



**Asia-Pacific
Economic Cooperation**

Proceeding

First APEC Meeting of Ministers Responsible for Forestry

6-8 September 2011

Beijing, People's Republic of China





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BACKGROUND

Proposed at the 18th APEC Economic Leaders' Meeting, the First APEC Meeting of Ministers Responsible for Forestry would be hosted by China from 6-7 September 2011 in Beijing, to be followed by an optional field trip since 8 September. The Chinese Government in collaboration with the Asia Pacific Network for Sustainable Forest Management and Rehabilitation (APFNet) welcome sponsorship from other APEC economies and inputs into the tentative meeting agenda.

The Ministerial Meeting is intended to assess existing efforts and explore further opportunities to enhance work on meeting the aspirational forest cover goal, and also aims to scale-up commitments to promote sustainable forest management and rehabilitation and address forest-related issues to contribute to the green growth agenda of APEC.

MEETING THEME AND TOPICS

Theme:

Enhanced Regional Cooperation for Green Growth and Sustainable Forestry Development

Topics:

- New opportunities and challenges facing forestry in Asia and the Pacific;
- Wise use of forest resources to improve livelihoods and promote sustainable development;
- Strengthening forest governance and management to promote multiple functions of forests for green growth; and
- Enhancing practical cooperation to achieve inclusive growth for the forest sector in the region.

SESSION 1 New opportunities and challenges facing forestry in Asia and the Pacific

TOPIC



Mr. Hiroyuki Konuma, *Assistant Director General and Regional Representative for Asia and the Pacific, Food and Agriculture Organization of the United Nations*, introduced the topic of the first session. He noted that the APEC region covers 45% of global land area, of which 36% - 2.2 billion hectares - is covered in forests. It is also home to 40% of the population. In terms of forest area change between 2000 and 2010, APEC added 22 million hectares while net loss in the rest of the world amounted to 157 million hectares. Highest rates of increase were in Viet Nam, China and the Philippines while the highest rates of loss occurred in Malaysia, Indonesia and Papua New Guinea. Overall, there is a critical need to rebuild

the forest resource base and to revitalize industry in some economies. Forest degradation is severe in certain areas and ecosystem services need to be restored, including for biodiversity conservation, watershed protection and carbon sequestration. On the one hand, climate change offers opportunities to establish carbon markets and implement programs such as New Zealand's Emission Trading Scheme which puts a price on greenhouse gases as an incentive to reduce emissions, invest in energy efficiency and plant trees. Norway's partnership with Indonesia is another example where support is given to reduce GHG emissions from deforestation and forest degradation. On the other hand, Mr. Konuma warned that carbon money was not a windfall, given that forest management needed to meet sustainability criteria. Governments must also put enabling environments in place: secure property rights, good governance, a strong judiciary, and minimal bureaucracy. The question of who owns and who manages forests needs to be answered as well, as the trend toward devolution gains momentum. In closing, he stated that APEC's goal to increase forest cover by 2020 will require an accelerated rate of tree planting, reduced agricultural encroachment, less unsustainable logging and forest clearance, improved forest governance and control of illegal timber trade, and better management of fire and invasive species.

HIGHLIGHT Statement highlights:

Australia: *Mr. Graeme Meehan, Australia's Deputy Head of Mission in China*, stressed that human needs for land and resources are increasing pressure on forests and that stakeholders are scrutinizing forest practices more closely than ever before. The negative impacts of illegal logging on climate change, loss of habitat and on livelihoods are more widely recognized and better understood so that many groups are now calling for effective action at all levels to bring this issue under control. After a comprehensive process and extensive public consultations, the



Australian Government drafted legislation which will soon be tabled in Parliament to prohibit the importation and sale of illegally logged timber. This approach will align with initiatives undertaken in the United States of America and the European Union to curtail trade in illegal timber products. He added that APEC is well placed in the region to promote trade in legal forest products, sustainable forest management and forest rehabilitation.



Brunei Darussalam: *Mr. Pehin Dato Yahua Bakar, Minister of Industry and Primary Resources in Brunei Darussalam,* noted that although lush tropical rainforests cover more than 70% of land area, the domestic economy is based on oil production. Given the uncertain future of this industry, government is seeking to diversify. With regard to forestry, the challenge is to preserve its international reputation as a green icon while creating opportunities through

economic development of the sector. The pristine condition of forest resources and the rich biodiversity they house make eco-tourism a viable option, especially because of the easy access to sites and the beauty of its natural physical features. In addition, new bio-technologies and carbon trading have significant potential to support domestic growth. The Minister further stated that his government fully supports APEC's efforts to enhance cooperation within member economies, including to build the capacity of Brunei Darussalam to develop its forestry sector. He concluded by indicating that bilateral and multilateral cooperation to achieve sustainable forest management and wise use of the biological resources found therein will mutually benefit all parties.

Canada: *Mr. Tom Rosser, Assistant Deputy Minister of the Canadian Forest Service, Natural Resources Canada,* noted that the forest sector around the world is facing many challenges: changing climate, the threat of a global recession, shifting patterns of supply and demand, market transparency and illegal logging - all of which have negative impacts on forest-dependent communities, governments



and biodiversity. In response to emerging trends and the need to prepare for the future, Canada is focusing on science, innovation and partnerships: science to make more informed decisions; innovation to achieve green growth; and partnerships to fully integrate forests into the green economy. It also believes that forestry education must adapt to changing needs if it is to remain relevant and provide professionals with wider skill sets than the last generation. He cited the International Model Forest Network as a voluntary, broad-based initiative that links forestry, agriculture, mining, recreation and other interests in a given landscape. The concept expanded from 10 model forests in Canada to more than 50 in 30 economies around the world, including 8 in the APEC region. He concluded by stating that APEC can play a key role in advancing green growth and shaping the future.

Chile: *Mr. Eduardo Vial Ruiz-Tagle, Executive Director of Corporación Nacional Forestal (National Forest Corporation),* highlighted that APEC economies were important trading partners in terms of its forest products. He described recent changes in legislation to protect native forests and new programs to promote afforestation and reforestation. So far, an estimated 2.6 million hectares have been planted, mainly with fast growing exotic species which supply 95% of Chile's forest industry. The institutional framework now in place allows for forest management to be regulated, plantations to be established on suitable barren land, and for research and technologies to significantly increase forest quality and productivity. Consistent with the APEC goal to increase forest cover by 2020, Chile is taking steps to plant an additional 2 million hectares to combat desertification, safeguard water supply, mitigate greenhouse gases and conserve biodiversity. He emphasized that APEC is an excellent platform to address issues related to sustainable forest management, learn about successful initiatives and strengthen cooperation.



P.R. China: *Mr. Jia Zhibang, Minister of the State Forestry Administration,* iterated the importance his government attaches to forestry and the multiple functions forests provide, including maintaining an ecological balance and acting as carbon sinks. As the most effective and economical way to reduce emissions, forests are a viable option for green development. However, they can also be a carbon source when destroyed and degraded. The dual pressure of economic development and emission reductions calls for the international community to act together to protect and increase forest cover as well as halt deforestation and forest degradation. Given the critical role forests play, his government has made it clear that forestry is central

to sustainable development strategies, ecological integrity, and the mitigation of climate change. Since 1978, forestry development became a priority and large-scale tree planting was conducted. Thousands of billions of RMB supported the implementation of key programs and the sector experienced rapid development. More than 60 years of effort have resulted in significant achievements: solid legal and institutional frameworks, considerable increase in forest area, significant decrease in desertification, more than 2000 forest nature reserves, a rapidly growing forest industry, and extensive tenure reform on collective forestland. Lessons learned include the realization that development of the sector must keep pace with overall economic and social development; ecosystem management requires integrated approaches; investments from both government and the private sector are essential; forest policies must reflect the interest of all parties; and advances in concepts and technologies in other parts of the world can inform and improve domestic forest management. Despite remarkable achievements, many challenges remain. However, China is aiming to achieve 21.66% forest cover by 2015 as a step toward increasing forest area by 40 million hectares by 2020.

SESSION 2 Wise use of forest resources to improve livelihoods and promote sustainable development

TOPIC



Professor Jiang Zehui, Co-chair of the Board of Trustees, International Network for Bamboo and Rattan (INBAR), spoke on ways to increase the use of bamboo and rattan to achieve inclusive sustainable growth. She recalled that INBAR was established in 1997 and counts 37 members. Through joint efforts, the industry is growing, as is its renewable resource base. Products are green, environmental friendly, and recyclable. They are

used in construction and transportation as well as to make paper, furniture, chemicals, and food items. Despite a financial downturn in 2008, trade in bamboo and rattan totalled an estimated US\$ 2 billion in 2009 and US\$ 2.6 billion in 2008. These resources also form the basis for tourism and recreation, in addition to their significant capacity to store carbon due to their fast growth.

In terms of improving livelihoods, pilot projects have demonstrated that bamboo and rattan products generate income and help farmers escape poverty. After a devastating earthquake in China's Sichuan Province, bamboo was used in reconstruction and the project won an international award for its novel approach to post disaster recovery. Other models in India saw per capita income of an estimated 5,000 bamboo farmers rise from US\$ 17 per month to US\$100. To strengthen INBAR's capacity to deliver its mandate, the Chinese government established the International Center for Bamboo and Rattan. Its objectives are to advance technical innovation, develop new products, conduct training and provide other services to member economies. The center furnished Bangladesh and Sri Lanka with technology from China to produce, process and market bamboo shoots and it promoted prefabricated bamboo in Ethiopia and Nepal.

Professor Jiang Zehui recommended 3 ways to promote inclusive and sustainable growth of forestry in the region: 1) adjust goals, innovate models and reform institutions to shape forestry into people-oriented, inclusive and sustainable development; 2) build capacity through staff training, technical support and information services to assist poor people in forest communities to sustainably utilize resources; and 3) promote south-south cooperation for the rational exploitation and utilization of resources and wider access to markets; test and share technological innovation; encourage transformation and development of forest industry; and increase international support to strengthen human resources and enhance competitiveness.

HIGHLIGHT Statement highlights:

Hong Kong, China: Mr. Alan WONG Chi-kwong, Director of Agriculture, Fisheries and Conservation, indicated that balancing the need for development with nature conservation



has always been a challenge. After the Second World War, up to one million seedlings were planted in parks every year, in addition to fast growing exotic species on bare hillsides. As of the 1980s, monocultures gave way to mixed and native species to increase diversity and minimize pest outbreaks. By 2000, woodland covered more than 17% of the territory. Key challenges to current conservation efforts are hill fire and the slow regeneration of native species. A comprehensive fire control system has therefore been put in place and has reduced outbreaks to some 20 in 2010, down from a few hundred 30 years ago. With regard to regeneration, enrichment planting is increasing the biodiversity of

the flora and fauna. Some 40% of Hong Kong has been designated as parks and special areas which are patrolled on a regular basis to detect and prevent illegal activities. Hong Kong is also cooperating closely with forestry officials in Guangdong on a number of initiatives, including training on afforestation techniques and wetland conservation.

Republic of Indonesia: *Mr. Zulkifli HASAN, Minister of Forestry*, highlighted the need for policies that balance the competing uses of forests in terms of improving livelihoods through economic development and maintaining a healthy environment. People and forests have lived in harmony for much of Indonesia's history but development in the 2nd half of the 20th century has brought about fundamental changes in this relationship. Government is now taking steps to address this imbalance through its domestic strategy of pro-growth, pro-job, pro-poor and pro-environment. In the forestry sector, this approach translates into increasing access to resources by way of private forests, community forests, village forests and small-scale plantations. Other initiatives include combining the use of forestland with cash crops, fisheries and animal husbandry as a means to generate additional income. Moreover, remote villages are protecting water catchment areas in order to produce hydro electricity. With these successful cases, Indonesia is convinced that putting people's well-being ahead of other priorities does not mean sacrificing forest sustainability. These once conflicting goals can be reconciled through appropriate measures.



Japan: *Mr. Yoshitsugu Minagawa, Director General of the Forestry Agency in the Ministry of Agriculture, Forestry and Fisheries*, conveyed Japan's appreciation for the assistance it received after the devastating earthquake and tsunami last March. In the wake of extensive damage, Japan is planting trees along coastlines and reconstructing processing factories to use wood for reconstruction and energy. It converted natural forests to fast growing plantations in the 1950s and, as a result, most of the 10 million hectares (40% of today's forest area) are ready for harvest. He stressed the importance of making full use of the

multi-functions of forests to establish a stable supply of timber, improve rural livelihoods, and achieve green growth. To address challenges associated with these goals, Japan's Forest and Forestry Revitalization Plan outlines action to be taken over the next 10 years. With regard to combating illegal logging and associated trade, Japan worked with Indonesia on a system to track timber and is collaborating with China. To halt deforestation, reverse forest degradation, promote the multi-functions of forests and realize green growth, he suggested that ministers and senior officials propose ways to achieve the goal of increasing forest cover by 2020 and report progress on this and other fronts at Rio+20 next year.



Republic of Korea: *Mr. Don Koo Lee, Minister of the Korea Forest Service*, suggested that, if wisely managed, forests had great potential to bring financial benefits to people and economies through carbon trading. He gave examples of how his government is investing in forests for the future: through forest restoration projects, sustainable forest management, watershed management, protection and conservation, research and development, recreation and forest education. Since 1962, the Republic of Korea (ROK) has planted 12 billion trees in degraded areas. Massive afforestation programs were then undertaken between 1973 and 1987. Investment by the Korea Forest Service of US\$1.7 billion in silviculture, protection and utilization yields US\$73 billion in benefits. More specifically, 1 ha of pine trees brings a profit of US\$0.14 million when sold and sequesters 7 tCO₂ annually. He added that tax on profits from tree harvesting was reduced by as much as 50% over the last 10 years.

New trends are emerging in the use of forests for recreation and healing. A recent survey found that 77% of patients prefer to be in forested areas to recover their health. With regard to foreign activities, 18 corporations have invested in 12 economies since 1993 and, at home, a 7000-ha model forest in Mt. Mae-Hwa is managing resources for the multiple functions they provide. In terms of greenhouse gas emissions, ROK is targeting a 30% reduction by 2020. In 2007, its forests absorbed 6.6%. Private business is increasing its participation in environmentally-friendly forest projects to improve its image. Initiatives include the construction and donation of Ulsan Park (SK Energy Company); the construction of Daejeon Urban Forest (Kaeryong Construction Company); the establishment of plantations in Mongolia and China to combat desertification; and the planting of "forests for hope" in 2011. The Minister also cited examples of regional collaboration, including through the Asian Forest Cooperation Organization - an initiative proposed by President Lee, Myung-Bak in June 2009. He concluded his presentation by inviting participants to the 10th Conference of the Parties to the UNCCD which will be held in Gyeongnam, ROK from 10 to 21 October 2011. The event will include a high-level segment consisting of round table discussions and a business forum which will be held in parallel.

Malaysia: *Dato Sri Douglas Unggah Embas, Minister of Natural Resources and Environment*, highlighted the forestry sector's contribution to Malaysia's socio-economic development: US\$6.5 billion (3.2% of GDP) in timber products and 276 thousand direct jobs in 2010. As of 2011, 4.65 million ha (31.8% of the permanent forest reserve) were certified as sustainably managed. In addition, Malaysia has reached 56.4% forest cover, compared with the 50% target it announced at UNCED in 1992. In response to the 2010 campaign to plant 26 million trees,



more than 12 million were planted as of June 2011. This figure is in addition to the establishment of commercial plantations on 500,000 ha in the past 5 years. Despite these advances, Malaysia faces many of the same challenges as other APEC economies, especially competing land uses which yield more immediate returns. However, maintaining forest cover is necessary for timber supply, carbon storage, wildlife conservation, eco-tourism, watershed

protection, green growth, and the production of pharmaceuticals, among other functions. Malaysia has also taken steps to combat illegal logging. Revisions to the National Forestry Act (1984) in 1993 raised the penalty and jail sentences for convicted offenders - actions which significantly reduced the number of incidences. With regard to REDD, officials are struggling with how to measure carbon and how emission reductions should be compensated. In this regard, the Minister urged the international community to make mechanisms simple, practical and flexible.

In terms of improving livelihoods and reducing poverty, Malaysia is facilitating stakeholder participation in sustainable forest management, tapping local traditional knowledge in the use of medicinal plants and encouraging community involvement in eco-tourism ventures. It is also exploring the potential of non-timber forest products as alternatives to using wood and how to better capture opportunities emerging in the biotechnology industry. To enhance the use of forest resources, training and education must be given high priority, along with technology transfer and wider market access.

SESSION 3 Strengthening forest governance and management to promote multiple functions of forests for green growth

TOPIC



Mr. Emmanuel Ze Meka, *Executive Director of the International Tropical Timber Organization*, recalled that the concept of sustainable development has been around for some time and many authoritative reports have been published since the 1970s which caution the need to balance economic, social and ecological considerations. With regard to sustainable forest management, ITTO was one of the pioneers to issue criteria and indicators - 2 years before UNCED in 1992. Now, more than 150 governments are using C&I to assess the management of their forests. As defined by the UN General Assembly, the term sustainable forest management has all the ingredients to meet the requirements of a green economy but the global objectives on forests, along with the seven thematic elements, provide greater precision.

The extent of forest cover and its vitality enhance the productive, protective and socio-economic functions of forests which can be of further benefit through the rehabilitation of degraded land and the establishment of plantations. Greater use of timber, including as replacement for less environmentally-friendly products such as concrete, cement, plastic and aluminum, will help to build a green economy, especially if reduced impact logging is practiced where possible. Energy production - the number one cause of greenhouse gas emissions - offers additional opportunity for the forestry sector. Wood fuel as a substitute for fossil fuels is gaining worldwide attention and wood-based bio-energy requires less capital and technology than solar, hydro and wind. Plantations established for this purpose are a good use of abandoned agricultural land, if well designed and planned. The production and distribution of charcoal and briquettes in rural areas also generate additional development options, as does the sustainable use of forest biodiversity such as leaves, fruit, bark, roots and resin. Markets for rattan and bamboo products have already proven lucrative. Forest-based eco-tourism is also consistent with the green economy. However, for forests to deliver benefits that can sustain green growth, several actions are needed: the development and enforcement of laws and regulations to support a shift in this direction; better access and benefit-sharing arrangements with communities and forest-dependent people; measures to combat illegal logging and corruption; improved market access; enhanced regional and international cooperation; and more research on the efficient utilization of forest products, renewable energy sources, and assessment of carbon stocks.

HIGHLIGHT Statement highlights

Mexico: *Mr. Juan Rafael Elvira Quesada, Minister of Environment and Natural Resources*, provided an overview of the forests in Mexico and indicated that the sector is an integral part of the domestic strategic agenda, along with water, rural development and biodiversity. The Law for Sustainable Forest Development (2003) and legislation on water and rural



development are intended to build synergies and complement the range of related government policies and instruments. He then described domestic efforts to expand forest area, most of which is located on land owned by “ejidos” and indigenous communities where almost 85% of the population is poor. The Pro-Tree program has been particularly successful, adding 2.2 million hectares since 2007. Its main objectives are to increase and diversify production and productivity; implement conservation and restoration activities; build capacity for the development and administration of forest enterprises; and compensate land owners for the environmental services their forestland supplies.

The Mexican Forest Fund to conserve and restore forests is also yielding good results. He noted that, in the past 10 years, the rate of deforestation dropped by more than 50%. Government plans for the mid-term are to reach a target of zero net emissions associated with land use change, reduce forest degradation, increase carbon stocks, conserve biodiversity and preserve the integrity of ecosystems. Mexico also intends to create effective structures for collaboration across sectors to achieve REDD+ outcomes. He concluded by underscoring the need for APEC economies to fully participate and influence international deliberations on REDD+.

New Zealand: *Mr. Carl Robinson Worker, Ambassador of New Zealand to China*, spoke on his economy’s experience with sustainable forest management and the importance of the forestry sector to green growth. Considerable challenges must be addressed, including loss of forest cover, climate change, fire and pest outbreaks. Advances are also being made: growth of carbon markets, better understanding of forest ecosystem services, and improved capacity to manage forests for social, cultural, environmental and economic purposes. Forests cover more than 30% of New Zealand’s land, 24% of which is natural and 7% of which is plantation. The sector is the third largest export earner, generating \$4.2 billion in the first 6 months of 2011. The Resource Management Act (1991) stipulates that timber must be harvested under a recognized plan or by consent of a local government entity. The Forest Stewardship Council has certified more than half of NZ’s planted forests and 10% of its wood processors and manufacturers which process as much as 50% of annual harvest. Although imports account for only about 2%, consumers demand verification that products come from sustainable sources. In 2009, a policy was introduced to support a voluntary scheme by industry to provide such assurances. So far, importers and retailers who account for 80% of imported timber sales are on board. In terms of new trends, the Emissions Trading Scheme (2008) aims to take advantage of the potential for forests to generate income from carbon sequestration, for example. Efforts are also being made to address global deforestation - the second largest source of human-induced GHG emissions. He suggested that, to improve the sector’s performance, a mix of policy instruments is needed, including market-based approaches, harmonized regulations and standards, incentives for research and development, and dissemination of information to consumers to help them make sustainable choices.





Papua New Guinea: *Mr. Kinawi Pouru, Managing Director of the PNG Forest Authority*, outlined the importance of forests to economic development and to the people living in rural communities. He indicated that these resources cover 63% (29 million hectares) of land area, 51% of which is commercially accessible. Although his agency has the mandate to manage and regulate forests, it can only do so in areas where timber rights have been alienated from customary ownership through 50-year forest management agreements. In terms of reforestation, 60,000 ha of plantations have been established and plans are to add 20,000 more by 2020. Like other economies in the region,

PNG is concerned about unsustainable development and illegal logging. Thus, government is taking steps to revise forest policies and legislation, with assistance from international partners. Stakeholder participation in decision-making at the highest levels is also increasing. As a developing economy, PNG is committed to ensuring that timber harvesting and wood exports conform to domestic laws and those of the importing economy. A system to track and verify legality is also in place for use on a voluntary basis and another one is under development. Both are intended to assure importers of the legality of products and thus allow PNG to continue trading with current partners.

