI; Björn Lundgren, KSLA.

Photo: Anna Strom.

by a decline in water resources, since 75% of current use went into agricultural production which, in turn, would have to be stepped up to meet the demands for food of a world population edging towards nine billion.

“We have to produce more out of less”, said Nilsson, calling for a shift to “qualitative” growth and a “strong policy leadership”. This should not only create rules and guidelines, but also do away with excess administrative burdens, remarked Andy White from the international Rights and Resources Initiative (RRI), a coalition of 14 organisations advocating more equitable access to land and rights by indigenous and local peoples.

Indeed, “new forms of governance” by the public and private sectors where needed, Nilsson agreed: “We need to work with this larger systems’ view in order to be able to handle the decisions”.

Rise of developing countries

Nilsson, White and others described shifting power balances from the West and North of the planet, to its South and East.

China had already risen to be the largest exporter of goods, said KSLA Director Åke Barklund. India and Brazil were hot on its heels in terms of technological development, said others. The three countries had young populations that would be asking for jobs and an expanding middle class in search for material living standards similar to those of citizens in the western world. In fact, those economies had “already emerged”, said Ujjwal Pradhan, Asia Regional Director of the World Agroforestry Centre in Indonesia.

As the RRI’s Washington-based coordinator, White said that, especially in the developing world, “the contest for land will increase”. This, he said, should be seen against a backdrop of forested land being largely controlled, not by local or indigenous people, but by governments. This was especially true of Africa. However, a conversation with Godwin Kowero, head of the Afri-

can Forest Forum in Nairobi revealed, in several African countries local populations would welcome investments and capacity building by foreign investors to restore dried out land and to replant forests.

Countering conflicts

However that might be, White predicted that violent conflicts would arise over land rights in developing nations. While governments and businesses from all over the world would be pouring “hundreds of billions of dollars” into investments in natural resources in developing nations, local populations would rebel and reclaim their right to the land, he said.

For her part, Susan Kandel of PRISMA, carrying out applied research on the territorial dynamics of the South American continent, said that “illicit activities” – such as trafficking or the formation of cartels and gangs – were already mainstay in areas rich in natural resources, such as the Peruvian Amazon and Petén of Guatemala, were stakeholders in trade infrastructure, extractive industries and tourism were vying for the land and its riches. The result was a complex picture of rapid environmental degradation and loss of forest cover, as well as poverty and social exclusion among local populations, in a vicious cycle further spurred on by inland droughts or near-coastal flooding – trends presumably heightened by climate change.

While there was no one solution, said Kandel, a first step could be the creation of a strategy to “defend, strengthen and expand the territorial and forest rights of indigenous peoples and community forest organisations”. Such a strategy could be developed under REDD+.

“We need to get more aggressive” in trying to convince world leaders of the need for change, concluded White, who had the establishment of a global fund to help finance sustainable governance and tenure of forested land top his wish list.



Bio-based economy ripe with opportunity, but for whom?

While there is a sense that governments and forestry industry are struggling to keep pace with “overwhelming” global change, this could also offer opportunities for industry wanting to harness the bio-based economy by feeding it products that are resource efficient and renewable, forestry and development stakeholders meeting at seminar in Stockholm have been told.

ANNA STROM

One of its chairpersons, Sten Nilsson of the Royal Swedish Academy for Agriculture and Forestry, told delegates to the Stockholm meeting that there was “tremendous potential” for innovation and growth in the sector covering **biotechnology and bio-based products**. According to current predictions, bioenergy use alone would more than quadruple between the years 2000 and 2030 to 13 billion cubic meters of output, he said, adding that “bio-production”, in which he included bio-based chemicals and “components”, would be growing at a rate of 12–15% per year.

Others, such as Lars-Göran Sandberg from Timwood, a Sweden-based consultancy, pointed to opportunities for **technology development** in the construction sector, in which solid wood could serve as a “very environmentally friendly” alternative to steel and cement. A well-travelled consultant and an advisor to multinational industry, Sandberg went on to say that forest-sourced biomass could be used to make composite products, packaging and hygiene products such as diapers.