Peru: *Mr. Miguel Guillermo Caillaux Zazzali, Minister of Agriculture*, stated that Peru's forest area of 68.7 million hectares ranks it second in South America and ninth in the world (fourth in terms of tropical forests). Some 4.6% are found along the coast, 1.3% in the Andean region, and 94.1% in the Amazon. The main goal of Peru's Forest and Wildlife Policy is to promote sustainable development based on the conservation and sustainable use of forest goods and services. The new Forest and Wildlife Law establishes and gives administrative autonomy to the Forest and Wildlife Service; facilitates public participation; specifies the roles of regional governments in forest administration; promotes forest certification; recognizes and protects the rights of indigenous people; and sets conditions to access ecosystem goods and services.



With regard to forest certification, incentives in the form of reduced annual fees have prompted 13 forest operations to obtain FSC certification. Some 28 chain-of-custody certificates have also been issued. Other provisions include the right to benefit economically from environmental services when granted access to resources. In recognition of Peru's sound forest management, the CITES Standard Committee has judged it is managing mahogany in a sustainable manner. Government is encouraging foreign investment and, in this regard, guarantees access to all investment modalities under the law, the same rights and obligations, stability in terms of the tax regime, foreign exchange and non-discrimination. The only restriction relates to the acquisition of energy and forest concessions within 50 km of Peru's borders. Some 11 million ha are available for new concessions and 10 million ha for afforestation and reforestation.



Philippines: *Mr. Demetrio Ignacio, Deputy Minister and Undersecretary of the Department of Environment and Natural Resources*, informed that forests cover 24% of land area, only 7.2 million hectares. Extensive loss of forest resources over the years has deprived citizens of critical services, increased poverty and aggravated the impacts of flooding and landslides. Like other APEC economies, the Philippines is struggling with encroachment, conversion of forestland to other purposes, shifting cultivation, fire and illegal felling. The new President has banned all logging in natural forests and, so far, a special task force has confiscated the equivalent of an estimated 25,000 cubic meters of logs worth

several million US dollars and has filed 295 court cases. The biggest reforestation program in history is also underway to plant 1.5 billion trees over the next 6 years. At the end of this period, the Philippines will have more forested than degraded areas. Farmers and upland communities have signed contracts to produce seedlings and maintain them after planting. In addition, trees outside protected areas will be turned over to them. Government is establishing partnerships with the private sector to encourage investment and is granting communities tenure and access to forest resources. The rights of indigenous peoples over ancestral land and their traditional practices are recognized in law. Moreover, local authorities are closely involved in the management of natural resources and will soon be given decision-making authority. In terms of good governance, transactions are transparent, civil society is consulted and has access to forestry information, and forests are managed according to specific criteria and indicators which the Philippines have adopted.

The Russian Federation: *Mr. Alexander Panfilov, Deputy Minister and State Secretary of the Federal Forestry Agency*, stressed that his economy attaches great importance to the collaborative efforts of APEC economies to solve urgent forest problems, especially given the negative impacts that climate change is having on these resources. About 25% of the world's forests are located in Russia, 70% of which are found in Siberia and the Far East. This territory houses rich biodiversity and unique wilderness areas, untouched by human activities. For example, Lake Baikal contains 22% of all freshwater reserves and UNESCO listed it as a world heritage site in 1996. Forests are one of Russia's most valuable assets and their products are in demand in many parts of the world, including in Asia-Pacific, notably China, Japan, and the Republic of Korea. Thus, domestic policy reflects the need to think and act globally on forest management. In terms of reforestation, Russia declared 14 May as National Day of Forest Planting and hopes to make it an annual event. This year, 190,000 people planted 25 million seedlings - a sign that the public better understands the importance of forests to sustainable development and ecological security. Companies from APEC economies are joining forces with domestic interests to exploit forest resources in parts of Russia and are investing in processing industries. In terms of illegal activities, the Russian Federation is an active partner in the Euro-North Asia initiative on law enforcement and governance and will convene a second ministerial meeting on related issues in 2012.



SESSION 4 Enhancing practical cooperation to achieve inclusive growth for the forest sector in the region

TOPIC



Professor Zhang Shougong, *President of the Chinese Academy of Forestry*, highlighted the need to strengthen collaboration on forestry issues and suggested ways this could be done. He noted that forestry is increasingly being integrated into overall economic and social development according to the unique circumstances of each APEC member. However, he stated that more efforts are required to make the sector a key part of inclusive green growth, including to address climate change. Organizations such as FAO and UNFF are facilitating international dialogue on forests, APFNet is enhancing regional collaboration on many fronts, and criteria and indicators processes serve as technical fora to collaborate on matters related to forest quality, carbon sequestration and sustainable development. In addition, many international conventions provide a venue to promote sustainable forest management and forest conservation.

Developed APEC economies provide significant financial and technical assistance to developing members to help them achieve sustainable forest management and balanced growth. In addition, many trans-national enterprises are making investments to develop the sector in host economies, providing opportunities to level the playing field, increase the scale of financial commitments and improve efficiency so as to achieve win-win outcomes. Global collaboration on science and technology is the basis for building capacity and moving forward. Thus, the State Forestry Administration of China has identified key areas of research for the coming five years in the Twelfth Five-year Plan for Forest Science Development, including the cultivation of high quality varieties, the promotion of forest management, responses to climate change, and the expansion of forest industry. Professor Zhang Shougong then proposed extending cooperation to forest resources monitoring, information sharing, establishment of high quality/high-yielding plantations, rehabilitation of degraded forests, sustainable forest management for multi-purposes and development of bio-materials and bio-energy.

The Chinese Academy of Forestry is helping to accelerate domestic forestry development through science. It is conducting research to improve and safeguard the ecological environment as well as on measures to conserve resources. It has contact with more than 60 international organizations and more than 50 economies. Finally, he expressed his institution's interest in working other APEC economies and international organizations to strengthen scientific cooperation to achieve sustainable forestry development and inclusive growth in the region.

HIGHLIGHT Statement highlights

Singapore: *Mr. Rossman Ithnain, Director of the International Trade Cluster in the Ministry of Trade and Industry*, noted that his economy extends across 710 km², an area about 4% the size



of Beijing. Despite land scarcity, a concerted effort is being made to preserve Singapore's remaining forests which are home to 840 flowering plants and more than 500 species of fauna. They also serve as outdoor classrooms and are popular tourist destinations. No single ministry is responsible for forest issues but the agency in charge of nature reserves is NParks which is comprised of 70-75 partners, including corporations, schools, as well as public and non-government organizations. The challenge facing the APEC region in terms of forestry is to achieve growth that is both inclusive (where people participate in, contribute to and benefit from activities in the sector) and sustainable (compatible with global efforts to protect the environment and move to green

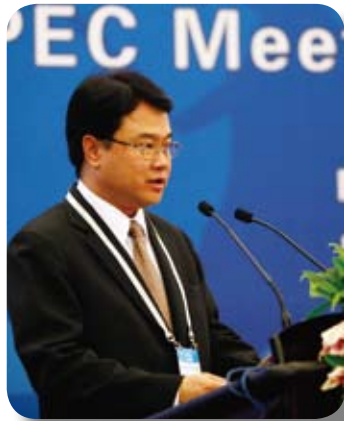
economic development). Singapore is engaging in the international dialogue on forest issues, including REDD+ discussions, is party to the ASEAN Agreement on Trans-boundary Haze Pollution and is contributing financially to prevent occurrences of haze, fight fires and build capacity in the region.

Chinese Taipei: *Mr. Wu-Hsiung Chen, Minister of the Council of Agriculture*, recounted the success of his economy's afforestation program which was launched in 2008 to increase forest cover by 1.67% or 60,000 hectares. Some 15,559 ha have been added to the forest estate as of July 2011. The public owns 71% of forests and management is carried out in collaboration with communities - more than 800 so far. Since most villagers are aboriginal, forestry programs combine unique tribal culture and traditions with ecotourism ventures to create jobs while promoting conservation and sustainable economic development. Since 2002, 28 trails have been designed and mapped to minimize damage to the environment. Forest parks are also being established which combine agriculture, local culture, forestry, environmental education and recreation. With regard to wood and non-wood forest products, Chinese Taipei has developed 200 new items and is transferring technology to private enterprises. As a result, the income of bamboo farmers has significantly increased. Aboriginal people are also collaborating with pharmaceutical companies in the development of anti-cancer drugs and past focus on wood production is now giving way to afforestation and nature conservation.



The Minister then called on member economies to urgently consider the establishment of a regional mechanism to control forest pests and diseases. Although Chinese Taipei created a control center in 2006 and a notification center for invasive species in 2011, it cannot fight the huge loss of forests and their multiple benefits alone. He expressed willingness to share experiences, information systems, software and technical aspects with APEC members who join the network.

Thailand: *Mr. Suphot Tovichakchaikul, Deputy Permanent Secretary in the Ministry of Natural Resources and Environment*, provided an overview of forests, highlighted domestic



achievements and described current challenges. He stated that forests cover 33% of Thailand (about 16.8 million ha), most of which are managed according to formal plans that seek to balance the multiple goods and services they provide. In terms of trade, concessions to harvest teak date back to the mid 19th century but deforestation only became a problem with rapid economic growth in the 1980s. In 1989, government banned logging but it was not enough to halt forest loss. Since then, reforestation has steadily increased in efforts to reach a target of 40% cover which was set in the 1985 forest policy. Slightly upwards of 7 million ha more must be planted to reach this goal. Challenges hindering the achievement of sustainable

forest management include the need to revise the legal framework to reflect current issues such as climate change, endangered species, enforcement and monitoring; the rights of communities in the conservation and use of natural resources; access to information; and the duty of the state to encourage public participation. Community forests were introduced after WWII when government encouraged people to plant trees around temples, schools, and public areas. Such participatory approaches are gathering momentum as an effective way to address forest issues but they are still limited, even though decision-making authority has been decentralized to some extent and input is being sought from local administrators in the development of policies and legislation.

U.S.A: *Ms. Mary Wagner, Associate Chief of the Forest Service in the US Department of Agriculture*, shared thoughts on the role of forests in sustainable ecological development, green economic development and partnerships. In terms of the first aspect, forest management is no longer just about timber but also about combating soil erosion, for example, and mitigating the effects of climate change which can seriously disrupt the services that forest ecosystems provide. With regard to green growth, forests and forest products are vital to many APEC economies, including the United States. The recent economic downturn provides an opportunity to position the sector



as an engine for this growth and leaders should be encouraged to pursue strategies that capitalize on the critical role forests have in developing a green economy. In February 2009, President Obama signed a stimulus package that included more than US\$ 1 billion for projects administered by the US Forest Service to clean up abandoned mining land, restore forest trails, improve recreational facilities and reduce the risk of wildfire, among other activities. In addition, the United States amended the century-old Lacey Act in 2008 to make it illegal to import any plant or plant product taken in violation of foreign laws. Many private companies around the world are instituting their own procedures to exclude illegal wood from supply chains, in response to consumer demand for such assurances. On the matter of partnerships, the US Forest Service's focus on forest ecosystem restoration at a watershed scale requires it to work on land that has diverse ownership and to coordinate efforts with other land uses. In this regard, it welcomes the involvement of community groups, non-government organizations

and local, state and tribal partners. At international and regional levels, the US collaborates with many other economies to promote sustainable forest management, biodiversity conservation and trade in forest products from legally harvested wood.



Viet Nam: *Mr. Cao Duc Phat, Minister of Agriculture and Rural Development*, noted that APEC economies have made significant progress toward economic integration but, despite the region's dynamism, it remains vulnerable in terms of development, energy supply and climate change. Green growth entails balancing development with protection of the environment and he stressed that achieving this objective is a task, not a choice. He pointed out that some members are moving in this direction by reducing greenhouse gas emissions, saving energy and using green technology. He further stated that forests are central to green growth, being both a renewable resource and an asset which provides society with

many environmental services. In recent years, Viet Nam has made great strides in managing its forests by slowing deforestation, improving enforcement, and planting trees on barren land. Between 2000 and 2010, forest cover increased from 33.2% to 39.5%. Partnerships at all levels among relevant stakeholders are needed to address forest management issues in the region: expansion of forest cover, the health of the environment, job creation and economic development. Cooperation is also required to strengthen the link between trade and investment, technology transfer, training, information sharing, infrastructure development and reform. The Minister then suggested that China, as host of this first ministerial meeting, submit the Beijing Statement on Forests and Forestry to APEC leaders, the 10th session of the United Nations Forum on Forests, and UNFCCC negotiations.

Statement **Australia's Senior Official's Statement to the first APEC Meeting**
Australia **of Ministers Responsible for Forestry**

To be delivered by **Mr Graeme Meehan**, *Australian Deputy Head of Mission*, Beijing.

I welcome the opportunity to deliver this statement on behalf of Australia.

I would like to acknowledge President Hu Jintao and thank him for his remarks in opening this first APEC Ministers' and Senior Officials' Meeting on Forests and Forestry this morning.

I would like to acknowledge Minister Jia Zhibang for the strong leadership he has taken in guiding the work of this meeting on Forests and Forestry, and to the key note speakers who have presented today. I thank also the State Forestry Administration of China for hosting this meeting.

Australia looks forward to a productive meeting.

Forests are a valuable global resource. Forests provide a broad range of ecosystem services; they clean water, store carbon and provide a haven for biodiversity.

Forests conserve soil quality and can help address the key problems of desertification and dryland salinity. Forests help mitigate the effects of natural disasters and support the many forest dependent communities across the world; providing food, shelter and income.

According to UN figures, forests provide subsistence or income to 350 million people worldwide who live in or near forests. When we look more broadly, we find that 100 million people are employed by forest industries while 1.6 billion people worldwide are dependent on forests for their livelihoods in one way or another.

Human needs for land and resources are putting the world's forests under increasing pressure. Heightened global awareness of the challenges facing sustainable forest management has increased global scrutiny of forest management from governments, non-government organisations, industry and private citizens.

Illegal logging is a significant threat to sustainable forest management and many groups have repeatedly called for effective domestic and global action to mitigate its social, economic and environmental impacts.

Globally, the issue of illegal logging in developing economies is now considered critical as the significance of its impacts on forest degradation, climate change, habitat loss and community livelihoods are becoming more widely recognised and better understood.

The Australian Government is committed to supporting legal and sustainable forest

management practices and in 2010 the Australian Government announced it would implement a policy that would restrict the importation of illegally logged timber products into Australia.

After a comprehensive policy development process, public consultation and scrutiny from a government senate committee, legislation to prohibit the importation and sale of illegally logged timber in Australia is, in the coming months, to be tabled in Australia's Parliament.

The Australian Government's approach will align with initiatives undertaken by the United States and the European Union to curtail trade in illegal timber products. We acknowledge the leadership of these economies, and of other economies also moving toward establishing a framework for the legal trade of forest products.

Australia believes that trade and trade policies can be a mechanism for positive environmental change and that APEC is well placed within the region to encourage and promote legal and sustainable forest management.

Along with China and the United States, Australia is a co-sponsor of the Asia Pacific Forestry Network. Through this and other important APEC initiatives, Australia recognises that APEC can play a significant role in global efforts to promote trade in legal forest products, sustainable forest management practices and forest rehabilitation.

I am sure that these two days of presentations and discussion on ways we can address challenges facing sustainable forest management in our region and how best to achieve the Sydney Forest Goal of increasing forest cover in the region by 'at least 20 million hectares of all types of forests by 2020'.will benefit all delegates. Australia looks forward to using the outcomes of this meeting as an opportunity to share best practices and experiences in forestry development among and beyond APEC economies.

I would again like to offer my thanks to Minister Jia Zhibang and his team for hosting this meeting.

Statement **The Honorable Minister's Statements at the APEC Ministers Meeting of Forest**
Brunei Darussalam

Honorable chairman and APEC Forestry Ministers as well as MINISTERS IN-CHARGE OF Forestry, Senior Officials, Resource Organizations, and Ladies and Gentlemen.

First and foremost let me, record my sincere heartfelt thanks and appreciation to you, the Honorable Chairman for the excellent arrangement of my delegations to this meeting and congratulate the Government of the People Republic of China for the smooth and successful organization of the Meeting.

Secondly, let me also congratulate the distinguished speakers at this Meeting for a very informative keynote presentations which allow us to share information and experience and ponder its relevance to our respective countries especially Brunei Darussalam. Undoubtedly, the forests are one of the most important renewal resources on this planet and their contribution to the world's economy and environmental stability is becoming increasingly significant.

For Brunei Darussalam, forestry is still the major land-use as more than 70% of the total landscape is covered by lush tropical rainforests. However, our economy is still heavily dependent on the hydrocarbon production. In view of such industry may not last longer, the current urge to diversify the Brunei Darussalam economy through the development of non-oil sector is very much affecting the forest and forestry sector of the Brunei Darussalam and other related sectors as well. Upholding the coherent conservation policy to sustain the green icon of which becomes an international prestige of the Brunei Darussalam while striving to support the economic growth continues to post a major challenge in forest and forestry sector and at the same time create an array of opportunities.

We intend to increase the Brunei Darussalam's forest areas for forest conservation purposes and give way to eco and nature tourism and biological diversity conservation. We also in the process of developing of efficient forest production strategies that would support our local forest-based and downstream industries.

At this point Brunei Darussalam welcomes and appreciate the initiative of the People Republic of China at this Meeting as it echoes APEC's idea or efforts to enhance the cooperation in forestry among the APEC members as to reduce the gap of forestry development between APEC members as well as to effectively respond to the global agenda affecting forests and forestry as a collective approach. Brunei Darussalam always welcomes and supports the bilateral or multilateral cooperation in the area of sustainable forest management and wise use of the biological resources in the forest that will give mutual benefits to all parties concerned.

With that note, I conclude my statement and wish you a fruitful discussion and output of the Meeting with your Honorable Chairman's chairmanship. We look forward at this meeting to forging strategic alliance in the form of bilateral or multilateral agreements among the APEC economies.

Thank you for your attention.

Statement | First APEC Meeting of Ministers Responsible for Forestry

Canada

New opportunities and challenges facing Forestry in Asia and the Pacific Presented on behalf of Canada

By:

Tom Rosser

Assistant Deputy Minister, Canadian Forest Service,

Natural Resources Canada

Beijing, September 6, 2011

Dear Chair, Co-Chairs, and distinguished colleagues,

Please allow me to begin with a word of sincere gratitude to our Chinese hosts and an acknowledgement of your foresight, determination, and leadership in bringing this event, the first ever meeting of APEC Ministers Responsible for Forestry to fruition. I am honoured, as the head of the Canadian Forest Service, to speak on behalf of Canada, particularly in 2011, the International Year of Forests and to such an important topic: new opportunities and challenges facing forestry in Asia and the Pacific.

The challenges that currently face the forest sector around the world are well documented and abundant – a changing climate, the threat of a global recession, shifting patterns of supply and demand, market transparency issues, illegal logging and the detrimental impacts that this has on forest dependent communities, governments and biodiversity. Each of the APEC economies here confronts these challenges from different domestic circumstances. It is however, through entities such as APEC that we can focus our energies on areas where both concerns and opportunities overlap; hopefully to greater effect. As one of the world's largest forest products exporters, Canada has a major stake not only in the health of the forests themselves but of the forest industries that support our communities and the trade partnerships that sustain continued market growth. While Canada recognizes the very real challenges ahead, we are strongly optimistic about the future of both the forest sector in the Asia/Pacific region, and our role therein. To realize this optimism, we as Member Economies must recognize that we need to work hard for our shared future, be strategic in our choices, and stay focused as we put in place a strong foundation for the growth ahead.

As Canada considers how to best prepare the forestry professionals, researchers and policy makers of tomorrow, we are placing an increased emphasis on three things: **science**, **innovation**, and **partnerships**.

Our focus on **science** is aimed at finding solutions and producing concrete benefits as the foundation for achieving biological, social and market diversity. Science plays a key role in all elements of sustainable forest management including harvest planning, parks or protected areas, and addressing disturbances from wildfire and pests. Science is especially important in

making decisions that will help the forest sector adapt to climate change. Science also plays a key role in Canada's success as a trading economy. For example, to facilitate trade economies want to ensure that the wood they import is free of pests and pathogens. Alongside our Asia-Pacific partners Canada uses science-based approaches, in compliance with international codes and phytosanitary standards, to ensure that our wood exports are pest and pathogen free. As Canada's forest trade and investment linkages grow stronger within the Asia-Pacific, notably with our hosts, our trading partners are often our research partners in addressing issues of common concern including boreal beetle infestations and the spread of Asian Gypsy Moth.

Second, the green economy requires **innovative approaches** to forest management, production processes and products. One factor driving the green economy is the growing demand for renewable sources of energy, products and technologies to reduce greenhouse gas (GHG) emissions. In recent years the Canadian forest industry, financial community, and the federal government have worked with public-private partnerships for forestry research and development on the emerging bioeconomy. The new collaborations have increased our understanding of which specific technology, bioenergy and bioproduct developments have the most potential to transform the forest industry and allow targeted investments in innovation and demonstration projects. These approaches provide innovative solutions to improve environmental performance, facilitate the demonstration and commercialization of high-value bioproducts, and help determine how new products in the green economy will be produced, managed and marketed.

A third element of success in the forest sector will be the quality of our **forestry professionals**. The Canadian Forest Service, as you may know, is a science-based policy organization in a land that was substantially built by its lumber industry. Our communities continue to benefit greatly from this forest resource. But we all know that things have changed, that the needs of the forest sector are changing, and consequently that forestry education must change to remain relevant. Forestry – from trade to climate change perspectives - is a now clearly an important global issue that will require more forest professionals with broader skills than the last generation.

In Canada we see increased enrolment at our forestry schools from within the Asia-Pacific region. Through programs such as the International Partnership for Forestry Education we are seeing the globalization of forestry education: high-level forest managers are being trained across oceans, the pairing of Asia-Pacific forestry universities, and international forestry deans regularly meeting to discuss how to address these changing needs. Our common understanding of forests and the values they represent continues to change, which will continue to trigger shifts in everything from management, to training, to where and how we invest our research dollars.

Finally, a critical innovation needed to fully integrate forests into the green economy is the creation of stakeholder **partnerships**, such as the International Model Forest Network. Emerging from a period of conflict between environmentalists, governments, indigenous peoples, communities and workers over how to manage forest resources, the International Model Forest Network was announced by Canada at the United Nations Conference on Environment and Development in 1992. These partnerships are by design, voluntary, broad-

based initiatives, linking forestry, research, agriculture, mining, recreation, and other interests in a given landscape. The last 19 years have seen rapid expansion of this approach from the original 10 Canadian partnerships – to now over 50 Model Forests and 30 member economies across five continents.

Canada would like to take this opportunity to thank the representatives from the Governments of China, Chile, Indonesia, Japan, Thailand, Russia and the Philippines for their continued support of Model Forests in their economies. Model Forests provide a dynamic, goal-oriented forum to discuss and act upon a range of values, while experimenting with new ideas under the common goal of sustainable forest management. Increasingly, the green economy is defined within the context of similar partnerships.

In conclusion, although the challenges ahead are daunting, the outlook for the growth of the green economy remains positive, and forest stakeholders are increasingly positioned to take advantage of it. Groundbreaking science, a culture of innovation, and bold new partnerships are giving forest-dependent communities the means to look beyond the traditional and towards new products and practices. These three pillars of **science**, **innovation** and **partnership** align well with the “Green Economy” theme of the upcoming 2012 United Nations Conference on Sustainable Development. With the diversification of green markets and innovations in products, forests in Canada and fellow APEC member economies are well positioned to play a central role in both the green economy and our shared future.

Thank you.

Statement
Chile

SPEECH OF THE EXECUTIVE DIRECTOR OF CONAF, EDUARDO VIAL RUIZ-TAGLE, AT THE FIRST APEC MEETING OF MINISTERS RESPONSIBLE FOR FORESTRY

On behalf of Chile, I would like to cordially greet the top forestry authorities from APEC member economies, as well as the representatives of international organisations and the private sector that have gathered here today, all of which play a major role in sustainable forest management. Further, I would also like to specially thank China for organizing this important meeting, in such an amazing setting as the city of Beijing.

This important meeting takes place during the International Year of Forests, as declared by the United Nations General Assembly. Hence, we stand before a unique opportunity to obtain worldwide attention on the need for conservation, protection and sustainable forestry use, as well as on the need to harmonize the productive function of forest ecosystem with social and environmental objectives.

The timely invitation to this Meeting of Ministers Responsible for Forestry is fully in accordance with APEC's current Green Growth focus. Indeed, in 2010 APEC endorsed a New Growth Strategy to promote, among other aspects, a more sustainable growth for member economies until 2015, making the development of a more a more sustainable environment, including the promotion of trade and investment in environmental goods and services, a key priority for APEC.

Furthermore, one of the three priorities for APEC 2011, as established by the US as the host economy for this year, is precisely promoting green growth. For this purpose, APEC is working to promote such diverse topics as trade and investment in environmental goods and services; address non tariff barriers to their trade; facilitate and promote the dissemination of environmental technology; and particularly relevant to this meeting, increase cooperation to tackle the issue of illegal logging and associated trade.

For Chile it is very important to discuss these issues in APEC, as the Asia-Pacific region is one of our main forestry export areas, and the fact that our main export markets are China, USA, Japan, Mexico, Korea and Peru. In this context, we are convinced that APEC should reiterate the commitment to refrain from imposing additional barriers to trade incompatible with the World Trade Organization (WTO); as well as to promote policies that increase the competitiveness and transparency of markets.

Our economy has for a very long time taken care of our natural resources, especially forestry resources. Indeed, we enacted our first forestry legislation in 1931, focusing on restricting the extraction of vegetables nearby watercourse and initiating the promotion of forestation through the grating of subsidies, among others initiatives.

Later on, and following the emergence of the first forestry industrial plants and proven that forestry with introduced species had a significant growth potential and excellent quality, in 1974 Chile enacted a new law, currently still in force with some amendments, to preserve existing forestry and to include new land suited for forestry but devoid of it, into the

forestation process. Most of the subsequent amendments were aimed at small land owners, normally closer to the poverty line, as well as to recover degraded soils. Indeed, to date a total of around 2.6 million hectares have been successfully afforested, mainly with rapid-growth exotic species which supply more than 95% of Chile's forestry industry.

It should be pointed out that the main species that were introduced were *Pinus radiata* and *Eucalyptus* spp., which last year accounted for 3.5% of Chile's Gross Domestic Product (GDP), 8% of our total exports, and provided around 123,000 direct jobs and 250,000 indirect employments.

Another important initiative has been the enactment in 2008 of legislation for the recovery of the native forest and forestry promotion. This aimed to incorporate, under a sustainable management, around 3 million hectares of native forest into the productive chains, without impairing the environmental and social benefits that these ecosystems provide. Further, Chile's Forest Service has the authority to monitor potential illegal logging, supervise and investigate non-compliance of management plans, as well as to establish penalties for infringers.

Chile's commitment with forestry sustainable management is also reflected in our private sector initiatives. Indeed, in recent years, the main forestry companies have initiated, or have already obtained, Forestry Certification of their processes, through homologous systems to Europe's PEFC (Programme for the Endorsement of Forest Certification), or are working to obtain the FSC (Forest Stewardship Council) certification, which is recognised and validated all over the world. We estimate that very soon, around 85 percent of our plantations will have some type certification system that guarantees their social and environmental sustainability.

Our institutional framework, forest legislation, and policies applied by the government and the private sector make it possible to guarantee that:

- Forestry management and harvesting activities are regulated. A tree that is cut is replaced.
- Plantations occupy soils suited to forestry but devoid of vegetation.
- Today our native forest can only be managed for sustainable production and taking care of soils and waters, and can never be replaced by plantations.
- Forest plantations are beginning to play a major role in fighting desertification, protecting soils and waters and in carbon capture.
- Advances in research and forestry genetic technology, silviculture and planting techniques provide us with notorious successes in quality and productivity.

According to FAO, over the past ten years Chile has increased its forest cover, not only with plantations but also with native forest. This, taking into consideration that industrial forest activity has also increased, shows once again our true commitment with sustainable forestry management.

However, as the title of this first session indicates "*New Opportunities and Challenges Facing Forestry in Asia and the Pacific*", we cannot content ourselves with this and it is essential that we identify the opportunities for setting the course to follow, while also achieving a balance

between social, environmental and economic aspects.

Regarding immediate challenges, and specifically with respect to APEC Leaders' Declaration in Sydney 2007 on the goal of increasing forest cover by at least 20 million hectares for all types of forests by the year 2020, Chile is focusing its efforts on recovering around 2 million hectares of lands yet uncovered by forests. We are also working to promote services related to the forestry industry, emphasizing the fight against desertification, availability and quality of water resources, mitigation of greenhouse gas and maintenance of biodiversity, all elements that have acquired unprecedented international importance.

Lastly, I would like to emphasize that this Ministerial Meeting as well as successive actions that APEC can carry out on sustainable forest management and related marketing, are an excellent platform to join our efforts, learn about successful initiatives, and strengthen international cooperation.

Chile renews its commitment to jointly address and face global problems and existing challenges, offering its experience and capacity to develop cooperation programs with member economies through, for instance, the creation of networks of experts, forums and training schemes, among others.

I thank you for your attention and wish you all a fruitful and successful meeting in today's session as well as in the successive ones.

Statement | **Enhance Cooperation and Make Joint Efforts**
China | **To Promote the Sustainable Development of Forestry in Asia-Pacific Region**

Speech at the First APEC Meeting of Ministers Responsible for Forestry

By H.E. **Mr. Jia Zhibang**, Minister of the State Forestry Administration

People's Republic of China

6 September 2011

Thank you, Mr. Chairman.

Dear colleagues,

Ladies and gentlemen,

Just now, Mr. Hiroyuki Konuma, Assistant Director General of FAO and several ministers made wonderful speeches, which are very inspiring. I am glad to have the opportunity to participate in the discussion with colleagues on "strengthening regional cooperation, promoting green growth, and achieving sustainable development of forestry in Asia-Pacific", and I am willing to brief you on China's forestry development and share our experience with you.

China is an ecologically vulnerable economy with a large population, where forestry plays an important role in economic and social development. The Chinese government attaches great importance to forestry, and the forestry sector has multiple important functions, including developing and protecting forest ecosystem, managing and restoring wetland ecosystem, improving and governing desert ecosystem, and maintaining and improving bio-diversity. We adhere to the principle of accurately understanding the forestry development trend in the world, actively explore the rules of forestry development, further promote institutional innovation, and continuously improve the supporting system, and gradually form a forestry development strategy with Chinese characteristics.

We have a deep understanding of the important role of forestry through years of exploration and practice. We believe that forestry has strong ecological functions and plays a decisive role in maintaining ecological balance. Over exploitation of forests and wetlands has intensified desertification, soil and water erosion, wetland decrease, species extinction and other ecological problems, greatly endangering human survival and development, and even leading to State decline and civilization emigration. Numerous facts have proven that for a region and an economy, civilizations will prosper or decline as forestry prospers or declines. Rich forests and advanced forestry development has become an important symbol of a civilized economy and social progress.

We believe that forestry has a unique function of carbon sink and plays a special role in response to climate changes. As the most effective and most economical way to reduce

emissions, forests provide an effective option for the economies to get involved in green and low-carbon development. But, at the same time, forests are both carbon sink and carbon source. The increase of forest resources can increase carbon sequestration; the destruction and decrease of forest resources will increase carbon emissions. Under the dual pressures of economy development and emission reduction, the international community should act together in the protection and increase of forest resources as well as the decrease of deforestation and forest degradation to address climate change.

We believe that forestry has great economic functions and plays an important role in promoting economic development. Forest is a renewable resource base, energy base and gene bank, which can create not only tremendous material wealth for mankind to meet the multiple need for timber, resources, energy and other products, but also significant economic value for mankind to promote employment, increase income and improve people's livelihood for the poverty-stricken areas. With the continuous progress of science and technology, the bio-industry in which animal and plant products work as raw materials will rapidly develop, which can improve the well-being of mankind.

It is based on this understanding that the Chinese government has made it clear that forestry plays an important role in the implementation of sustainable development strategy, a leading role in ecological development, a fundamental role in the western China development initiative and a special role in response to climate change.

Ladies and gentlemen!

Like many other economies, there is continuous exploration in China's forestry development. Historically, China used to be rich in forest resources, with the forest cover up to 60%. However, due to long-term reclamation, wars and fire damage, the forest cover in 1949 dropped to 8.6%. After the founding of People's Republic of China, the Central Government set up the Ministry of Forestry and set the general forestry policy of "full range protection of forests and mountains, vigorous afforestation, proper harvesting and wise use of timber", and forest resources began to recover and develop gradually. After China adopted the reform and opening-up policies in 1978, the Chinese government made greater efforts in forestry development, carried out domestic voluntary tree-planting campaign, launched the "Three North" shelterbelt forest development programs and started to solve the ecological problems by means of large-scale programs. Entering into the 21st century, the Chinese government has paid greater attention to forestry development by issuing the Decision on Accelerating the Development of Forestry, invested RMB thousands of billions yuan to launch and implement key forestry programs including the Natural Forest Protection Program, the Program on Converting Slope Farmland to Forest and the Program on Sandification Control in the Vanicity of Beijing and Tianjin, and China's forestry entered into a new stage of rapid development. In 2007, the Chinese government made the strategic decision to develop ecological civilization and made it clear that, by 2020, China will become an economy with a good ecological environment. To cope with such new situation and meet the new requirements, we have adopted the general forestry strategy of developing modern forestry, fostering culture and the ecological civilization and promoting scientific development, and will strive to build a sound forestry ecological system, an advanced forestry industry system and a prosperous eco-culture system. We are starting the

exploration of the Chinese way of modern forestry development.

With over 60 years of unremitting efforts, China has made world known achievements in forestry development.

First, forestry laws and regulations as well as the organization and management system are gradually improving. We have issued the Forest Law, Wild Animal Protection Law, Law on Desertification Prevention and Control and other forestry laws and regulations, and set up forestry management agencies and forestry law enforcement organs at all levels, which provides a solid legal and institutional guarantee for forestry development.

Second, remarkable achievements have been made in forestry protection and conservation. China's forest area has reached 195 million hectares with a stock volume of 13.721 billion cubic meters and a forest cover of 20.36%; the area of established plantations has reached 61.68 million hectares, ranking the first in the world. The desertified land area in China changes from the annual rate of expansion by 3436 km² at the end of last century to the annual rate of decrease by 1717 km². A total of 2,035 natural forestry nature reserves have been established, accounting for 12.9% of the territory, bringing under effective protection 90% of the terrestrial ecosystems, 85% of the wild animal populations, 65% of the higher plant communities and 50.3% of natural wetlands.

Third, the forestry industry develops rapidly. Gross output of China's forestry has exceeded RMB 2,000 billion yuan; import and export trade volume of forest products has reached US \$ 90 billion; the production of rosin, wood-based panel and wood furniture ranks the first in the world; forest tourism, woody grain and oil industries develops rapidly, playing an important role in creating employment, increasing income, boosting regional economy and securing supply of forest products.

Fourth, important progress has been made in forestry institutional mechanism and innovation. We have carried out the reform on collective forest tenure system and contracted 162 million hectares or over 90% of collective forest land to rural households; 72.6 million rural households have received the forest tenure certificates and enjoyed support in forestry development, which has greatly mobilized the enthusiasm of farmers to engage in forestry. At the same time, we are actively exploring the reforms of State-owned forest farms and regions, and striving to enhance the vitality of State-owned forests.

China's rapid development in forestry has not only played an important role in maintaining domestic ecological security and promoting economic and social progress, but also made due contribution to forestry development and ecological improvement in the Asia Pacific region and the world at large.

Ladies and gentlemen!

During the course of success in forestry development, China has gained some valuable experiences, which I am willing to share with colleagues present.

First, we must ensure that forestry development should be in line with the pace of domestic economic and social development. Different stages of economic and social development have

different demands for forestry. We have strive to make the social status, laws and regulations, policies and measures, the planning and reform process of forestry keeping the same pace with economic development, social demand and the overall qualities of the people.

Second, we must adopt an integrated approach to address the ecological problems. The forest ecosystem, desert ecosystem, wetland ecosystem and biodiversity are interactive and closely related in the maintenance of the ecological balance of the Earth. Ecological experts vividly describe the forest ecosystem as the "lung" of the earth, wetland ecosystem as the "kidney" of thee earth, and biodiversity as the "immunity system" of the earth, of which the forest ecosystem dominates many other ecosystems. We have strived to adopt engineering, biological, technical and many other measures to address all types of ecological problems in an integrated way, with remarkable results achieved.

Third, we must mobilize different resources to promote forestry development with guidance of the government. Forestry undertaking has strong public welfare and social nature. While striking to government guidance and increasing investment in forestry, we have attracted through preferential policies, a different of social forces to participate in forestry development, and form a strong and united force involving the whole society to promote forestry development.

Fourth, we must handle properly the relationship between ecosystem services and industrial benefits, between protection and development, and between revitalizing forestry and enriching the people. Forestry has ecological, economic and social attributes; different subjects have different interests and aspirations. While developing forestry policies, we take into full account the interests of all parties, achieving not only ecological protection and resources increase, but also industrial development and increase of farmers' income.

Fifth, we learn from the world's advanced concepts of forestry development. There are basic rules in forestry development; while taking into full account of our own domestic and forest conditions, we follow closely the world's trend in forestry development, strive to learn from overseas advanced concepts, applicable technologies and management experience in forestry development, and constantly the raise development level of China's forestry.

Ladies and gentlemen!

China has made remarkable achievements in forestry development, but there are still many problems, including insufficient volume, low quality, and uneven distribution of forest resources. There is still a gap to meet the economic and social needs. In the future, we will follow the scientific outlook on development, strive to change the development model; continue to rely on the people, science and technology; deepen the reform; enhance ecological protection, strengthen forest tending and management, and accelerate the development of green industry. By 2015, we strive to raise the forest cover to 21.66% and the forest stock volume to 14.3 billion cubic meters. This will lay a solid foundation for the increase in forest area by 40 million hectares, and the increase in forest stock volume by 1.3 billion cubic meters by 2020 on the 2005 levels. To this end, we will mainly take the following measures:

First, we will continue to develop our forest resource base. Through full implementation of key forestry programs, we will speed up the cultivation of forest resources, increase the total

volume of forest and improve quality of forest resources. We will strengthen the protection of forest, wetland and wildlife to safeguard ecological security.

Second, we will vigorously develop forestry industries. We will promote wise use of forest resources based on market needs, develop the forestry industries, expand the scale of green economy, increase efficiency of resource utilization, and play a leading role in the increase of farmers' income and promoting green growth.

Third, we will continue to deepen forestry reforms. We will continue to promote the reform of collective forest tenure system as well as reforms on state-owned forest farms and regions, enhance innovations of institutions and mechanisms to promote forestry development, strengthen the vitality and attractiveness of forestry development, and further liberate and raise forestry productivity.

Fourth, we will continue to improve forestry policies. We will establish and improve the policy framework to allow public finance to support forestry, and continue to increase investment in forestry. We will also improve forest insurance, ownership mortgage and other financial support policies to encourage social investment in forestry development.

Fifth, we will continue to open up to the outside world. Mutually beneficial and win-win opening-up strategy will be implemented, with extensive and in-depth cooperation with other economies. Necessary support will be provided to other developing economies through the Asia Pacific Network for Sustainable Forest Management and Rehabilitation to promote sustainable development of forestry in the Asia-Pacific region.

Dear colleagues, ladies and gentlemen!

The Asia-Pacific region is endowed with over half of the world's total forest area and plays an important role in the global forestry and economic development. There is a solid foundation and common wish for forestry cooperation in the Asia-Pacific region, and the Chinese government is willing to strengthen cooperation with other economies to ensure the increase of 20 million hectares by 2020 on the 2007 level, and make new contribution to maintaining ecological security, addressing climate change and promoting green growth.

Thank you!

Statement **First APEC Meeting of Ministers Responsible for Forestry**
Hong Kong **Beijing, 6-8 September 2011**
China

Statement of Head of Delegation presented on 6 September

by **Mr. Alan WONG Chi-kong**,

Director of Agriculture, Fisheries and Conservation,

Hong Kong, China

Honourable Chairman, Honourable Ministers and Delegates,

I am very pleased to have the opportunity to take part in this first Forestry Ministerial Meeting, and to work with other member economies in promoting sustainability of forestry resources and conservation of natural environment in the Asia-Pacific region.

Background

Hong Kong, China is one of the most densely populated cities in the world. Its total land area is just about 1,100 square kilometers. The topography of the territory is very hilly and only 30% of the land is low-lying. There are always keen demands of land for development because of expanding population and economic activities. Balancing the need of continual development against nature conservation has been a challenging task for the administration. Development will inevitably exert impact on the land resources, and undermine the aspiration to conserve the natural environment for the enjoyment of future generations. Sustainability of environment, resources and economic benefits are our shared interest. Finding solutions to these complex problems are our common goal.

Owing to its geographical location at the sub-tropical regions, Hong Kong, China has been endowed with rich biodiversity. Over 3,100 species and varieties of vascular plants have been recorded in Hong Kong, China, around two-third of which are native species. Up to the turn of the 21st century, about 17% of Hong Kong, China territory was covered by natural woodlands and plantations. Indeed, the very rich plant diversity of Hong Kong, China is invaluable, and it deserves our appreciation and effort to conserve them.

Types of woodlands

The majority of the natural vegetation in Hong Kong, China belongs to evergreen broad-leaved forest of the subtropical flora of Southeast Asia. Several major types of plant community can be classified according to the characteristics of ecological features and species composition:

1. The river-bank woodlands – they are commonly seen along rivers and low-lying areas; (Lidded Cleistocalyx / *Cleistocalyx operculatus*, Rose Apple / *Syzygium jambos*, Autumn Maple / *Bischofia javanica*, and Hong Kong, China Abacus Plant / *Glochidion hongkongense* are examples of the dominant species).

2. Lowland woodlands – they are mainly distributed in the hilly areas and valleys below 300 – 400 m; (Euphorbiaceae, Moraceae, Sapotaceae, and Myrtaceae are the dominant families).
3. Low-hill forests – they are mainly distributed on uplands between 300 – 800 m; (Lauraceae, Fagaceae and Theaceae are dominant families).
4. Montane forests – they are found on the hilly relief at 700 – 1,000 m (Fagaceae, Theaceae, Magnoliaceae, and Hamamelidaceae are the dominant families).
5. Fung Shui Woodlands – they are small but well-developed native woodlands established behind many old villages and temples. These small woodlands owe their existence to the protection afforded by the villagers in pursuit of their traditional beliefs. These woodlands are often enriched by the planting of Incense Trees, Camphor Trees, fruit trees and clumps of bamboos.
6. Exotic Plantations – many hillslopes have been afforested with fast-growing exotic species which can be easily distinguished by their regular and monoculture planting pattern. They were planted for controlling soil erosion at bare lands and preserving water resources around the reservoirs. In general, these plantations have simple woodland structure and low species diversity.

Milestones in Hong Kong, China's afforestation history

To sustain the existing natural woodlands and extend the woodland coverage to the countryside, the Hong Kong, China Government had been carrying out afforestation since the end of the Second World War. About 700,000 to one million seedlings had been planted each year in the Country Parks¹ under the concerted effort of government staff, general public, indigenous villagers and commercial sectors. There were a few major milestones in Hong Kong, China's afforestation history:

• After the Second World War

After a long period of deforestation, and the damage during the Second World War, some of the Hong Kong, China hillsides had become barren. Only vegetation in some steep ravines and the Fung Shui woodlands behind villages remain intact. The urgent task then was to rehabilitate bare hillsides and prevent further soil erosion. Hardy and fast growing exotic species - such as Chinese Red Pine, Acacia and Brisbane Box - were widely planted. This afforestation strategy had ensured success in greening our countryside in a few decades' time.