Harnessing efficiency in the bio-based economy could

be one way to ensure “**fiber security**”, he said. Leaning on Nilsson’s prediction that extraction of already scarce natural resources was set to increase by 30% between 2005 and 2030, Sandberg said that the corporate sector had to be a driver for change, bringing resource efficient products to market and “finding *local solutions*”.

The industry “cannot be successful without a large share of new products”, agreed Swedish Forest Industries Federation Director Marie S. Arwidson. Those could be fuels and “combinations of materials”. Moreover, energy efficiency was “high on the agenda” of the Swedish forestry industry which was “electricity intensive”, according to Arwidson.

“We have to be increasing our efficiency”, she said; “I have the feeling that our companies are taking this seriously”.

Including developing countries

However, as Johan Rockström, the scientist heading Stockholm Resilience Centre said, saving energy works only for those who have access to it.

Beyond making reference to international schemes or codes of conducts, few Sweden-based representatives of the forestry sector described actions taken by themselves to engage directly with counterparts in developed countries with a view to let them in on opportunities offered by the bio-based economy or to help them cope with new demands for efficiency in the face of diminishing natural resources.

A notable exception was Lennart Ackzell, an international coordinator with the Federation of Swedish Family Forest Owners. Talking of his organisation’s work to “strengthen” small holders in Kenya in a project backed by the Swedish International Development Cooperation Agency (Sida), he said that involvement by local popula-



Johan Schaar and Andy White in discussion. Photo: Anna Strom.



The panel. From left: Sten Nilsson, Johan Schaar, Lars-Göran Sandberg, Arvind Khare, Johan Rockström. Photo: Anna Strom.

tions and “good” governance by investors and policy makers at all levels were keys to long-term success.

On this note, Sida’s Johan Schaar stepped in to challenge the seminar with a question. How was it, he wondered, that Swedish stakeholders were not more involved in the European Union’s voluntary scheme to ensure that only legally harvested timber was imported to the EU from third countries? This Forest Law Enforcement

and Governance scheme, or **FLEGT**, had recently won acclaim for its achievements from “civil society”, he said.

Refreshingly candid, Schaar was one of the rare speakers to acknowledge upfront that the global-level change described by experts was “overwhelming”.

“We have difficulty keeping pace with what is happening”, he said.



Reflections on the seminar about global trends

A selected number of acknowledged thinkers and Swedish forest sector organizations provided an insightful summary of the global trends and challenges. There were a few statements or comments that stuck in my mind and that I have continued to contemplate after the seminar.

OLA SALLNÄS, PROFESSOR, SLU

Prof. Sten Nilsson stressed the need for a systems perspective when dealing with these global challenges. Research tends to regard an energy crisis, population development or poverty issues separately, but they must be handled as interconnected components of a **system**. As a result of the interaction between the components unexpected things may arise. These ‘surprises’, unexpected events in the system, were brought up by several speakers, overthrowing the belief that we look into the future by simply extrapolating trends – we must expect unexpected developments.

Ujjwal Pradhan from the World Agroforestry Centre raised the question “is poverty a result of a social process or of a basic scarcity of resources?”. He did not give an answer and naturally the answer depends on whether we refer to poverty in a relative or absolute sense. I find the question highly relevant in today’s discussion on balancing growth in developing countries with energy savings and other measures to **mitigate climate change**.

Many of the speakers called for strong international institutions to cope with the challenges. Such a need

might be warranted but how to balance **global governance** with national and local realities? One question from the audience in the seminar focused on the imbalance between global development and challenges on one side and, in many cases and situations, rather weak national governments on the other. On the global arena there are multinational or global companies (and organizations) outside every form of democratic control. For me, this is one of the really major issues – how to combine man-agement of global challenges with basic democratic demands? Could it be so that the traditional content of the concept of democracy has to be changed or supplemented by something new?

The seminar left the impression that the **Swedish players** should become more active on the global arena and that there is a need for a continued discussion on these topics in the Swedish forest sector. For example, on the role of the Swedish forest companies in the globalised world: how could the current tendencies of land grabbing be turned into lasting partnerships with local communities?