• From 1980s onwards

By the 1980s, the eroded landscape was largely replaced by a green carpet. The woodland coverage had increased from three percent in 1940s to nine percent of the total land area of Hong Kong, China. With improved soil conditions, the hillside environment became favourable for a variety of tree species. Planting strategy had shifted from monoculture to mixed species

¹ Country Parks: "Country Parks" literally mean parks in the countryside of Hong Kong and are under legal protection for nature conservation, outdoor recreation and education purposes.

to boost species diversity while abating pest outbreaks. To increase the flora and fauna biodiversity, native species offering fruits and nectar as food sources for local wildlife were grown in the plantations at increasing proportion.

- ***By the turn of the millennium***

The woodland coverage has risen to more than 17% of the territory. While greenery had basically been achieved through decades of massive planting, most of the exotic species were unable to expand their colony naturally because of their short lifespan and poor seed dispersal. On the other hand, only a limited number of native species had managed to survive in existing woodlands as undergrowth. It was time to go for better quality of woodlands. Since 2010, progressive removal of poor exotic trees to give way to in-planting of native trees was adopted under the Country Parks Plantation Enrichment Projects to speed up the transformation of exotic woodlands into more diverse forest habitats and picturesque landscape.

Challenges for woodland conservation in Hong Kong, China

- ***Hill fire***

Hill fire has been one of the most severe threats to the ecological habitats in Hong Kong, China's countryside. The drastic damage brought about by fire could negate decades of extensive afforestation and ecosystem enhancement work. Since the establishment of Hong Kong, China's Country Parks in the late 1970s, a comprehensive hill fire control system has been in operation. It includes fire-fighting teams that run 24 hours stand-by shifts during the dry season, and an effective detection system. Fire breaks were created at the fringe of plantations, water tanks were built along fire-breaks and fire lookouts were erected at hill tops. These measures are complemented by a proactive publicity programme aiming to inculcate in the public the correct ways in using fire near the woodlands. Patrol and law enforcement has also been reinforced to control improper use of fire. This all-embracing approach has helped reduce hill fire outbreaks from a few hundred per year in early 1980s to some 20 cases in 2010. The impact of hill fires on woodland habitats has thus been greatly reduced.

- ***Slow re-generation of native plant species in plantations***

Seed dispersal is a vital step in determining the success of woodland extension. Some research revealed that natural re-generation of native plant species in Hong Kong, China's natural environment was slow. It is believed that limited seed dispersal agents such as seed-eating animals, lack of systematic thinning in the past and low diversity of flora in exotic species plantations have hindered the natural propagation. To tackle this problem, enrichment planting of native species, in particular the under-dispersed species, are carried out to improve the biodiversity of the flora and subsequently the fauna.

Legal Protection of Woodlands in Hong Kong, China

There are a number of legislation in Hong Kong, China providing statutory protection to all woodlands and trees. With effective enforcement and nature education, we are glad that the public had developed a general presumption that trees are valuable asset of the society and

damage to trees should be prohibited. Any major development that might significantly affect woodlands in Hong Kong, China would need to be thoroughly assessed to avoid and minimize adverse impacts. The relevant Ordinances are:

- ***Forests and Countryside Ordinance***

Damaging plants in any forest or plantation on government land is prohibited. Some rare and attractive indigenous plants, such as Tea / Camellia species, Chinese New Year Flower / *Enkianthus quinqueflorus*, Hong Kong, China Balsam / *Impatiens hongkongensis* and Hong Kong, China Iris / *Iris speculatrix*, are specifically listed in these Forestry Regulations to control their sale or possession.

- ***Country Parks Ordinance***

The Ordinance provides a legal framework for the designation, development and management of protected areas for nature conservation, outdoor recreation and nature education. A total of 24 Country Parks and 22 Special Areas, including a Wetland Park and a Geopark, were designated up to date. These protected areas serve as the cradle for most of the flora and fauna species found in Hong Kong, China's woodlands, affording them the benefit of statutory protection.

- ***Protection of Endangered Species of Animals and Plants Ordinance***

The Ordinance gives effect to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in Hong Kong, China. Some native plants of Hong Kong, China are also protected by the Ordinance. All native species of the Tree Fern family / *Cyatheaceae* and the Orchid family / *Orchidaceae*, Pitcher plants, Lamb of Tartary, Incense Trees, and many more, are scheduled under the Ordinance to control their import, export and possession.

Conservation Measures Adopted for Flora Conservation

Some 40% of the land area of Hong Kong, China had been designated as Country Parks and Special Areas which covers most of Hong Kong, China's undeveloped hillside and wooded valleys. Such protected areas play an important role in nature conservation as they embrace the natural habitats and protect rare or endangered species. Through regular patrols, the Park Rangers are tasked to take enforcement action against any illegal felling of trees or unauthorized land use inside these protected areas. In addition, a number of Sites of Special Scientific Interest (SSSI) have been listed under the Town Planning Ordinance for the important plants therein.

A base for flora conservation has been established in the Shing Mun Arboretum. About 300 species including some locally and globally rare species have been propagated and established there for conservation and education purposes.

Various methods such as seed collection, cutting, air-layering, etc, have been deployed to propagate rare plants. Transplantation may also be carried out if their habitats are found to be under threat. Successful examples of active propagation include Fortune's *Keteleeria* / *Keteleeria fortunei*, Crapnell's *Camellia* / *Camellia crapnelliana* and Grantham's *Camellia* /

Camellia granthamiana. It is hoped that more species could establish sustainable populations in the natural environment.

Going beyond Hong Kong, China's boundaries, we have maintained close cooperation with the Guangdong forestry authorities. A Special Panel, namely the Hong Kong-Guangdong Afforestation and Conservation Special Panel () had been set up for regular cross-border experience-sharing and training on afforestation techniques, wetland conservation, hill fire prevention, control of forest pests, etc. Exchange of uncommon tree species for trial planting had also been arranged.

Conclusion

Although Hong Kong is a small city with limited forest coverage as compared to other economies, we stand ready to contribute to conserving forest resources at the domestic level. In particular, we would encourage sustainable uses of forest resources for outdoor recreation, eco-tourism, landscape appreciation, nature interpretation and scientific research; give priority to management, conservation and rehabilitation of forests; plan and manage forests in a scientific way; increase forest quality and carbon stock to address climate change. We will also organize more outreaching programmes and publicity plans to raise students' awareness of nature conservation.

This Ministerial Meeting provides a useful forum for discussion, exchange and joint efforts in enhancing forestry development in the Asia-Pacific region. I would like to thank the State Forestry Administration, China for hosting this meaningful event and in particular Minister Mr. JIA Zhibang for his warm hospitality and excellent meeting arrangement. I look forward to a closer partnership with member economies in promoting the sustainable use of our forest resources.

Thank you.

Statement | **Wise Use of Forest Resources to Improve Livelihood and**
Indonesia | **Promote Sustainable Development in Indonesia**

Distinguished Delegates,
Ladies and Gentlemen,

Indonesia's constitution stipulates that all natural resources, including forest resources, ought to be utilized for the highest welfare of the people. Forests, however, is a multiple-use resource and it plays a vital role in sustainable development, providing a range of economic, social, and environmental benefits, including essential ecosystem services such as climate change mitigation. Using forest for a given purpose, often contradict with other purposes. It may require sacrificing other purposes, incur trade-offs and involve opportunity loss. Therefore, the sustainable forest management has to consider all of the economic, socio-cultural, and environmental aspects. The Ministry of Forestry is obliged to maintain a delicate balance among those competing uses of forests, to come up with the most optimal policy leading to the improvement of people's livelihood without set aside economic and environmental aspects.

Distinguished Delegates,
Ladies and Gentlemen,

Indonesia believes improvement of people livelihood is inline with or even one of the most important component is sustainable development. Therefore, this is a great opportunity for me to share with you about what Indonesia has been implementing concerning the issue.

To a large segment of Indonesian people, forest has been their home and the main life supporting system. Forest provides them with nearly all they need for living. People and forest have been in a harmony, people have become an integral component of forest ecosystem. But that has changed mainly in the second half of the 20th century, for which development could be easily to blame. Due to development, the relationship between people and forests has become highly economical and less social-ecological, more heavily to get short-term economic gain sacrificing other long-term benefits. The short-termed approach of utilizing forest resources has led to the current condition characterized by degraded forest resources and low welfare of the people. This lost-lost situation must be changed. Faced with this situation, Indonesia has taken a major shift of paradigm in forest utilization into a resource-based approach, and in line with Indonesia's domestic development priorities, those are pro-growth, pro-job, pro-poor, and pro-environment.

The basic policy is to improve people's access to forest resources. It is implemented by promoting people's forest (HR), community forests (HKm), village forest (HD), and people's forest plantation (HTR).

People forests are those planted by people on their own land. The government role is to provide support for improving production through the uses of better plant material and to promote a healthy market for the wood produced. Just recently, the government has decided

to exclude wood produced from people forests from an administrative requirement formerly applied indiscriminately. At present, people forests are quite extensive, especially in Java and contribute significantly to the domestic wood supply and improve the welfare of the people.

Community forest or HKm is a forest land that is allocated for an existing local community who would manage the forests for their benefits. A substantial extent of forest land has been allocated for several communities. HKm is basically an approach to legally transfer back people's right or permit to access a given forest which has been part of their living for generations. The right is, of course, paired with responsibilities to manage the forest sustainably. According to the current regulation, as long as a community can legally prove their existence and commitment, it is eligible for a community forest. In the long run, with HKm people's benefit from forests is expected to improve and at the same time, the existence of the forests is maintained.

Village Forest or HD is giving a legally right or permit to use a given forest for village, and using it for village people welfare.

As of **people's forest plantation** or HTR, it is the small-scaled version of industrial forest plantations or HTI. In the past, all forest plantations are in conglomerate scale, owned by a small number of capital owners, while the local people hardly get the trickle-down effect of the industry. This situation is expected to change by allowing people to get a similar access and providing capital support. Groups or cooperatives consisting of local people are eligible for HTR and the capital support. This is a relatively new policy, believed to lead to a better livelihood of the local community, and improve the extent of forest plantation simultaneously.

If I may resume the progress of the issuance of legal people access are; 172,214 hectares have been reserved for Community Forest and 40,256 hectares for Village Forest. The legal right or permit has been issued to 41,950 hectares (191 units) of Community Forest; 10,310 hectares of Village Forest, and 127,244 hectares (1,857 units) of People's Forest Plantation.

As one of efforts to support and strengthen Indonesia's commitment to improve people livelihood through giving legal access to local communities, the Ministry of Forestry of Indonesia, the International Tropical Timber Organization (ITTO), and the Rights and Resources Initiative (RRI), with the support of 20 other organizations, including Global Alliance of Community Forestry (GACF) have organized the International Conference on Forest Tenure, Governance and enterprise: Experiences and Opportunities for Asia in a Changing Context on July 2011. The conference has been successfully implemented, even though there are many arguing and debating concerning mainly on the role of local community, horizontal conflict among local people, private enterprise and government in Asia region. In general, it recommended the importance of role and participation of local community in forest management, and also pro gender and poverty issues.

Distinguished Delegates,
Ladies and Gentlemen,

Other approaches are the promotion of agro forestry, silvofishery, and silvopasture. These approaches allow people to gain economic benefits by cultivating cash crops, fishery, as well

as husbandry on a forest land without sacrificing forestry purposes. In fact, agroforestry has lifted people's livelihood in many parts of Java and contribute to the domestic food production. Likewise silvofishery has been proven an effective approach to rehabilitate mangrove forests while allowing fishermen to get economic gain. A relatively large area of savannah forest in one part of Indonesia will be designated for the silvopasture, which is expected to help Indonesia toward meat self-sufficient in the long run.

Still another wise use of forest is to supply people's need for electricity. Many Indonesia forest villages are remotely located and lacking of electricity. Some of those villages are close to a small river that can be utilized to run micro hydro producing electricity for the village. With that real benefit, village people can be easily motivated to guard the upper land forest which is the water catchment of the river. This approach has been applied successfully in many villages.

Indirectly, the people-centered forest policy will also contribute to the improvement of forest ecological functions including water balance and carbon stocks. More well-managed HKm focusing on non-wood forest product on the upper land will significantly improve the hydrological function of the forest. The extended HR and HTR will certainly improve Indonesia's plantation forests, hence it carbon stocks. The micro hydro development almost guarantees there will be no deforestation taking place upper land.

Indonesia, therefore strongly believe that putting people's livelihood as a priority does not necessarily entail sacrificing forest sustainability. The two formerly labeled contradicting goals, in fact can be achieved in one stroke, through appropriate implementations.

Distinguished Delegates,
Ladies and Gentlemen,

I am sure we are all agree that illegal logging threaten sustainability of any forest resource, including Indonesia's forest resources. Illegal logs have distorted timber and timber products markets. The cheap illegal harvested logs that flood the market have depressed timber prices and threaten sustainable timber and timber products trade. In tackling illegal logging while facilitating trade, the Ministry of Forestry of Indonesia has issued the Ministerial Decree No. P.38/Menhut-III/2009 regarding Standard and evaluation guidance of sustainable production forest management and timber legality verification on license holder or forest right holder, known as Indonesian Timber Legality Assurance System – TLAS which in Indonesia known as "Sistem Verifikasi Legalitas Kayu - SVLK. The system was develop as reflection of Indonesian Government commitment to sustainability of her forest resources. The Indonesia's initiative is inline with growing demand for legally timber and timber products produced from sustainable managed forests. The SVLK provides assurance of legality to Indonesia's timber and timber products traded domestically and internationally. Therefore implementation of SVLK is a soft approach in combating illegal logging through promoting legally harvested timber.

We do hope, when appropriate similar approach can be applied in other economies.

Thank you very much.

Statement Statement by Japan

Japan

APEC Ministerial Meeting on Forests and Forestry 6 September, 2011, Beijing

Mr. Chairman,
Excellencies,
Representatives of economies,
Ladies and Gentlemen,

It is my great pleasure and honor to be given this opportunity to see distinguished delegates and deliver a statement, on behalf of the Government of Japan, at this First APEC Ministerial Meeting on Forests and Forestry, hosted by China and co-hosted by Mexico and Papua New Guinea, here in eternal city of Beijing.

I would like to thank China and express my wholehearted content for the warm and red-carpeted hospitality ever since I have arrived at Beijing Capital International Airport yesterday. I felt China's strong will as the host of this meeting in the welcome speech by the Paramount Leader of China in the opening ceremony held at the Peoples' Great Hall. This meeting is indeed timely, not just because this is the International Year of Forests, but as there is increasing need in APEC region to deal with common issues such as promotion of sustainable forest management and combat illegal logging and associated trade. Moreover, promotion of forests and forestry cooperation in the region is in line with the growth strategy indicated in the last year's "Yokohama Vision," and the Green Growth, which is one of the priorities of the 19th APEC Economic Leader's Meeting hosted by the US. I am so impressed with His Excellency Mr. Jia Zhibang, the Minister of State Forestry Administration of China for his enthusiastic leadership for this meeting.

Mr. Chairman,

Taking this opportunity, I would like to convey Japan's sincere appreciation for the cordial sympathy and generous assistance rendered by the governments and the people of the member economies of APEC on the occasion of the earthquake and tsunami disaster on March 11th. The Earthquake recorded magnitude 9.0, over 15 thousand people killed, over 250 thousand houses badly damaged. The total amount of damage is estimated to be around 17 trillion JPY or 220 billion USD whereas damage on Agriculture, Forestry and Fisheries is estimated to be more than 2 trillion JPY, including damage on fisheries infrastructure as well as forest conservation infrastructure and wood processing industries on the coastal area. Japan promises to revive herself strongly from this unprecedented hazard.

Mr. Chairman,

Asia Pacific region including Japan has frequently experienced earthquake due to its location where several continental and oceanic plates meet. Let me cite some of the devastating earthquake hit the region in the past, the Cascadia Earthquake in 1700 hit the U.S. and Canada, the Kamchatka Earthquake occurred in 1952 and Great Sumatra-Andaman Earthquake hit Indonesia in 2004. It is an important recognition that majority of the historical large-scale

earthquakes occurred in Asia Pacific region, and caused severe damage to the APEC economies.

Mr. Chairman,

The Great East Japan Earthquake severely damaged forests as well as local wood industries. Japan is striving to establish coastal protection forests based on a new grand design, and reconstruct wood-processing factories in the damaged areas so as to utilize wood as materials and energy resources for reconstruction. The gigantic disaster is a big challenge for us, but it is one of new opportunities as well. Japan is to host an international seminar next year to share the knowledge and experiences of natural disaster and forests, among those that were hit by earthquake and tsunami in the past.

Mr. Chairman,

Allow me to brief you the situation and history of forests, forestry and wood industry in Japan.

Japan is located in the northwest of Pacific Ocean, is a mountainous archipelago of about 3000km north to south span. Its location, topography, combined with the climate, 25 million hectares equivalent to 68% of Japan's land area is covered with forest with rich biodiversity.

In the ancient time, the land was mostly covered with forests including plains. But today, population has grown and much of the plains had to be converted to farmland and urban areas. Nevertheless, decline in forest cover in Japan slowed eventually, for much of the remaining forests were located in the steep mountainous area.

However, since the 17th century under the stable reign of the Edo period, demand of wood has grown due to population growth, economic development and urbanization. As a consequence of heavy logging, "Bald Mountains" had appeared here and there. Moreover, in the last century, forest resources have been significantly impaired for military demand and later, for the demand for post-war reconstruction,

After the World War, Japan has introduced "plantation expansion policy" in 1950s to cut down natural forests to convert them to high-productive forests, and encouraged promotion of the citizen's tree-planting campaign to recover degraded lands as well. As a result, 10 million hectares of man-made forest, accounts for 40% of today's total forest area, was established

Decades have passed after planting and these man-made forests are almost ready for their harvest and full utilization. In recent years, increase in forest stock per year exceeds the domestic demand.

Mr. Chairman,

I question to myself. Is it wise to leave the forest to increase its stock while not making full use of it, and importing three quarters of domestic demand? I do not think so. Wood can be reproduced eternally provided that it is harvested from sustainably managed forests. It is also a recycling material that can be used in cascade. The role as carbon sinks is highly recognized, too.

It is important, not only for Japan but for other economies as well, to secure and improve multi-functions of forests, and make the most of forest resources for the establishment of a stable supply of timber, improvement of rural livelihoods through increased employment

opportunities, and realize Green Economy.

However, Japan is facing challenges to make full-use of man-made forests. Challenges include low productivity due to poor forest road network and small, scattered forest tenure, lack of human resources for efficient and effective forest management and unstable supply of timber. Japan has, in order to tackle these challenges, formulated the "Forest and Forestry Revitalization Plan" in December 2009 that stipulates issues to be resolved and actions to be taken to rapidly revitalize forests and forestry in Japan in the coming 10 years. The Plan's ultimate target is to improve wood self-sufficiency ratio to be more than 50 percent which is currently under 30%. Japan has also enacted a law in 2010 to promote wood utilization in public buildings such as public offices and schools. Export of timber is also a new opportunity for Japan to be promoted.

Mr. Chairman,

Let me recall that worldwide wood demand is predicted to increase in the long term. I am confident that raising wood self-sufficiency rate in each economy, together with actions against illegal logging, will surely lead to stabilization of global timber supply and demand and it will contribute to appropriate forest management and sound development of forestry and wood industry.

Mr. Chairman,

I believe the situation of Japan, man-made forest resources becoming available is a new opportunity and happy to share Japan's experience and perspectives with economies striving to afforestation on degraded forest, and economies with increasing man-made forests.

Mr. Chairman,

Next, Japan would like to touch upon our experiences on Japan's action against illegal logging and associated trade. Since 2005, Japan has worked together with Indonesia to develop technologies for timber tracking system in Indonesia. In addition, Japan would like to announce that Japan and China have agreed on cooperation on actions against illegal logging and associated trade. Japan, Indonesia and China are timber traders of forest products in the world respectively as well as partners for timber trade one another.

Japan strongly believes that further efforts against illegal logging and associated trade of each economy will promote orderly economic activities not just on APEC regional basis but also on global basis, thus the efforts will make significantly positive impacts on "Strengthening forest governance and management to promote multiple functions of forests for green growth."

Mr. Chairman,

Japan has a strong will to continue to contribute to the efforts of developing economies with a variety of cooperation schemes in order to "enhance practical cooperation to achieve inclusive growth for the forest sector in the region," such as bilateral cooperation through JICA, facilitation of south-south cooperation and triangular cooperation carried out among economies with common social, linguistic, geographical and development backgrounds, and multi-lateral cooperation through ITTO and FAO. Japan is convinced, in this regard, that continuous efforts to vitalize forest-focused social and economic activities will lead us to ensure human security, the concept of which Japan has advocated in its development agenda.

Japan would like to mention about the Asia Forest Partnership (AFP), launched at the World Summit on Sustainable Development (WSSD) in August 2002, aiming at promotion of Sustainable Forest Management in Asian region. AFP has grown into an important regional multi-stakeholder forum for sharing information and facilitating informal dialogue on wide range of themes such as 1) Reducing forest loss and degradation and enhancing forest cover to maintain the provision of forest products and ecosystem services, including mitigation of an adaptation to climate change, watershed and land resource protection, and conserving biological diversity and 2) Combating illegal logging and associate trade. The partners for AFP are 20 governments including Australia, China, Indonesia, Japan, Korea, Malaysia, the Philippines, and the U.S., 8 International Organizations, 20 NGOs and private sectors. The number of partners is growing and all interested parties who support AFP's goal are welcomed and encouraged to join in AFP. For your information, the 10th meeting of AFP will be held in November, here in Beijing, during Asia Pacific Forestry Week in conjunction with Asia-Pacific Forestry Commission of FAO.

Finally, I would like to recall that this year is the "International Year of Forests" whose worldwide theme is "Forests for People."

The International Year of Forests is a significant opportunity for us Ministers and Senior Officials responsible for forests and forestry to raise global awareness of the multiple functions of forests and the significant contribution of the forests to the livelihoods of people. Japan has decided "Walk in the Woods" as the domestic theme of the year, in order to invite today's urban dwelling people that has very limited opportunities to feel forests. Japan believes it important to protect and foster rich forests, by and through each citizen's participation and concrete actions and has been propagating the idea.

Last year was the International Year of Biodiversity. This year is the International Year of Forest. And next year, there is going to be Rio+20. I would like to congratulate China to have proposed and successfully hosting this important meeting in this very significant year.

I would also like to appreciate eminent guests, who have already made or is to make informative key-note presentations.

Mr. Chairman, ladies and gentlemen,

To solve the problem we are facing such as deforestation and forest degradation, to promote multi-function of forests, and to realize Green Growth, why don't we push forward concrete actions to achieve an APEC-wide aspirational goal of increasing forest cover in the region by at least 20 million hectares by 2020 as stipulated in the APEC Sydney Declaration utilizing regional forest initiatives?

Let us report to our leaders what have discussed here, what achievement each of us made since the the Rio Earth Summit and the Johannesburg Earth Summit and where we are up to as an input to the Leaders' Meeting in November. In Rio+20 next year, let us declare our effort and achievement in the forestry sector of APEC-region!

Thank you very much for your attention.

Forest for People and Sustainable Development

Don Koo LEE, Ph. D.
Minister of Korea Forest Service
Republic of Korea

First APEC Meeting of Ministers Responsible for Forestry
8-8 September 2011, Beijing, China

Why is important to use forest resources wisely ?

- How to make money in the future?
Op. 1. (Now) Fast money → (Future) Slow money
Op. 2. Who will be smart to response to climate change?
*An aging society, eco-friendly products & life, renewable energy, etc.
- Where can you see a slow and reservoir of CO₂ easily?
Answer : Forest
*Yongun Ginkgo tree is about 1,100 years old
- How Korean Government can invest for the future from forest?
① Preparation of the land → restoration, SFM, watershed management
② Protection and conservation → combating forest fire, Beakdo-Daegun Conservation Area
③ R&D in forestry → renewable energy, BT, ET
④ Incubating → forest recreation, forest education, etc.

History of reforestation in Korea

We planted 12billion trees at degraded area from 1962 !!!

1962

1st APEC Meeting (1971-1987)
Korea Forest Service (KFS)
Forestry promotion, Green Korea

1970s

Recovery works of afforestation and forest restoration

2000s

Sustainable Forest Management (SFM)
Forest Growth, Closure of large parks

*Republic of Korea is the secondary case of worldwide reforestation (Lester R. Brown, Author of Plan B)
*Republic of Korea is the unique economy which has succeeded state's land afforestation after World War I (FAO, 1962)

Value of Korean Forest

Investing a KFS's budget of US\$ 1.7 billion (nurture, protection, utilization) creates an economic value of US\$ 73 billion

Forest resources have increased up to 13 times, with public benefit worth of US\$ 73 billion/year for the last four decades

Forest Growing Stock (Quantity of trees) Public Benefits on Forest (US\$ 73 billion)

*The increase of forest growing stock is the function of forestry, restoration work, and maintenance

Value of Our Trees

- 1 ha of pine trees → US\$ 0.14 million in sales profit, annual carbon sequestration of 7 tCO₂/ha
300 trees/ha of 18-28 m tall and 40 cm DBH are estimated to produce 300t/yr
- One 30-year-old pine tree for landscape values approximately US\$ 500
Pine tree with high aesthetic value : over US\$ 1 million
- Tax benefits or exemptions for forestry
 - Profits incurred from cutting of trees for the past 10 years since last plantation: reduction of income tax or corporation tax up to 50%
 - Tax reduction (US\$ 0.2 million) if planted land was inherited (farm or forest succession) for the past 5 years since last plantation

New Paradigm of Using Forest Resources

Forests as health assets → healing forest, recreational town

- 30 million mountain hikers in ROK, outdoor leisure markets increased recently
US\$ 2 billion/year spent for medical expenses (mostly chronic diseases)
77% of patients prefer to stay in healing places (forest) for a long-term
7 healing forests are available for short-term stay (only local and state)
- New Possibilities with natural substances & bio-energy
A total of 2,104 species of plants are edible and medicinal out of 4,587 species of forest plants.
- Overseas plantation for lumber resources and carbon credits
18 corporate like POSCO, EADOX, etc. are already in 12 economies since 1990

New Paradigm of Using Forest Resources

From cradle to grave... life with forest

Prenatal period	Early childhood period	Adolescent period	Adult and middle age period	Third age period
Prenatal care system in forest	Natural Curriculum in forest	Camping in forest	Link with nature, 100 zones for recreational forest	2,000 private unit 2012
13 places until 2012	16 courses until 2012			

New Paradigm of Using Forest Resources

Adding value of forest resources using BT

- Establishment of OB for medicinal & edible plants in the forest
*Number of medicinal & edible plants - 2,104 species
- Supporting & incubating forest BT industry for income generation

Establishment of model forest at Nat'l Forest area for initiating management of multi-functions of forest

- Multi-functions management at Mt. Mai-Hae
-Area : 7,000 ha
-Supporting private sector
-CO₂ 4 → (10) 10 → (11) 8

Forest and Carbon Trading

- Forest is the only carbon sink recognized by the United Nations
 - Japan: 1.9% among 8% of emission reduction target from forest
- Republic of Korea (ROK) has 30% greenhouse gas reduction goal in contrast to BAU until 2020
 - Allocation of reduction goal to the 480 businesses (2012-)
- Relief of business burden through carbon offset
 - Forests in Korea absorbed 6.6% of greenhouse gas emissions (2007)
 - Forests act as buffer for reducing expenses on long-term (30-50 yrs) perspective until reduction technology is developed
- Global introduction of carbon tax and offset by EU and Australia

Forest as communication channel with consumers

- 82% of consumers are willing to pay more for the products if manufactured by ethical corporate (Chamber of Commerce and Industry, '11)
- Yuhan-Kimberly Ltd. ranks 4th as for the corporate with good image
 - Established environment-friendly image by promoting the slogan Our Landscape to be Greener and Greener since 1984 (Keep Korea Green) → Keep Africa/Earth Green
- Enhancement of participation by corporate in forest projects for environment-friendly management
 - Construction and donation of Ulsan Park by SK Energy Co. ('96-'06)
 - Construction of Dejeon Urban Forests by Kyeongyeong Construction Co. ('07-'08)
 - Participation for combating desertification in Mongolia and China
 - Participation in planting 'Forest of Hope' by corporate ('11)
- Global corporation focusing on promotion of its good image
 - Investment in forestry for environmental & ethical management is effective

International forest cooperation with our neighbors

- ASEAN-Korea Environmental Cooperation Project(2000 - present)
 - Enhancement of human and institutional capacity
- Northeast Asia
 - Greenbelt Plantation Project in Mongolia, Plantation to Combat Desertification in Western China, Kubuch Desert Plantation Project
- Southeast Asia
 - Seed Sources and Nursery Technology Development Project,
 - Mangrove Forest Rehabilitation Project,
 - AR CDM and REDD Pilot Project to Mitigate Climate Change,
 - Dry-zone Plantation Project in Central Myanmar



Strengthening Regional Cooperation through AFoCO

- Asian Forest Cooperation Organization (AFoCO)
 - AFoCO was proposed by Korean President Lee Myung-Bak at ASEAN-ROK Commemorative Summit (June 1-2, 2008 in JELUROK)
 - The agreement on AFoCO will be signed by ASEAN-ROK Foreign Ministers at the 16th ASEAN-ROK Summit to be held in November in Bali, Indonesia.
 - Objective: To facilitate forest cooperation, undertake projects and translate sound forest policies and proven technologies and to prevent deforestation and forest degradation in the context of SFM as well as under the broader scope of addressing the impact of climate change
 - "To deliver action-oriented activities with close and effective collaboration"

Vision of AFoCO



Roadmap of AFoCO



Strengthening Regional Cooperation with UNCCD COP 10

- UNCCD COP 10
 - Place - Gwangju, ROK
 - Date - Oct. 19-21, 2011
 - UNCCD combines environmental protection, land improvement and the fight against desertification with poverty eradication, through its focus on sustainable development, and can thus contribute to the realization of the Millennium Development Goals (MDGs).
- High Level Segment (HLS) of the COP 10 on 17-18 October, 2011
 - Contents of Two Issues' Table Discussions:
 - Desertification, land degradation and drought (DGLDD) and food security;
 - UNCCD in the context of Rio+20; and
 - Increasing science for combating DGLDD: the path to improvement.
- First Business Forum in parallel with the HLS
 - To promote investment from the private sector
- Embody the continuous worldwide efforts for combating desertification through the implementation of follow-up project
 - Establish "DGLDD Monitoring Center" for scientific research
 - Operating "Chang-won Initiative Partnership" to support countries affected by DGLDD

Future Directions on Forests

- Focus on action-oriented field activities related with local people and sustainable development
- Consider that the success of forestry activities depends largely on long-term planning, cooperation, and informed compromise among scientists, industry, developers, politicians, local people and indigenous groups for the forest reserves to have continuous support.
- Korea Forest Service (KFS) would like to cooperate at various areas including the following:
 - addressing deforestation and forest degradation in the framework of the adaptation and mitigation of climate change
 - combating desertification, restoring and rehabilitating degraded land, promoting community-based forestry activities, and preventing forest disasters
 - strengthening capacity-building, R&D in forestry including technology transfers
 - enhancing forest carbon stocks

Thank you very much!



www.forest.go.kr

WISE USE OF FOREST RESOURCES TO IMPROVE LIVELIHOODS AND PROMOTE SUSTAINABLE DEVELOPMENT

6 September 2011

STATEMENT BY
THE HON. DATO SRI DOUGLAS UNGGAH EMBAS
MINISTER OF NATURAL RESOURCES AND ENVIRONMENT MALAYSIA

Mr. Chairman
Excellencies
Distinguished Delegates
Ladies and Gentlemen

1. Our delegation expresses our deep appreciation and gratitude to the People's Republic of China for their kind hospitality and excellent arrangement in hosting the First Asia-Pacific Economic Cooperation (APEC) Meeting of Ministers Responsible for Forestry.

2. Let me begin by stating that the forestry sector in Malaysia has contributed significantly towards its socio-economic development. In 2010, for example, the total export of timber and timber products accounted for about 6.5 billion US Dollar or 3.2% of the economy's Gross Domestic Product of 214 billion US Dollar, providing direct employment to about 276,000 people. As of June 2011, the extent of forest areas in Malaysia that is certified as sustainably managed is about 4.65 million hectares or about 31.8% of the total permanent forest reserves in the economy compared to about 5 million hectares of forest areas in the ITTO Asia-Pacific producer economies that have been certified as sustainably managed.

3. Malaysia practices Sustainable Forest Management (SFM) and committed to maintain its land area covered with forest. It has been the aspiration of the Government to have a minimum 50 percent of its total land area under forest cover as voiced by Malaysia during the United Nations Conference on Environment and Development (UNCED) in 1992. We are pleased to inform that currently about 56.4 percent of our land area is under forest cover, of which a total of 5.06 million hectares or 15 percent of its land area has been declared as protected forest. According to the "Asia-Pacific Forests and Forestry to 2020" report published in 2010 by the Food and Agricultural Organization (FAO), Malaysia has a per capita forest cover of 0.6 hectares. The Report recognizes that Malaysia accords high priorities in environmental protection and forest plantation expansion in the Asia Pacific region. In fact, based on 2010 figures, Malaysia has a per capita forest cover of 0.7 hectares, which is a significant achievement for a rapidly developing economy like Malaysia. Apart from this, to promote greater awareness that the greening and environmental conservation is the responsibility of all, in April 2010, the Government launched a domestic campaign to plant 26 Million Trees with the theme 'Greening the Earth: One Citizen, One Tree'. As of June 2011, more than 12 million trees or about 11,000 hectares of land have planted across Malaysia. We envisage that at the end of the campaign, a total of 38,470 hectares of degraded forest, logged-over forest and coastal areas will be planted with indigenous woody species. On the

other hand, we realize the potential and opportunity of planted forests. Thus, in the last five years, we aggressively established about 500,000 hectares of planted forest with commercial forest species and timber latex clone. To supplement, the use of current Bioreactor Technology in the production of plant materials for the production of high value added products in Malaysia also critical to assist us to ease the pressure of natural forest exploitation . This, I believe, will in a small way contribute to the achievement of the aspirational goal of increasing forest cover by at least 20 million hectares of all forest types by 2020 in the APEC region.

Mr. Chairman
Excellencies

4. Nevertheless, Malaysia is facing great challenges in managing our forest resources. Like any developing economies, Malaysia is grappled with competing forest land uses, as other economic considerations are seen as paramount compared to the production or revenue in relation to the optimum return generated from forestry, besides escalating good and food prices as well as population increase. Akin to any other APEC Economies, our vision is being propelled by our desire to maintain our forest cover, to have sufficient supply of timber coupled with emerging need for forestry services such as carbon storage, wildlife conservation, eco-tourism and watershed protection, along the path of green growth towards achieving bioeconomy. We opine that the creation of new wealth require us to reinvent ourselves to enable to wisely tap the potential from the Non-Timber Forest Products (NTFP). The utilization of NTFP through biotechnology for bio-pharmaceutical products, for instance have vast potential and opportunities if we can synergize our efforts. This venture merits concerted effort to tackle emerging concomitant matters such as bio-piracy, intellectual property rights, access and benefit sharing and traditional knowledge.

5. We do believe that eco-tourism potential in our economy can be elevated into the premium market as this type of leisure business caters for more focused and affluent clientele. The economy's New Economic Model introduced in March 2010 has identified eco-tourism as one of tourism components that serves as the engine of growth to generate high growth rates. Eco-tourism is also an important component of the Economic Transformation Program (ETP), which was unveiled by the Malaysian Government, aimed at increasing the economy's gross national income (GNI) per capita to 16,000 U.S. dollars by 2020. The ETP, among others, has identified eco-tourism projects such as the development of eco-nature integrated resort to contribute 707 million U.S. dollars to GNI as well as to create 7,733 jobs in the economy by 2020. In addition to this, Malaysia also aims to be declared as a global biodiversity hub by 2020.

6. We are serious in combatting illegal timber felling from our forests. Deterrent sentences in the National Forestry Act, 1984 revised in 1993 include higher pecuniary penalties and mandatory jail sentences for offenders. As a result, the number of illegal logging cases in Malaysia has dropped significantly. This achievement is attributed to the effective implementation of policies and legislations that are progressive, and at the same time, we have been continuously improving our enforcement capabilities. Nevertheless, we do not rest on our laurel. We are now reviewing the existing Forestry Act so as to have stiffer penalties for the forest offenders. Among others, we intend to use "strict liability" or burden to prove, whereby

the onus of proving lawful possession, shall be upon the person found in possession of such forest produce.

Mr. Chairman
Excellencies

7. Malaysia recognizes potential opportunities in exploring a comprehensive approach to mitigate climate change through Reducing Emissions from Deforestation and Forest Degradation (REDD) policies and mechanisms that envisage payment of compensation in developing economies for conserving forests. However, Malaysia is juggling to what extent the carbon assessments should be measured and how should it be financially compensated at the expense of reducing emissions. In view of this, Malaysia urges that the international community to make REDD plus mechanism simpler, reachable and flexible to ensure the successful outcomes of its noble intentions. Malaysia hopes that aggressive steps to be taken by our relevant partners to ensure REDD plus a reality. In this regards, we would like to support the proposition made by the distinguished keynote speaker this morning, that APEC should take a lead role to develop a "Global Forest Carbon Mechanism", among others, to address the weaknesses in the existing carbon market mechanisms.

8. I wish to inform the Meeting that Malaysia has been taking affirmative actions to uplift the livelihoods and eradicate poverty among the forest-dependent people and at the same time, enhance the implementation of sustainable development and sustainable forest management (SFM) as well as for climate change mitigation and adaptation. The government also harnessing positive steps in enriching traditional knowledge in medicinal plant of the local communities. Direct participation in eco-tourism is also being encouraged to improve the standard of living of local people. Community based eco-tourism activities such as homestay, chalet and restaurant operators, handcraft and souvenir, boatmen, porters, jungle guides and forest trekkers as well as tree planting and maintenance activities provide ample job opportunities and steady income for the local communities.

Mr. Chairman
Excellencies

9. We envisage the potential of Non-Timber Forest Products (NTFP) industries in the country. Currently, Malaysia is exploring other environmental-friendly raw materials such as herbal, coconut husks, bamboo and oil palm wood as potential alternative resources for the timber and its related industries. These alternative sources of new material will generate economic growth not only for the Malaysian timber industry but also increase the income of local communities. Success has also been made by Malaysia in the utilization of Non-Timber Forest Products (NTFP) such as herbal plants for pharmaceutical and biomass for bioenergy industries. On the other hand, we opine that the livelihood of the people can be improved in tandem with the SFM practices if the utilization of NTFP can be optimized. The potential of NTFP or biodiversity based products such as herbal and agar wood industry, for instance, can be maximized if effective planting, harvesting and processing technology in small scale by the communities can be developed and shared by the industry players. In view of these, Malaysia believes that the ability of developing economies is important to be enhanced to

enable us to play more significant role in the wider application and confluence of modern biotechnologies and the market niches that termed as the “bioeconomy”. We recognize the potential of those endeavors, but developing economies have limited capacity and capability in term of technological know-how, capital and market. The ability of developing economies can be assisted by collaborative matrix with our developed partners in the APEC region to generate new products and services classified as revolutionary technology with similar societal impacts that we currently enjoy. Future collaboration between economies is important as developed economies have the technology, capital and market while developing economies have the material. The symbiosis between the public and private sector are also imperative.

10. It is worth to point that to further enhance the wise use of our forest resources, training and education must be given high priority, as they can uplift the communities’ ability that actively participate in these projects. On that note, I urge the meeting to facilitate the economies to tap the optimum potential from sustainable and wise use of forest resources through seamless flow of technology transfer and market access. Lastly, Malaysia looks forward to strong cooperation and coordination among the APEC economies to face the challenges ahead so as to ensure that our forests continue to contribute significantly to the progress and prosperity of the region.

I thank you, Mr. Chairman.

Statement Mexico **Guión de conducción de la presentación en Power Point para la intervención del C. Secretario**

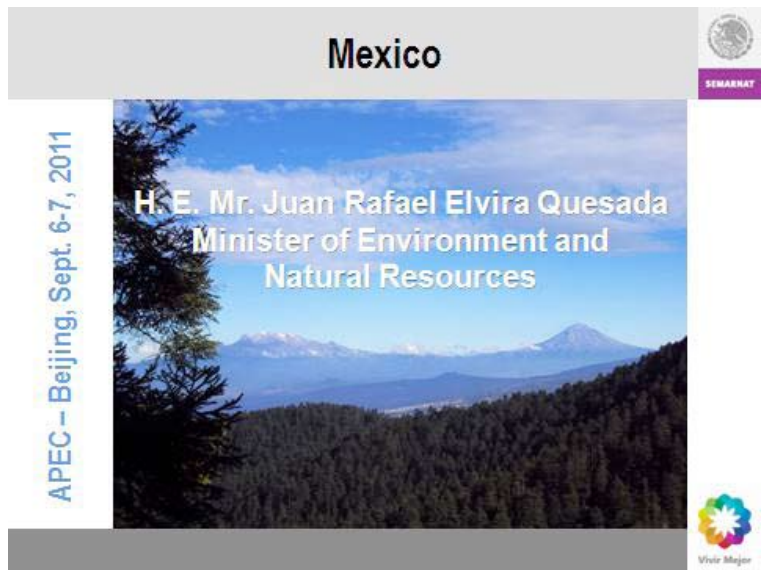
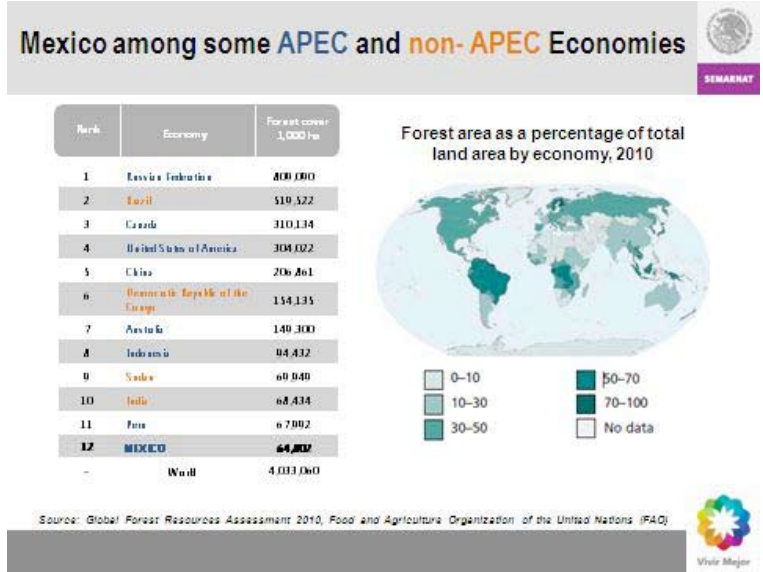


LÁMINA 1 PORTADA: saludo al panel y público:

- Mr. Douglas Uggah Embas, Minister of Natural Resources and Environment, Malaysia
 - Mr. Carl Robinson Worker, Ambassador of New Zealand to China
 - Mr. Belden Namah, Minister of Forest and Climate Change, Papua New Guinea
 - Mr. Miguel Guillermo Caillaux Zazzali, Minister of Agriculture of Peru
 - Mr. Demetrio Ignacio, Undersecretary of Department of Environment and Natural Resources, Phillipines
 - Mr. Alexander Panfilov, Deputy Head, State Secretary of Russian Federal Forestry Agency
 - Mr. Ze Meka, Executive Director, International Tropical Timber Organization
- Ladies and gentlemen, thank you very much for this opportunity to address this forum and to share with you some important ideas.