Half-time ahead of COP17



UN Climate Change Conference June 2011.
Photo: <http://unfccc.int/meetings/sb34/items/6060.php>

The world's climate change negotiators have gathered again in Bonn for a new negotiating session. The meeting was a working meeting and the purpose was to implement that which the world's countries agreed on in Cancun, Mexico, in December last year.

NILLA THOMSON, DEPT. SECRETARY, MINISTRY OF THE ENVIRONMENT

The discussions were constructive, even if no actual decisions were made. It is now half-time ahead of COP17 in Durban, South Africa, in December and much work remains to be done in the areas that Sweden and the EU prioritise ahead of Durban; a stronger and clearer commitment to achieve the **two degree target**, a sound and transparent

reporting and the increased use of market mechanisms to limit emissions. Pleasingly, forestry is one of the areas in which discussions are moving forward, and which include REDD+, mechanisms, forestry issues, adaptation and technology, but no specific decisions have been made here either. One of the toughest issues to resolve is that of a le-

gally binding framework to reduce emissions. The issue of funding for capacity building and other efforts in developing countries is also a troublesome one. Sweden now also holds the chairmanship of the **Arctic Council** and this places a sharp focus on the negative sides of climate change; melting ice and increased instability. ○

Ministerial agreement signed in Oslo

In the absence of a forestry policy in the EU, Forest Europe has carried some weight as the political forum that has had direct links to Europe's forest ministers via the ministerial conferences.

FREDRIK INGEMARSON, PROJECT LEADER, SIFI

Forest Europe, or the Ministerial Conference on the Protection of Forests in Europe (MCPFE) as it was called until the end of 2009, is an ongoing process of cooperation between European countries with the aim of discussing common problems and opportunities related to forests and forestry.

At the sixth Forest Europe conference in Oslo, the ministerial agreement was signed. As well as signing the declaration to begin negotiations to establish a legally binding agreement (LBA), delegates also agreed to set a number of targets to be

achieved by 2020. These included all European countries implementing a national forest programme, which needed to contain climate adaptation and mitigation strategies. Ministers also agreed to cut the rate of biodiversity loss within forest habitats by half, and take steps to eliminate illegal logging.

There was not universal support for adopting a legally binding agreement. Sweden has this far been a policy taker regarding the LBA. The Swedish Minister for Rural Affairs Eskil Erlandsson told the conference that while he supported the concept

of sustainable forest management, he favored a voluntary approach rather than an LBA. He does not believe in common legislation for forests across the pan-European region. Still, he signed the declaration in order for the negotiations to begin, thereby possibly giving the Swedish stakeholders a second chance for a dialogue, as well as for Sweden to become a policy maker in the future LBA process.

The Secretariat for International Forestry Issues will follow the process more closely during the autumn, see www.sifi.se. ○



Chile and Sweden agree on further cooperation

The official visit to Chile of Prime Minister Reinfeldt contributed to broadening and deepening the historical ties and new areas of common interest for both countries.

**FRANCISCO ULLOA, THIRD SECRETARY,
EMBASSY OF CHILE IN SWEDEN**

On May 18th and May 19th, Prime Minister Fredrik Reinfeldt paid an official visit to Chile, signing three memorandums of understanding, namely on green technologies and urban sustainable development, sustainable and innovative mining, and sustainable forest management.

President Piñera told Prime Minister Reinfeldt that “mining and forestry are very important for both countries”.

The following **priority areas** were identified for the forest memorandum: promotion of high value added uses of timber from native forests species, with bioenergy as one priority; promotion of rational biomass energy production; promotion of research, training and technology transfer with regard to sustainable forest management; promotion of wooden constructions; promotion of forest owners’ associations and promotion of the OECD Guidelines for Multinational Enterprises linked to cor-



The official visit to Chile of Prime Minister Reinfeldt contributed to broadening and deepening the historical ties and new areas of common interest for both countries. “Mining and forestry are very important for both countries”, said President Piñera. Photo: Alex Ibáñez. Source: President’s Offices of Chile

porate social responsibility. **The private sector**, including small and medium-sized enterprises, academia and research institutions, plays the major role in realizing this task. However, **the public sector**, including the Swedish Forest Agency and the Chilean Forest Institute, may participate actively in the information exchange on policy and regulation between implementing entities for this purpose.