LÁMINA 2: "Mexico amongst some APEC and non- APEC Economies"

- Mexico is amongst the fifteen economies with mayor forest cover in the world.
- Forest cover represents between 30-50% of Mexico's territory.



Mexico: Land use and vegetation types, %

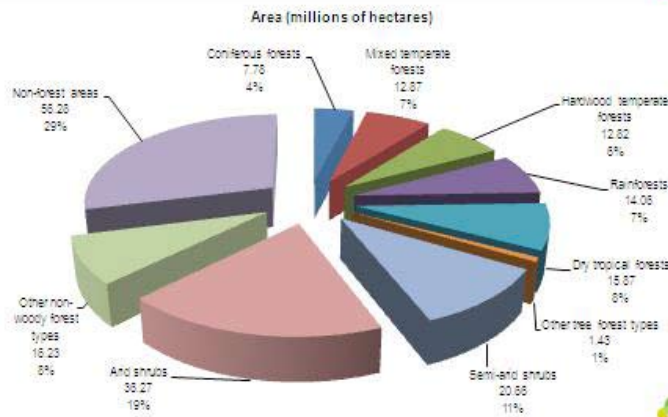


LÁMINA 3: "Land use and vegetation types, %"

- Mexico's territory presents from coniferous to rainforest, and from dry tropical to arid forest types. In other words, my country has a great variety of forests.
- Due to its diversity, the national territory has an enormous land use potential.

LÁMINA 4: "Mexico: Key elements of forest policy"

Mexico: Key elements of forest policy



- Mexican forest sector annual budget \$532 million USD
- Mexican forest also includes strategies for water, rural development, and biodiversity
- Law for Sustainable Forest Development, 2003
- Initiatives are oriented to build synergies
- Mexican Forest Fund (Payments for Environmental Services).



- The Mexican forest sector has an annual budget of \$532 million USD (public resources), representing 12.89% of the total budget for the environment and natural resources sector.
- The Mexican forest strategy is part of an overarching approach to national development that also includes official sectoral strategies for water, rural development, and biodiversity.
- To help support and implement this strategy, the government has passed updated laws on water resources, forests, and sustainable rural development (Law for Sustainable Forest Development, 2003)
- These initiatives are oriented to build synergies and complementarities among different government policies and instruments.
- The Mexican Forest Fund was established to promote new financial mechanisms for forest conservation and restoration through innovative schemes such as market-based mechanisms (Payments for Environmental Services).

LÁMINA 5: “Mexico: General context of people living in forest areas”

- Mexican forests are located almost entirely in common property lands (“ejidos” and indigenous communities), whose owners are amongst the poorest in the economy.
- Nearly 85 percent of local communities in forested areas have a high or very high poverty index.
- Poverty is one of the driving forces in deforestation.
- Poor households are highly dependent on forest resources, so degradation of these resources affects their ability to sustain their livelihoods.
- Indigenous peoples of Mexico have an important presence in forested areas.
- Indigenous households account for a large majority of households in the 20 percent of ejidos or communities that have more than 100 hectares of forest, but are the majority in only 2 percent of the ejidos without forests.

Mexico: General context of people living in forest areas



- Mexican people living in forest areas are among the poorest in the economy
- 85% percent of localities have a high or very high marginality index
- Poor households are highly dependent on forest resources








LÁMINA 6: “Mexico: ProÁrbol Program (ProTree)”

- The Mexican government provides technical and financial support to forest-land owners through the ProÁrbol (Pro-Tree) program, supporting a variety of activities aimed to:
 - Increase and diversify production and productivity of forest lands;
 - Implement conservation and restoration activities;
 - Build capacities for the development and administration of forest enterprises;
 - Compensate land owners for the environmental services provided by their forest lands (Payments for Environmental Services).

Mexico: ProÁrbol (Pro-Tree)



Mexican government provides technical and financial support through ProÁrbol (Pro-Tree) program:

- Increase and diversify production and productivity
- Implement conservation and restoration activities
- Build capacities
- Payments for Environmental Services








LÁMINA 7: "Mexico: Some relevant results"

- Over the last 4 years, the ProÁrbol (Pro-Tree) Payments for Environmental Services Program has expanded by 2.2 million hectares.
- It has been so successful that even during the last four years, our own annual goals have been exceeded.

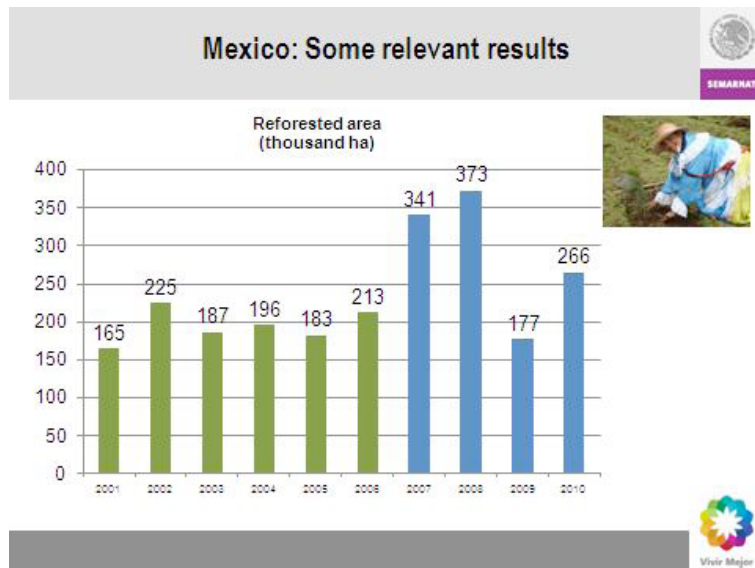
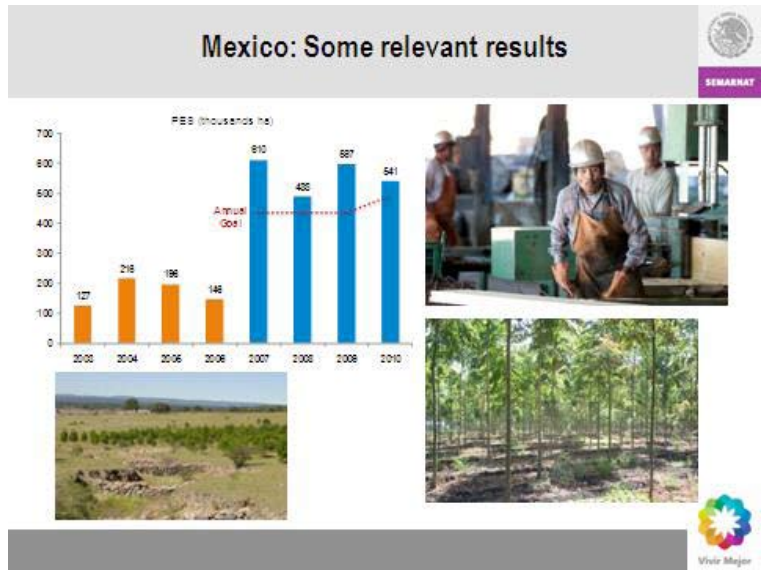


LÁMINA 8: "Mexico: Some relevant results"

- During the period 2001-2010, Mexico has reforested 2.32 million hectares, from which 1.15 million has been reforested during 2007-2010.
- Years 2007 and 2008 have been particularly successful.
- We are almost at the equilibrium point between deforestation and our reforestation efforts.

LÁMINA 9: "Mexico: Fighting deforestation"

- Deforestation has been reduced by more than 50% over the last 10 years due to the ProÁrbol Program (Pro-Tree) and other national programs for reducing the loss of forests and jungles.

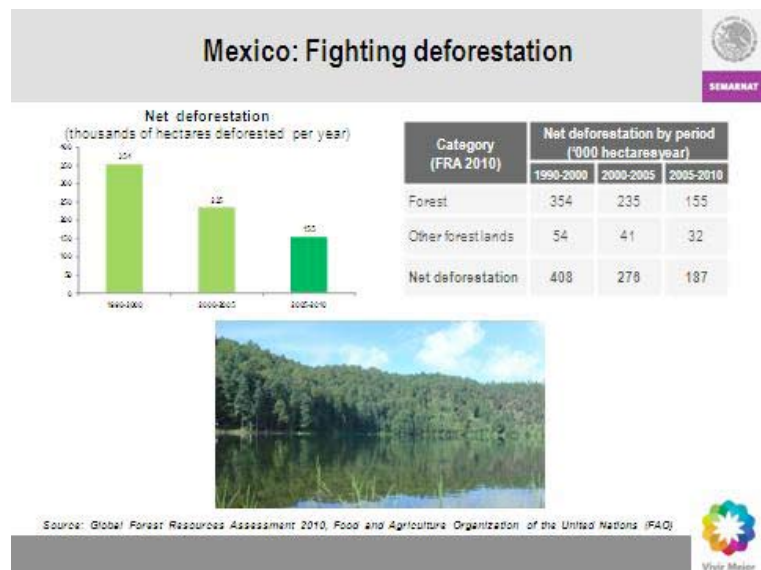


LÁMINA 10: "Mexico: REDD+ Actions and Vision 2020"

- With regards to our mid term vision, in 2020 Mexico will:

- Have **zero net emissions associated with land use change**.
- **Reduce the national rate of forest degradation** from the reference level.
- **Increase carbon stocks** through actions such as sustainable forest management, conservation and carbon sinks.

- **Preserve its biodiversity and ecosystem integrity**, strengthening the social capital of rural communities and promoting economic development.

- We will also develop local mechanisms of Payments for Environmental Services (PES), creating effective intersectoral governance structures to achieve REDD+, considering that:

- REDD+ goes beyond Payment for Environmental Services.
- Payment for Environmental Services will be one of the many elements in our National REDD+ Strategy.

- At the national level, we must prepare for REDD+, using the various funds and incentives that Mexico already has:

- FCPF readiness fund (World Bank)
- Forest Investment Program (FIP)
- Bilateral cooperation programs (including Norway and the United States among others)

- At the international level it is a critical year for building a REDD+ architecture, so it is important for APEC Economies to fully participate and influence international deliberations.

Mexico: REDD+ Actions and Vision 2020

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- Bilateral cooperation programs (including Norway and the United States among others)

At the international level it is a critical year for REDD+ architecture, so it is important for APEC Economies to fully participate and influence international deliberations.

SEMARNAT

Vivir Mejor

LÁMINA 11: Despedida y agradecimiento:

- Than you very much for your kind attention.
- I hope we can continue exchanging views and cooperating in these issues in the near future.

Thank you!

H. E. Mr. Juan Rafael Elvira Quesada
Minister of Environment and Natural Resources
MEXICO
c.secretario@semarnat.gob.mx
www.semarnat.gob.mx

SEMARNAT

Vivir Mejor

Statement **First APEC Meeting of Ministers Responsible for Forestry**
New Zealand **New Zealand Statement**

I would like to thank the organisers of this event, the State Forestry Administration and the secretariat of the Asia Pacific Network on Sustainable Forestry for the opportunity to participate in this meeting on the theme of “Enhanced Regional Cooperation for Green Growth and Sustainable Forestry Development”. I will speak on New Zealand’s experience with sustainable forest management and I will touch on the importance of the forestry sector to the goal of green growth.

The United Nations has designated this year as International Year of Forests to raise public awareness of the importance of forests to our wellbeing. The theme is "Forests for People". Forests are of vital importance to New Zealand and New Zealanders. They are an integral part of our natural resource-based economy. They also have social and cultural significance for New Zealanders.

The Year of Forests is a time to take stock. Globally and regionally forests and the forestry sector are facing considerable challenges. Loss of forest cover through competing land uses, effects of climate change, fires and disease are all serious concerns. But there are new opportunities also – innovation and adaptation , including through emerging carbon markets, new understanding about the significant ecosystem services forests provide and the capacity to manage forests sustainably for a variety of social, cultural, environmental and economic purposes.

Forests dominate our New Zealand landscape. Just over thirty percent of our total land area is in forested, twenty-four percent in natural forest (6.5 million ha) and seven percent in plantation forestry (1.8 million ha).

In the early 20th Century we recognised that indigenous forest could not sustain domestic demand for timber and so we introduced species, such as Pinus Radiatus or “Pine”, and established plantation forests. These fast growing forests have enabled New Zealand to more than meet its domestic timber needs – we have become a major exporter of sustainably harvested forestry products.

Forestry is our third-largest export earner. In the year to June 2011, it generated \$4.2 billion in revenue, representing roughly ten percent of our export earnings. New Zealand’s main export markets for forestry products are represented at today’s meeting – APEC economies, China and Australia in particular. New Zealand is the second largest exporter of softwood logs to China and imports of timber from New Zealand account for 40% of Australia’s total timber imports. The forestry sector also provides direct employment to around 20,000 New Zealanders out of a population of just over 4 million.

Our forests are also a source of tourism earnings. New Zealanders and visitors alike are drawn to our forests to enjoy leisure activities such as camping, hiking, and cycling.

Sustainable Forestry Management

But forests do more for us than make an economic contribution - forests contribute significantly to soil conservation and water quality. They provide a habitat for New Zealand's many unique wildlife and plant species. In New Zealand we have developed a comprehensive approach to sustainable forestry management.

The Resource Management Act 1991 (RMA) provides the statutory framework for environmental and resource management in New Zealand for all of our natural physical resources, including forests. Legal harvest of timber sourced from New Zealand's planted forests must be in compliance with the Resource Management Act under a recognised plan or consent from a local government entity, such as a district council.

In addition to our local requirements, over half of New Zealand's plantation forests have obtained certification from the Forest Stewardship Council (FSC). Ten percent of New Zealand wood processors and manufacturers are FSC certified and these 10% are responsible for processing up to half of the annual harvest.

Illegal logging

Sustainable forest management is a big part of the equation. But combating imports of illegally harvested timber is also important. In New Zealand we are seeing an increase in consumer demand for imported products that come with verification that they are produced from legally harvested timber. New Zealand only imports a small amount of sawn timber from abroad – around 2%.

In late 2009 New Zealand introduced a new policy to address the issue. The policy supports voluntary schemes by industry that aim to ensure imported timber has been legally harvested. Mandatory government regulation would have created a heavy compliance burden for our industry disproportionate to the size of the problem. So far, the policy is working well – importers and retailers accounting for 80% of imported timber sales have come on board and are establishing industry standards for imports.

This trend is not unique to New Zealand. Internationally we are seeing an increased emphasis on sustainability and legality verification from consumers, governments and in supply chain management by large multi-national companies and retailers.

Consistent with our domestic illegal logging policy we also play an active role in international efforts to address illegal logging and contribute to sustainable forest management, including through UN bodies.

Climate change and Green Growth

So far, I have talked about business as usual. But there are new challenges and opportunities for the forest sector. Forests, represent new potential sources of income in the form of payments for environmental services, such as carbon sequestration. Indeed - forestry plays a key part in New Zealand's Emissions Trading Scheme, which we introduced in 2008.

Along with other APEC economies, we're tackling the issue of deforestation in the international climate change negotiations. Deforestation is the second largest source of human-induced GHG emissions globally. Under the "reducing emissions from deforestation and degradation in developing countries" process – or REDD+, New Zealand is promoting a market-based approach as an essential element of funding. Deforestation is driven largely by economic need, and the solution must make sense economically.

Green Growth is currently a major theme in APEC as members make the shift to greener economies. The green economy in the context of sustainable development and poverty reduction will also be a central theme for the UN Conference on Sustainable Development (Rio +20) being held next year. Our forestry sectors will play an important role in greening our economies. To improve the performance of forestry sectors, we will need a mix of policy instruments, including market-based approaches to sustainable management of forests, improving and harmonising regulations and standards, implementing measures to incentivise research and development, and providing information to consumers to help them make sustainable choices.

As the world economic and environmental landscape changes we see an increasing role for sustainably managed planted forests. We have done research that demonstrates the environmental benefits of planted forests, particularly as a buffer – a layer of protection - for natural forests and they provide an alternative source of forest-related products and services so that mature, natural forests can be protected for generations to come.

New Zealand considers there are considerable opportunities for countries in our region to work together across a range of forest and forestry issues and developments, including other fora such as the International Tropical Timber Organisation and the Asia Pacific Forestry Commission.

Thank you again for the opportunity to speak at this important event on New Zealand's experience with strengthening forest governance and management and also about the opportunities that we see to mobilise forestry resources for green growth.

Statement
Papua New Guinea

Strengthening forest governance and management to promote multiple functions of forests for green growth

The People and the Government of Papua New Guinea would like to acknowledge and commend the Government of the Peoples Republic of China to take the lead in hosting this first APEC Forestry Ministers meeting in Beijing.

This meeting presents us an opportunity to discuss and share information on how each of our economies is going about managing their forests and other related issues within the framework of their socio-economic development goals and priorities, and how these may impact on the regional and global development and management goals.

Mr. Chairman,

(Importance of Forests and its Contributions to Papua New Guinea's Economy)

The forestry sector is a key and important player in Papua New Guinea, as a developing economy. At the macro level, the forestry sector complements our socio-economic and development aspirations for equitable and tangible development to the rural and less developed areas within our economy.

Domestically, forestry directly contributes to the economic and social wellbeing of our rural population, create employment, build roads and bridges, and provide community based services such as; schools, health clinics, communications, and transport services that otherwise had never existed in such areas.

Such tangible contributions have assisted our economy significantly in the last 30 years, and this can continue into the future if our forests (as a renewable resource) are wisely used and managed in a sustainable manner.

At the micro level, particularly, from the perspective of the 80% of our rural population, forests and trees play a very significant and vital role to their daily livelihoods. The forest is a 'super market' for them as it provides the daily substance of; water, food, medicine, shelter, energy, and a safety net for their cultural and ritual celebrations.

Likewise, the same can be said for the birds and animals, and also, the balancing role in maintaining and sustaining the complex ecosystems that exists in the tropical rainforests in our regions.

In the last five years, the forestry sector's annual contribution to gross domestic product on average is around USD160-USD170 million in foreign exchange earnings; USD45-USD50 million in export duty, USD15-USD20 million in royalties and levies to the forest owners. In terms of jobs, the sector provide more than 8,000 permanent jobs, and about the same number for seasonal contracts and casual employments.

Mr. Chairman,

(Sustainable Forest Management Strategies)

Sixty three percent (29 million hectares) of PNG's total land mass area of 46 million hectares is under forest cover. Of this, fifty one percent (15 million hectares) is commercially accessible, while the remaining areas are either on higher slopes or within classified wetlands.

Generally, the stand density of our forests, on a hectare basis, is much low in comparison with neighboring forests of Indonesia, Malaysia, and the Philippines.

Within our domestic broad objectives of sustainable forest management, the Papua New Guinea Forest Authority is expected to manage and regulate all forests, for a broad range of commercial benefits and values for the present and future generations.

However, because ninety seven percent of the forest land is under private or customary ownership, sustainable forest management can only exist in forests areas where timber rights have been alienated from customary ownership.

The alienation of timber rights is achieved by means of negotiating and executing a forest management agreement with the respective land owning groups.

A forest management agreement is for a term of 50 years, and enables the Forest Authority to facilitate development in the area. Based on our research modeling on growth and yields, 35 years has been adopted for now, as the basis for one cutting cycle.

In determining the sustainable annual harvest volume for a forest management area, this is determined simply by dividing the estimated net assessed standing volume by 35 years. The sustainable annual harvest volume is 'non negotiable'.

For managing timber harvesting, only trees measuring 50 centimeters or more at breast height or above buttress are felled and taken. Trees with 49 centimeters diameter and below are marked as residual (for the next crop), and are restricted from harvesting.

As a matter of policy, unless forests are to be removed for agriculture or other bona fide land-use development, 'selective timber harvesting' is the approved timber harvesting regime, and is enforced by a logging code on practice.

All harvesting operations are monitored by means of approved timber harvesting and management plans comprising; a broad 5-year operational Plan; a detail annual plan; and a detail set-up plan for controlling harvesting and environmental management and protection.

In terms of resource replenishment, our current forest plantation development covers 60,000 hectares. The potential for expansion exists, however given our domestic land tenure system, securing landowner's support and consent can be challenging at times.

In the Medium Term Development Plan 2011 to 2020, a reforestation and forest rehabilitation target of 20,000 hectares have been set, to increase the current planted forest area to 80,000 hectares. This target is achievable with the collective efforts of the industry and various tree farming communities that are being assisted by civil societies throughout the country.

Mr. Chairman,

(Forest Governance and Decision Making)

As a tropical forest economy, we closely follow and note the growing concerns and discussions relating to the issues of unsustainable forest development and illegal logging in our regions.

Like other economies in the region, we are continuing to advocate and inform our critics and importantly, our importing countries that we do not promote, encourage, or allow illegal timber harvesting and exports operations.

We support any regional initiatives to eradicate illegal timber harvesting and exports across our borders.

Domestically, the PNG Forest Authority and the Bureau of Customs had cooperated to outlaw exports of processed timber originating from sales of small volume of timber (up to 500 cubic meters) by resource owners without an approved timber harvesting authority or license.

Our forest laws authorizes timber harvesting, transporting, processing, and sale of logs or processed timber products under three (3) prescribed authorities -

1. a timber permit, for longer term operation; and
2. a timber authority, for a shorter term operation; and
3. a forest clearance authority, for a shorter or longer term operation.

Any person that does not have one of these harvesting authorities and his engaging in timber harvesting and exporting logs or processed timber is illegally operating.

For the purpose of defining illegal logging, we has adopted the definition by the International Tropical Timber Organization (ITTO).