For more information about Chile’s forestry production and challenges, see SIFI:s 2nd Newsletter (December 2010). ○

Fair Trade Wood from Chile

FRANCISCO ULLOA, THIRD SECRETARY, EMBASSY OF CHILE IN SWEDEN

For many years, the forest industry in the Curacautín Valley was based on unsustainable methods with its subsequent environmental, social and economic impacts. In recent years, this valley has been gradually re-establishing its native forest as a result of responsible forestry technique, partially thanks to the establishment of a sawmill owned

by **SSC Forestry Group of Sweden** (Svensk SkogsCertifiering AB). Through this initiative, forest education has been provided to the local community as well as to small forest farmers, who have been organized and trained in sustainable forest management. This process eventually led to the granting of both FSC and Fairtrade certification to the

timber produced in the valley. Wooden floor maker **Kährs of Sweden** is the first company in the world to support and place an order of this dual-labelled timber from Chile and will begin later this year to produce flooring products, initially in limited volumes. ○

Calendar 2011



August

1–4 August	Wind & Trees 2011: Research Conference	IUFRO Athens, Georgia, USA
8–9 August	Second Regional Forum for People and Forests	RECOFTC Bangkok, Thailand

September

19–21 September	Who Will Own the Forest? 7	World Forestry Center Portland, Oregon, USA
27 September	The global need for food, fibre and fuel	KSLA Stockholm, Sweden
28–29 September	Agricultural Research for Development – Scales & Diversity	Agr4Dev Uppsala, Sweden

October

19–22 October	Rediscovering wood: the key to a sustainable future	FAO Bangalore, India
21 October	Forest plantations in the South	WWF Stockholm, Sweden
31 October	Planted Teak Forests: a Globally Emerging Forest Resource	CATIE San José, Costa Rica

More activities at www.sifi.se/kalendarium.

Summer and autumn activities

The think tank for International Forest Issues consists of the committee for international forestry issues (KIS) and the Secretariat for International Forest Issues (SIFI). In August, the forest department at the Academy will conduct a one week trip to the southern states of the United States with a focus on forestry and the timber industry. Professor William S. Stuart, from Mississippi State University, will guide the tour to the states of Louisiana, Florida, Mississippi and Alabama.

The next meeting for the committee for international forestry issues is 15 September. The autumn seminar about land shortage as well as the budget planning for 2012 are on the agenda. Thanks to SLU and KSLA's financial support the Secretariat for International Forest Issues continues with the work during 2011. On 27 September we will be organizing the first seminar about **the global land shortage**. The focus is on presenting facts on demand, production, trends, where and how production is currently carried out and projections on what will happen in the next 20 years with food, fiber and fuel, and

on land availability for this production. The second seminar on 22 November will focus on the technical, economical, social and environmental constraints that must be overcome in order to achieve the required increase in the production of food, fiber and fuel from the limited land areas available. There will also be a session with cases of involvement of Swedish actors in various agricultural, forestry and bio-energy investments and programmes outside Sweden.

Our next newsletter will focus on Swedish forestry assistance and the competition between food, fiber and fuel for land. Please visit our website for more information or to subscribe to the newsletter. Normally the newsletter is written in Swedish, although the current number is written in English because of the collaboration with the Rights and Resources Initiative (RRI). Our goal is that the newsletter, along with the website, should be a forum for the development of the Swedish forest sector, preferably in discussion, but not debate, following the spirit of the academy.



Our financiers:

*Kungl. Skogs- och Lantbruksakademien
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KORT OM SIFI

Tankesmedjan för Internationella Skogsfrågor består av kommittén (KIS) och sekretariatet (SIFI) för Internationella Skogsfrågor. Vård för SIFI är Kungl. Skogs- och Lantbruksakademien (KSLA). Styrgrupp för arbetet är KIS och i tankesmedjan finns även en funktion för resursutveckling med representanter från olika delar av den svenska skogssektorn.

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