As a step to reform and improve forest governance and transparency in our forestry sector, we have been fortunate to have received the support and assistance of donors and international organizations such as the World Bank, UNDP, FAO, ITTO etc, to assist us with reviewing and replace our forest policies and legislative frameworks.

Our previous forest policies and legislations did not place any consideration whatsoever on important management principles, such as sustainable forest management and forest governance.

Accordingly, the 1991 Forest Policy when formulated adopted and strategically set the foundations for sustainable forest management, and a forest decision making process that is vested with a Board, and Provincial Committees. These key policy requirements and directions are empowered by legislation.

The forest decision making processes in particular, have improved and instill credibility and transparency in decisions concerning acquisition or allocation of timber rights for commercial development.

Domestically, forestry is the only sector that attracts wider stakeholder scrutiny and for these reasons key stakeholders such as; civil society, resource owners, women, professional foresters association, and government have membership at the Board and the Provincial Committees, two highest decision making body, that are mandated to decide on forest management and development.

Mr. Chairman,

(Regulatory Measures and Trade)

As a developing economy, PNG is committed to ensuring that timber harvesting and export trade is conducted in accordance with our domestic laws, and that of the importing economy.

Given that we are a small raw material supplier, we can be very vulnerable and at the mercy of importing economies, particularly, if we do not observe and comply with their import rules and requirements. And as a consequence, we can lose our share of the market.

In view of the changing trends in the markets, particularly, with increasing requirements for legality of export forest products, PNG is taking steps to mitigate its exposure by reviewing and improving its existing supply chain.

At this point in time, our forest industries, with technical assistance from SGS International, have developed a legality and verification system that is now available for use on a voluntary basis. The system is the Traceability, Legality, Transparent, and Verifiable system or TLTV.

Also, in progress, is the development of another but similar legality and verification system being developed by the Forest Authority and the SGS-Helveta consortium with funding support and assistance from ITTO.

These systems when completed should provide credibility and certainty to importers, and thus enable PNG maintain its trade links with existing trading partners and economies within the region.

Mr. Chairman,

In conclusion,

I wish to reiterate that PNG's commitment to sustainable forest management and combating illegal logging. We will continue to address these goals by working in partnership with interested parties and regional economies to address and improve forest management and exports trade within our region and beyond.

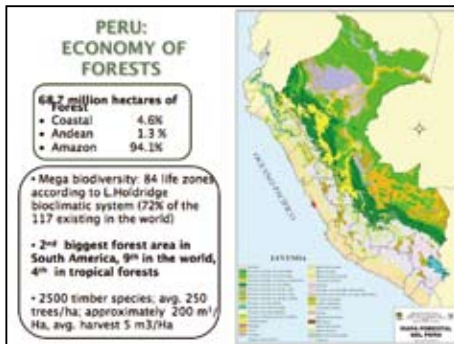
PNG support the APEC Leaders initiative and inspirational goal of increasing forest cover in the region by at least 20 million hectares of all types of forests so as to mitigate the current and emerging challenges of resource and energy crisis, climate change, loss of biological diversity, poverty and food security and improved management, conservation and rehabilitation of forests so that it can continue to play its role to contribute to its growth, and the livelihoods of our people.

PNG look forward to the successful outcomes of this meeting and will endeavor to work with member economies within its constraints to realize the aspirations and goals set by our regions.

Thank you, Mr. Chairman

Statement

Peru



FOREST AND WILDLIFE POLICY

Principles

Forest governance, Ecosystemic approach, Preventive and Precautionary approach, Competitiveness y Productivity, Intersectorial Approach, Interculturality

Equity and social inclusion, y Sustainable use of its forest and wildlife Patrimony.

Main Goal

Promoting sustainable development assuring conservation and sustainable use of goods and services from the forest ecosystems.

Specific Objectives

To **Promote** competitiveness through forest management and industrialization of forest and wildlife products and value adding productive chains.

To **Strengthen** forest governance and effective public administration on forest sector.

To **Consolidate** community forest management with social inclusion and equality.

NEW FOREST & WILDLIFE LAW

- Strengthens forest institutionalism: Creation of the Forest & Wildlife Service (SERFOR), with administrative autonomy.
- Facilitates public participation through SERFOR's consultative and directive councils
- Specifies the roles of the regional governments in the forest administration
- Promotes forest certification
- Recognizes and protects indigenous people's rights
- Establishes access conditions (concessions, permits, authorizations) to goods and services of

SOCIAL INCLUSION

- Recognition and respect to ILO 169
- Respect to traditional knowledge
- Public participation in control and protection of the forest resources (Local Forest Management Committees and Indigenous Communities Participation over their territories)
- Capacity building and technical assistance
- Community forest management (with possibilities for associative agreements with private companies)

Greenhouse Gases Emission Reductions in the Forest Sector

- Voluntary commitment to reduce GHG emissions by avoiding unplanned land use change of forest lands and forest degradation.
- Peru hosts forest carbon projects (1 CDM and 2 VCS).
- REDD Readiness process ongoing

FOREST ZONING

- Permanent Production Zones**
 - 3 Forests Categories of Primary and Secondary forests divided by intensity of possible extraction
- Protection and Conservation Zones**
 - Fragile ecosystems where limited extraction is possible. Natural Protected Areas are settled in this zones (nowadays 73 covering 15.21% of the territory)
- Recovery Zones**
 - Areas which require special strategy to restore their ecosystem. They may be for timber management purposes or for restoration and conservation
- Special Treatment Zones**
 - Indigenous People in Isolation Reserved Territories: no management allowed
 - Agro forestry Production Zones

ACCESS TO THE FOREST RESSOURCES: Multiple uses and stakeholders

- Timber Concessions**
 - Granted in Permanent Production Forests
 - Public Areas
- Non-Timber Forest Products Concessions**
 - Environment, Conservation, Wildlife Management
 - Public Areas
 - Extract non-timber and ornamental plants, bamboo, rubber, others
- Permits**
 - Private Areas or Community areas with forests of any zoning category or forest and/or wildlife management
- Authorizations**
 - For extractions of ornamental, medicinal and mivacide plants, use and tenure of wildlife, hunting in restricted areas.
- Use Concession**
 - Granted in Public Areas for agroforestry systems, coffee, cacao

PROMOTING GOOD PRACTICE IN FOREST MANAGEMENT

- Forest certification is encouraged by Law (promotional conditions by reducing the annual fee to be paid). As a result we have 13 FSC-certified Forest Management operations and 28 Chain-of-Custody certificates
- Access right to forest resources include the right to economic benefits from environmental services .
- As a result of our forest good management, CITES Standard Committee recently recognized that Peru complied with the indicators of sustainable management for mahogany.

PERUVIAN FOREST POTENTIAL



PERMANENT PRODUCTION FORESTS

Regions	Area Thousand ha
Ayacucho	146
Cusco	172
Huánuco	622
Lambayeque	9 362
Madre de Dios	1 838
Puno	28
San Martín	1 122
Tucuyán	3 548
Lambayeque, Madre Cordillera And	899
TOTAL	16 824

INDIGENOUS & PEASANT COMMUNITIES

- 1448 communities in the Amazon
- 20% of the Peruvian Amazon, 13,6 million hectares of forest
- Possibilities for association with private sector

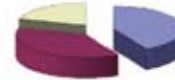


TIMBER AND NON-TIMBER FOREST PRODUCTS EXPORT VALUE 1990 - 2010 (MILLION USD FOB)



TIMBER AND NON-TIMBER FOREST PRODUCTS EXPORT VALUE 2010 (USD FOB)

Total: USD 394 601 831



PERU: POSITIVE FOREIGN INVESTMENT ENVIRONMENT

The Government of Peru guarantees:

- Access to all investment modalities allowed under the law
- Same rights and obligations
- Only restriction refers to acquisition of energy sources and forest concessions within 50 Km from the borders
- Legal stability: "contract-law" to guarantee stability in
 - tax regime
 - free availability of foreign exchange
 - right to non discrimination

Investment modalities allowed:

- Direct investment
- Joint ventures
- Investment in goods and property
- Stock investment

CURRENT OPPORTUNITIES

- Available areas for new concessions: Around 11 Million HECTARES

Available lands for Afforestation (Reforestation): Around 10

Region	Available land for reforestation (Hectares)	Reforested area (Hectares)	Area to be reforested (Hectares)
Amazon	1,020,000	10,000	1,010,000
Peru	1,020,000	10,000	1,010,000
Andes	1,020,000	10,000	1,010,000
Coast	1,020,000	10,000	1,010,000
Other	1,020,000	10,000	1,010,000
Total	10,200,000	100,000	10,100,000



- REDD+ pilot, CDM and VCS Projects

Economies of Immediate Origin STOCK FDI MAIN ECONOMIES (Millions USD)

Economies	2012	%	2011
Spain	4,300	22.0%	3,200
United Kingdom	4,100	21.4%	4,000
France	3,100	16.3%	3,000
Germany	2,800	14.7%	2,700
Italy	2,500	13.1%	2,400
Japan	2,200	11.6%	2,100
USA	1,800	9.4%	1,700
Canada	1,500	7.8%	1,400
China	1,200	6.2%	1,100
India	1,000	5.2%	900
Other	10,000	52.0%	10,000
Total	19,500	100%	19,500

Only 6 out of 16 of our major investors come from APEC economies. Opportunity to increase direct investments from APEC partners.

STOCK FDI PER SECTOR DESTINATION (Millions USD)

Sector	2012	%	2011
Other	1,100	5.6%	1,000
Construction	1,100	5.6%	1,000
Finance	1,100	5.6%	1,000
Manufacturing	1,100	5.6%	1,000
Services	1,100	5.6%	1,000
Other	1,100	5.6%	1,000
Total	19,500	100%	19,500

Silviculture has the lower rank of investments. Opportunity for foreign investors to benefit of the Peruvian forest sector characteristics aligned with green growth APEC principles.

Thank You

Miguel Caillaux
Ministre of Agriculture - Peru
mcaillaux@minag.gob.pe

COUNTRY STATEMENT: PHILIPPINES

We have lost much of our forest resources. Half of the Philippines is classified as forestland of the public domain. But only half of our forestlands still have forests. Our forest area is now only 7.2 million hectares or 24% of our land area. Latest estimates of the Food and Agriculture Organization placed the Philippines as 63 in the world in terms of forest area. Only 3% of our original forests remain. We have more degraded areas than forest areas. Given our efforts the past fifty (50) years, it will take us 340 years to reforest our degraded areas.

The continued degradation in our forests has deprived us of critical socio-economic and environmental services needed for poverty alleviation, food security, climate change mitigation and sustainable development. We are now facing timber shortages and relying heavily on imports to meet domestic demands. At the same time, the lack of forests has aggravated the impact of natural calamities, such as flooding and landslides, with consequential losses of lives, properties and production areas. But, despite the lack of forests, the Philippine tropical forest is still one of the riches, being one of the eighteen (18) mega diverse economies in the world. We therefore have much to lose. Like the other APEC economies, we also face the challenges of increasing settlements in forestlands, land conversion, slash-and-burn farming, forest fires and illegal cutting. Maybe, we are in a more difficult situation. The Philippines has the 7th smallest land area among the APEC economies but we are the 7th most populous economy.

Under a new President, we have started to rationalize and reinvigorate our forest management system. We have imposed a nationwide logging ban in our natural forests. To complement the ban, our President also created an Anti-Illegal Logging Task Force. This has proven to be successful. The Task Force has confiscated around 25,000 cubic meters (log equivalent) of illegally-harvested forest products, valued at almost four (5) million dollars, the past year. We also filed 295 cases of illegal logging in our courts.

We have also embarked on a massive reforestation. We will be planting 1.5 billion trees in 1.5 million hectares in the next 6 years, starting this year, as a priority program of our President. While this may seem small compared to the efforts of larger APEC economies, this is the biggest reforestation in our history. We will be planting much more than what we have planted the past 50 years. This is also consistent with the aspirational goal of APEC to plant 20 million hectares by 2020. By the end of the 6 years, we will reverse our forest situation – we will then have more forest areas than degraded areas.

We are also putting more value added in our program. Reforestation is no longer the exclusive domain of our Ministry. It is now a convergence program among the environment and natural resources, agriculture and agrarian reform. Equal emphasis is now given to agro-forestry, such as fruit trees, coffee and cacao and the construction of infrastructure support facilities, for food production. The primary stakeholders are the farmers, agrarian reform beneficiaries, and upland communities. We are sub-contracting the seedling production and

maintenance to them. In addition, trees to be planted outside protected areas will be turned over to the beneficiaries. We are now actively promoting private investments in the upland communities, under our public-private partnership program. The public works also wants to join the convergence to construct the water facilities. The rationale is to catch the water while in the upland and use it productively, thereby lessening the water from becoming floodwaters in the lowlands. In effect, our reforestation has become our upland development program. We also expect our reforestation to provide environmental benefits, such as expanded areas for biodiversity, minimize erosion and landslides, recharge our aquifer, contribute significantly to our carbon neutrality and promote eco-tourism.

Our reforestation program hinges on several key factors of success. First is the community approach. The Philippines is one of the pioneers in this approach. Upland communities are provided with tenure, since they are occupying public lands, given assistance and access to forest resources. For indigenous peoples, their right over ancestral lands and forest practices are respected by law. In turn, they are expected to be stewards of our forests. Presently, they are 1.6 million hectares involving more than 200,000 families. Second, is the active involvement of the local governments. We believe that natural resources is primarily the concern of local governments. Under our reforestation program, the necessary capacity building and devolution of authorities will be provided. Third, is good governance. Transparency, checks and balance and accountability are paramount in our program. Implementation and validation are done in consultation with concerned sectors, especially Civil Society, with strict legal documentations and using latest technologies, such as satellites and GPS, that can be access by anybody. The program is also subject to third party audit. In addition, we have also adopted the criteria and indicator system, as a management and audit tool, for sustainable forest management.

There are many things that we can share. There are many things that we can learn. There are also many things that we need to do to address the challenges of the changing needs of our people and the changing situation we find ourselves in the forestry sector. We are very thankful to the APEC Secretariat and the People's Republic of China for convening and hosting this First APEC Meeting of Ministers Responsible for Forestry. We believe that this is a significant step towards developing a mechanism for cooperation and sharing among the APEC economies on sustainable forestry. Between us, we can greatly improve our forest initiatives and programs. Among us, together, we can achieve the objectives of our Leaders of planting 20 million hectares by 2020 and achieving sustainable forest management and rehabilitation.

Thank you very much.

Statement SPEECH

The Russia Federation

Of A.V. Panfilov, State Secretary – Deputy Head of Federal Forestry Agency at the First APEC Ministerial Meeting on Forests and Forestry

(September 6, 2011, Beijing, China)

Dear Mr. Chairman, Ladies and Gentlemen, Colleagues!

Allow me to express my deep thanks for given to me opportunity to speak at such a representative meeting.

First of all, I would like to admit excellent organization of this Forum by our Chinese colleagues.

It is nice to realize that issues of sustainable forest management and reforestation are continuing to remain a prerogative of forest forums at global and regional scales, to what belongs also this meeting.

The Russian Federation attaches great importance to launched process of consolidating efforts of forest communities of APEC economies on solving urgent forest problems. For us this process has naturally something in common with All-European process on forest protection in Europe and seems to be not less important.

Under conditions of global climate change, accompanied by catastrophic natural disasters and strengthening anthropogenic pressure on forest ecosystems it is necessary to make only increasing efforts for stabilizing and improving situation with forests on any continent, at any region of the world. Conformably to Asia-Pacific Region it would be useful to consider question regarding coordination of actions within the frames, for instance, of dialog "Asia-Pacific Forests".

Russia realizes its responsibility for condition of world forest resources, as it possesses about a fourth part of all world forest cover. By this in regions of Russian Siberia and Far East, attributed by us to Asia-Pacific Region, is concentrated 70% of all covered by forest areas and commercial wood reserves of our country. Exactly this region is focused on markets of Asia-Pacific Region. Main territory of these regions of our country is located in zone of boreal coniferous forests, within the limits of frozen ground and continental climate. Therefore we attach great importance to solving problems of boreal forests and are prepared to develop cooperation in this direction. For southern part of Far East predominant are mixed rain coniferous-broadleaved forests, known by their high biodiversity and unique mixture of boreal and subtropical flora and fauna.

On the territory of Siberia and Far East remain unique wilderness areas, not affected by human industrial activities. Among natural objects it is necessary to mention the Baikal Lake containing about 22% of all world fresh water reserves, which in 1996 was included into the UNESCO list of

World Heritage. At this territory are located 12 biosphere reserves. In southern part of Far East in natural conditions inhabit Amur tiger and Far Eastern leopard, grow ginseng and lotus.

All this says about the fact that nature generously rewarded Russia with forests. Forest is one of our most valuable assets. Russian forest and products of its exploitation are of great demand in many parts of the world, including APR economies. It is difficult to overestimate economic, ecological and social significance of forest. We are not indifferent to its state at present time, the more so in the future. Just because of that Russia is actively joining in international processes and initiatives on preserving forests, consistently supporting resolutions of practically all international forums in this field.

While determining our national forest policy we have been striving for taking into account experience and knowledge of our foreign partners and major trends of international processes, in particular:

- Necessity of strengthening national responsibility for forest preservation;
- Introducing programs of forest monitoring and certification;
- Reforestation and reproduction of forests;
- Creating network of protected forests;
- Developing effective forest legislation;
- Long-term strategy of cooperation in such concrete fields as creating national systems of forestry management, attracting investments into forest sector, introducing resource-saving technologies, decreasing negative consequences for forest health because of industrial activities, preserving forest biodiversity.

This is far from being full list of international priorities, which Russia included in its basic documents regulating forestry management.

In connection with size of Russia's territory we are clashing with a whole number of problems, which we are not only discussing openly, but undertaking measures on their solving.

Practically all territory of Russia, including areas adjacent to APR, suffered in recent years from catastrophic natural disasters.

In particular, in 2010 1 million hectares of forest area in our country were damaged by wildfire. Many of them were classified as transborder fires. This disaster has no borders, so, it must be repelled by joint efforts.

In this regard, in our Far Eastern border zone we cooperate successfully enough with the People's Republic of China. Here in force is bilateral agreement "On cooperation for preventing wildfire in border zone", signed in 1995. What is important – it works, within its frames we actively share our experience.

We believe that such cooperation is not only the choice of Russia and China; it is a good way for other countries. International experience in this issue will be always welcomed by Russia.

Russia pays great attention to the problem of forest regeneration.

2011 is an International Year of Forests. We systematically and actively used and continue to use this fact for developing forest management system and perfecting relations between nature and society. In this year we do a lot for cleaning burnt timber. At the same time on cleaned areas we intensively plant new trees. On May 14 of this year was organized the first National Day of Forest Planting. In actions on tree planting in Russian federation took part more than 190 thousand people. In all at this day were planted about 25 million seedlings and nurselings on area of seven thousand hectares. We hope that this day will be organized annually.

Speaking about forests of Siberia and Far East, it should be mentioned that their area, as a whole, is stable and has growing trend. Regeneration of forest cover in this part of Russia occurs mainly by natural way, by self-recovery of cutover areas, burned-out forests and other non-forest lands. By conducting logging operations we widely practice technologies saving young growth of valuable tree species. Planting of forest cultures is used if natural regeneration is impossible or there is a danger of undesirable change of species. Creation of forest cultures pursues first of all ecological goals and is conducted on areas having protective significance. In recent decade areas with annually created forest cultures have been kept on constant level.

Not long ago forests in public consciousness were understood as only a source of wood and other biological resources. In recent years people started to look at them as at one of the global factors for securing sustainable development of humanity and ecological security of its vital activity, because exactly forest is the main mechanism of regulation and purification of water flow, efficient means of preventing erosion, preserving and increasing soil fertility, global factor of climate forming. Here is a wide field for scientific activities. For studying positive experience of developing new technologies and their introducing into forestry of ATEC economies, it would be useful, to our mind, to consider opportunity of conducting on regular basis international scientific-practical conferences with participating in them young scientists of ATEC region

Russia follows an active position in process of developing new approaches to sustainable management of forest resources based on provisions of concluding documents adopted by Conference on Sustainable development in Rio-de-Janeiro, Summit RIO+10 in Johannesburg, decisions of UN Forum on Forests, Montreal and other international processes.

Considerable commercial supplies of Russian wood are actively used on Asia-Pacific market. More than 80% of wood products produced in Far Eastern Federal District of Russia, and more than 40% – in Siberian Federal District are sent for export. Through Far East we sell one third of our forest export to China, Republic of Korea and other economies of APR. At forest market of this region traditional partners for Russia are China, Japan, and Republic of Korea. Rates of increasing export of wood materials during recent 10-15 years exceed 10-15% annually.

In some regions of Russia exploitation of forest resources takes place jointly with companies from APR. For example, in Khabarovsk Krai for many years has been successfully working a Malaysian group of companies. In Amurskaya Oblast, Jewish Autonomous Oblast and Zabaikalsky Krai are working logging enterprises from People's Republic of China.

At regional levels has been actively conducted international cooperation on developing investments into wood processing industry. In particular, in partnership with Chinese companies, as well as with investors from Malaysia, Japan and other countries are implemented investment projects on production of sawn timber in Tomskaya Oblast, Khabarovskiy and Primorsky Krai. In other words, forest resources of Russia have great importance in decreasing existing shortage of wood products in Asia-Pacific Region. By this, for preserving civilized market and securing rational use of forest resources and sustainable conducting of forestry is very important well-coordinated work and interaction between state control structures of APEC economies.

Issue of raw wood supplies is inseparably linked with problem of illegal logging and trade of wood. Admitting importance of forest economic functions, we work actively on solving this problem. At international level, we attach great importance to launched by initiative of the Russian Federation process of law enforcement and governance in forest sector of Euro-North Asian countries. In 2012 we count on conducting the second Ministerial conference on this issue. I call upon participants of the Forum for taking part in preparation of this Conference.

Delegation of the Russian Federation expresses its conviction that the First APEC Ministerial Meeting on Forests and Forestry will create new impulse for international cooperation in interests of solving urgent problems of forest branch. We will have to do great work on organizing multilateral cooperation in the field of sustainable forest management. We hope that priority of forest problems will be secured not only in Asia-Pacific Region, but also on world level.

The Russian Federation is intended to contribute also in the future to consolidating efforts of APEC economies in interests of further strengthening international mechanism on forests and their preserving.

I wish all the present colleagues successful work for the welfare of their countries and forests.

Thank you for your attention.

Statement | **Statement delivered**
Singapore

by Singapore head of Delegation Rossman Ithnain, Director, International trade cluster, ministry of trade and industry, singapore

Chair,
Excellencies,
Distinguished Delegates,

1. On behalf of Singapore, I wish to congratulate and express our appreciation to our host, the State Forestry Administration of the People's Republic of China, our co-hosts, the Papua New Guinea Forest Authority and the Ministry of Environment and Natural Resources, Mexico; sponsor and organiser: the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation, our co-organiser the Beijing Municipal Government of the People's Republic of China, and the technical support from the Chinese Academy of Forestry, for organising this APEC Ministerial Meeting on Forests and Forestry.

Global and Regional Forest Situation

2. Today, we face many challenges arising from the unsustainable use of resources such as forests. Instead of helping address the effects of climate change, we find that, for example, deforestation contributes to approximately one-fifth of the world's greenhouse gas emissions. Such unsustainable use of forests further exacerbates the effects of climate change.

3. Within the Asia-Pacific region, there is a diverse profile of forest types. The challenge that faces us is how to achieve growth that is both inclusive – where all our peoples have the opportunity to participate in, contribute to, and benefit from global economic growth; and growth that is sustainable – one compatible with global efforts for protection of the environment and transition to green economies. Strong and sustained international cooperation is thus imperative.

4. Singapore's commitment to international dialogue and cooperation on sustainable forestry is reflected in our support for many of the views of the Coalition of Rainforest Nations. Singapore has participated actively in its efforts to contribute to the REDD+ discussions, including joint submissions to the United Nations Framework Convention on Climate Change.

5. On the regional front, Singapore is party to the ASEAN Agreement on Transboundary Haze Pollution, and contributes to the Haze Fund to finance regional efforts to prevent haze occurrences, fire-fighting measures and capacity building projects. Singapore also supports the APEC aspirational goal to increase forest cover by 20 million hectares by 2020.

Chair, let me also take this opportunity to share Singapore's approach to sustainable development.

Singapore's Sustainable Development Challenges

6. Singapore is a small city state. We depend on imports for most of our resource needs such

as energy and food. Being one of the most densely populated countries in the world, we have to accommodate housing and commercial centres, roads, reservoirs, industries and air/seaports within a land area of 710 km². That is approximately 4% of the land area of the Municipality of Beijing. Hence, a primary forest industry is non-existent in Singapore.

Importance of Forests to Singapore

7. Despite being land-scarce, there is nonetheless a concerted effort to preserve whatever remaining forest cover in Singapore. We still try to maintain 3% forest cover. Though much of Singapore's original vegetation has been cleared, patches of primary rainforest have been preserved at the Bukit Timah Nature Reserve and the Central Catchment Nature Reserve. These nature reserves act as water catchment for the reservoirs nearby. And other than being storehouses of water, the Nature Reserves are also home to more than 840 flowering plants and over 500 species of fauna. The ecological role that forests play underscores their continued importance to Singapore and is important to the branding of Singapore as a 'City in a Garden'.

8. Our forests are also outdoor classrooms and unique tourist attractions. Over 100,000 students visit the nature reserves for lessons in geography, biology and social studies annually. Singapore's forests and nature reserves are also popular tourist destinations. There are about 600 guided tours, events and talks conducted each year, with some 10,000 participants.

9. Given my explanation, it should not be surprising that there is no single Ministry or agency responsible for forest-related issues in Singapore. Singapore has limited forests in nature reserves and there is neither commercial logging nor trade in local tree species. The Singapore government agency in charge of the various nature reserves is NParks. NParks is a statutory board that reports to Singapore's Ministry for National Development.

10. NParks partners the business community to promote environmental awareness in Singapore. NParks has between 70-75 partner organisations, including corporations, schools, non-governmental organisations and public agencies. The companies that partner NParks include HSBC, GlaxoSmithKline, Singtel, Starbucks and Citibank.

Chair,

Closing Remarks

11. In spite of the absence of a forestry sector, Singapore recognises that forests are an important resource for all. They play a critical role in carbon sequestration. International funding, responsible governance, and concrete deliverables are crucial to developing a long-term plan involving international assistance and expertise to minimise deforestation, and to incentivise environmentally-sustainable methods where land-clearing is unavoidable. Singapore is committed to doing our part to realise global and regional sustainable forestry objectives. Many good ideas were raised at this Ministerial and I hope they contribute towards a substantive message that represents our collective APEC vision for sustainable forest practices in the Asia-Pacific region.

Thank you.

Statement | **STATEMENT**
Chinese Taipei

BY MINISTER WU-HSIUNG CHEN, COUNCIL OF AGRICULTURE, CHINESE TAIPEI

AT THE FIRST APEC MEETING OF MINISTERS RESPONSIBLE FOR FORESTRY

SEPTEMBER 7, 2011

Thank you, Mr. Chairman.

Let me first thank China for organizing this ministerial meeting. I believe a meeting such as this one will facilitate APEC Economies' collective efforts in meeting challenges of forest conservation, sustainable management and restoration. It would be desirable for this ministerial meeting to forge a consensus of a growth model that will reduce the impact of climate change.

In recent years, extreme weather conditions have created impacts that exceed the carrying capacity of the forest ecosystem, resulting in increasing number of landslides, floods and droughts and lead to serious loss of life and property.

Forest is our first line of defense when facing climate change. APEC recognizes this importance and, in 2007, in Sydney, pledged to increase the region's forest area and stressed the importance of sustainable forest management.

In line with the 2007 APEC Declaration, Chinese Taipei launched an afforestation program in 2008. Incentives are designed to encourage afforestation on private land as well as afforestation in coastal lands and hillsides. Between 2008 and July 2011, 15,559 hectares of new forest were created. The goal is to reach 60,000 hectares. The forest coverage by 2016 will increase to 60.2%. It is not an easy task for Chinese Taipei because of our limited land area and high population density.

Forest green and inclusive growth requires regional cooperation. No APEC economy can improve management efficiency to enhance the livelihoods of residence and the local economy alone. A concerted effort is the only solution.

Against this background, Chinese Taipei would like to share our experience in inclusive growth policies with a few examples as well as our view on how future cooperation within the APEC community can be proceeded.

Let me first address the policy issue.

Chinese Taipei's inclusive forest growth policy

1. Promoting community forestry by combining forest management and conservation:

In Chinese Taipei, 71 percent of forests are public-owned. The forestry authority coexists in

harmony with village residents in managing forest. We started to promote community forestry in 2002. Communities are invited to participate in forestry management and conservation. Government provides funding and technologies to help training communities in projects of forest conservation, inventory, ecotourism, patrolling, forest fire prevention and preventing illegal logging. So far, more than 800 communities have participated.

Most communities surrounding public forests are aboriginal villages. Their livelihood is closely linked to forest management. Community forestry programs combine the unique tribal culture and traditions to develop ecotourism programs.

2. Implementing eco-tourism and environmental education to contribute to community green growth

Chinese Taipei enjoys a diversified mountain landscape with rich biological resources. Over 200 mountains are above 3000 meters. This is a conducive environment for developing ecotourism and environmental education. In 2002 we started mapping and managing trails. As of today, 28 forest trail systems have been mapped. In a bid to promote the mountain village economy and protect the regional resources and visitor safety, we minimize the damage to the environment, and involve communities in trail maintenance, guide-interpreter training, working holiday and tourist projects.

Furthermore, based on the results of the recent afforestation in the flat area, we are planning to set up three 1,000 hectares forest parks with themes of low carbon, low density and low commercial activity. Ecological resources combine agriculture, local culture, forestry, community building, and environmental education in these forest parks to provide recreation areas to the public. By introducing commercial activities to communities, we wish to wealth the residents; contribute to environmental education and the local economy.

In Hualien Danong-Dafu Forest Park, the creation of Land Art in the forest is the cooperation with the local residents. For example, the bamboo construction 'Residence' is jointly designed by Ammer Vaneal and Eric Bunge of the American workshop nARCHITECTS as well as Mimi Hoang. The actual work was then completed by local indigenous people's traditional weaving method. This work has become a pride of the local indigenous people and will continue to be maintained by them.

Another example, 'Valuable Tree of Life' is created by Ms. Ye Leilei using painted driftwoods and banners. This work is created with the participation of local children. They painted the beautiful scenes and hopes in their minds. Children's paintings were then hung to each piece of driftwood.

In order to respond to the global trends of environmental education, Chinese Taipei established the first Nature Education Centre in June of 2007 in Dongyangshan Forest Park. Currently, eight centers have been founded and 242 course programs of forest environmental education have been developed. These centers, as of July 2011, have provided 340,000 visitors with a natural environment they can embrace themselves in learning about the natural, cultural and historical heritage of the forest.

3. Promoting diversified forest products to contribute to green commercial growth

In the past, the utilization of Chinese Taipei's forestry products was limited. In recent years, we have actively promoted the high-performance and diversified application of forestry products. Such as bamboo charcoal, bamboo handicraft, and refined compound bamboo products. We have developed a total of more than 200 new products and have transferred the technology to private enterprises. The industry value has grown from about 330,000 US dollars a year to 66.66 million US dollars, which has greatly boosted the income of bamboo farmers. At the same time, we have integrated a complete industrial chain of supply, production, and marketing.

4. Driftwood resources revitalization

Typhoon Morakot of 2009 caused serious damages. Among them, a large amount of driftwood was washed downstream.

Despite of the damage, we are able to turn the misfortune into an opportunity. A program was developed to improve tribal economy by utilizing driftwood. Through training and assistance provided to tribes, we have successfully created an economic development model. For example, Sun-rise Heritage Carpentry Workshop in Taimali, Taitung, takes driftwood as raw material to design and produce puzzle blocks for schools and well-received by the market. These puzzle blocks are also sold to Australia.

In addition, we further combine forestry with culture. Precious driftwood such as Red cypress and Incense Cedar, Yellow cypress were collected and transported Taichung city, where an international wood sculpturing festival are in progressing to build an International Wood Sculpturing and Forestry Culture Park. This is to revitalize driftwood of its natural vitality. In this September, we have invited 20 masters of wood sculpturing from 9 areas. For example, a piece of precious Cinnamomum, measuring 11 meters long and 1.5 meters in diameter, will be worked by a Japanese wood sculpturing artist Mr. Yoshida. Upon completion, this work and other artists' works will be on display by October 1.

5. The maintenance of natural forests and man-made forest management for inclusive forest

The current Chinese Taipei's forestry policy focuses on the production of wood resource. It is now shifting its focus to afforestation and nature conservation. For the preservation of forest resources, we have strictly restricted access to natural forest. However, in 2009, Typhoon Morakot caused a loss of 25,909 hectares of public forest of which more than 71% were natural forest. This is a dear lesson to learn that old forest and withered or damaged forest has lower capacity of soil and water conservation and carbon sequestration. If the cumulated biomass exceeds the carrying capacity of woodland, it will more easily collapse under heavy rain. Therefore, even though it is a natural forest, appropriate management is still vital. The man-made afforestation is similar in this regard.

Mr. Chairman, let me now turn to the issue of cooperation under the APEC Framework.

Expanding cooperation and exchange

Chinese Taipei is actively participating in the APFNet cooperation mechanisms which

was officially launched in Beijing, 2008. This year (2011), we are responsible for the implementation of the project "Demonstration of Sustainable Upland Agroforestry Systems in Chinese Taipei". We are setting 4 different types of mountain farming zones and planting trees in the cultivated lands. On the premise of ensuring village residents' livelihood, we try to increase forest cover as far as possible in order to promote the environmental benefit of trees while maintaining long-term productivity of the land.

Mr. Chairman, despite of all the challenges we face, we have to prioritize. Chinese Taipei believes that there is one immediate action we can take now, which is the establishment of an APEC Forest Pests and Diseases Control mechanism.

Chinese Taipei established the "Forest Pest and Disease Control Center" in 2006 and "Invasive Species Notification Centre" in 2011 respectively. These centers are charging with the integration of administrative resources to strengthen the monitoring and information transfer of the epidemic situation of forest pests, diseases and the invasive species. In recent years, technical cooperation and exchange of experience have been carried out with Japan, Korea, Singapore, Malaysia, Hong Kong and other institutions of APEC economies. However, forest pests, diseases and invasive species control can not be successfully completed by any individual economy. Therefore, there exists urgent need to establish an official cooperation mechanism to jointly control cross border forest pests and diseases and thus reduce the risks of forest degradation.

Conclusion

Forest inclusive growth is regional in nature. Forest conservation and sustainable operations requires technology, capital, talent, and regional cooperation. APFnet has been established in APEC, providing a platform for inter-regional cooperation.

We proposed that APEC economies can collaborate on establishing the "Asia-Pacific inspection and quarantine network for forest pests and diseases" based on the foundation of APFnet.

We are willing to work with APEC economies, because this is an issue that will take a regional effort to deal with.

Thank you very much, Mr. Chairman, for giving me the floor.

Statement | **STATEMENT**
Thailand

BY Mr. Suphot Tovichakchaikul, Deputy Permanent Secretary Ministry of Natural Resources And Environment

On behalf of the minister of ministry of natural resources and environment of Thailand

At the first APEC Ministerial meeting on forests and forestry, Beijing China, 6-8 September 2011

Honorable Ministers,
Distinguished Delegates,
Ladies and Gentlemen,

It's my great pleasure and an honor for me, to take the floor on the occasion of the First APEC Ministerial Meeting on Forest and Forestry in my capacity as Deputy Permanent Secretary. On behalf of the Minister of Natural Resources and Environment, Ministry of Thailand Mr. Preecha Rengsomboonsook, who has asked me to send his regard and apology for not being able to be here with us today.

Since 1992, the sustainable management of forest has become one of the main challenges of economic growth and as a result, the improvement of the living conditions of the populations of China for the kind invitation and warm welcome at our arrival in the green and beautiful city of Beijing.

I would like to seize this opportunity to give a brief overview of the forests in Thailand by presenting the various achievement we have recorded at institutional and policy levels, the major challenges that we face, before giving the perspectives for the Thailand's forest sector.

Depending on Thailand variable climate and topography, forests are a complex mosaic of dry open deciduous, evergreen and mangrove. Forests and forestland are state property and the responsibility of the ministry of Natural Resources and Environment, in short, MONRE.

According to the Forest Act (1991), forest is defined as land that has not been taken up or acquired by any other means in relation to land law. Rapid population growth and economic development between 1960 and 2006 resulted in a reduction of forestland from 53.33% to 30.92% of total land area – average decrease of 1% or more than 2,000 sq.km /year. The worst losses occurred from 1976 to 1982 when forest cover decreased 6.2% annually as a result of the political conflict. In an attempt to decrease the opposition's base, government encouraged people to settle in zones which causes a hard living but fully supported them in terms of infrastructure and household needs. This policy encouraged much slashes and burn activities until the cold war ended in 1985.

Ladies and gentlemen,

Thailand's forests at present cover about 16.8m.ha which represent 33% of its territory. Conserved forest is about 7.5m.ha, we have 103 national parks, 84 forest parks, 55 wildlife sanctuaries, 56 non- hunting areas, 16 botanical gardens and 55 arboreta.

Most of these forests are under strict management plans of which 20.5m. ha. (40%) should be reach as a target for forest cover.

Forest resources provide a multitude of goods and services, including pulp, timber, non-timber products, medicinal and edible plants, as well as other raw materials such as rattan and bamboo. More than 1,000 recorded species of plants contain medical properties and 30,000-40,000 households harvest them on a full-time basis. Furthermore 60% of the rural population or roughly 30,000 communities living near forest rely on edible plants for their daily needs and more than 500 species of this plant are sold in local markets throughout Thailand.

Honorable ministers, Ladies and gentlemen

In terms of trade, Thailand has a long history of using its forests for commercial purposes, dating back to the mid-19th century when the first logging concessions of teak were issued to provide enterprises. The removal of mature timber stands allowed immigrants and forest dwellers to settle. However, the drivers of deforestation shifted in the 1980 when rapid economic growth replaced subsistence crops with cash crops, in 1989, alarmed by the high conversion rate of forestland, the government revoked all terrestrial concessions by decree, however, and the logging ban was not enough to bring forest loss to a half. At the present time, decrease in forest area mainly due to again rural expansion, other land uses, intensified shifting cultivation, and poaching.

The Royal Forest Department (RFD) and other agencies, especially throughout the Royal Initiative Project, have tried to mitigate the harmful consequences of any activities by teaching soil conservation techniques and offering promising crops to support a better living for settlers, meanwhile, extension workers, including NGOs and Civil Society, have raised awareness among forest dwellers of the importance. These and other endeavors are helping to slow the rate of deforestation.

In the dry season, the forest ecosystem is vulnerable to fire-a major cause of forest degradation. Fires are the cheapest way to clear land in upland farming; they stimulate the growth of young leaves and grass for cattle grazing; and make it easier for hunters to hunt wild animals. Small Fires to burn ground vegetation are also used as means to prevent bigger fires that could be detrimental to forest trees. Uncontrolled and unmanaged fires, however, cause significant damage to forests every year. In this regard, fire prevention and fire fighting is one of the Royal Forest Department's most costly activities.

Ladies and gentlemen,

Reforestation in Thailand dates back to the beginning of the 20th century. when the National Economic, Social and Development Plan (NESDP) was introduced in 1961, it was the first time that Thai policy called for the reforestation of degraded forest land, an initiation that has continually expand since then. Due to the government's strong commitment to rehabilitate degraded forests and increase forest cover, it launched much effective campaign over the past

three decades. Since 1965, the planting of some 650,000 ha, helped to increase forest cover from 25.28% in 1998 to 30.92% in 2006. Between 1981 and 1990, an additional 40,000 ha were planted annually, reaching 160,000 ha. in 2006. More particularly, the 1985 forest policy called for 40% forest cover or around 20.5m. ha. To date, another 7.4m. ha. is needed to meet the economy target.

Honorable Ministers, Distinguished Delegates,

The implementation of a forestry policy, for nearly three decades has identified a number of major challenges that hinder the achievement of its main objective which is the sustainable management of forest. These constraints are essentially regulatory and economic as well as in terms of governance.

They are:

- The revision of the legal framework to suit the current world context which is climate change, CDM, the problem of endangered species, reforestation, forest control, independent monitoring, etc.
- Communal rights in the conservation and use of natural resources.
- The right to access information.
- The duty of the state to promote and encourage public participation in the conservation and use of natural resources.
- The power and duty of local authorities in the management, maintenance and utilization of natural resources.
- The Environmental Quality Management Plan (EQMP)

Thanks to both a strong environmental movement and firm government commitment, there is much greater awareness of the need for forest conservation. On the administrative side, Thailand recognizes the role of economical institutions in matters pertaining to the environment natural resources but also considers it important to decentralize authority to the local level.

Local authorities in Thailand consist of provincial administrative organizations, district organizations, and Tambon organizations (or, 1 tambon=10-15villages. Around 7,000 tambons were established throughout the country, effectively passing authority to the grass-roots.

Ladies and Gentlemen

Considering the community Forests, These have long been part of Thailand's rural areas, they are considered life- supporting in terms of community settlement and socio-cultural development. The concept can be traced back to WWII, government encouraged people to plant trees around temples, schools, and public areas on special occasions or events such as Buddhist Memorial Days. Community forests in Thailand are classified into two types: natural and rehabilitated or developed. They can be established on three categories of land; reserved forest or public and overgrown areas; land under the jurisdiction of other government agencies;

and private locations.

Now coming to the mission of Royal Forest Department of Thailand they are:

1. Encouraging all stakeholders within the society to participate in forestry activities.
2. Building capacity of all stakeholders to have potential in forest management.
3. Proposing possibility in applying appropriate technology and knowledge for Sustainable Forest Management.
4. Supporting all relevant of social forestry networking.
5. Maintaining forest area and forest cover for sustainable utilization. Honorable Ministers, Ladies and gentlemen,

In summary, participatory approaches to forest management are gaining momentum in Thailand and are seen as an effective way to address and remove issues. However, decentralization and public involvement in policy, planning, and management of natural resources are still rather limited, even though local administrative organizations have been empowered to some extent in recent years and their input is being sought in the development of policies and legislation. Cooperation among a notorieties and stakeholders is crucial to ensure sustainable forest management in the long run.

The Ministry of Natural Resources and Environment and the Royal Forest Department have in deuce towards His Majesty the King, Her majesty the queen and Royal Family's speeches and initiatives to protect and conserve the forest as the principle mission in order to pay tribute to the Royal creativities as well as to sustain a harmonious co-existence between people and forest. For our beautiful planet! Thank you very much for your kind attention.

Statement STATEMENT

U.S.A

APEC Forest Ministerial

Mary Wagner, Associate Chief of US Forest Service

Beijing, Peoples Republic of China – September 7, 2011

INTRODUCTION

Mr. Chairman, distinguished ministers and senior officials, colleagues, ladies and gentleman, on behalf of the United States, we are delighted to be here to participate in the First APEC Ministers Responsible for Forestry Ministerial meeting. I want to first thank Minister JIA, the State Forestry Administration, and APFnet, the meeting secretariat, for your excellent preparations and coordination in hosting this outstanding program. Over the past two days, we have had the opportunity to hear valuable insights and experiences from Member Economies, NGOs, and international organizations. Thank you for the opportunity to share a few thoughts, based on U.S. experiences, on the important role forests and forest management has played in sustainable ecological development; “green” economic development; and local, regional and international partnerships.

SUSTAINABLE ECOLOGICAL DEVELOPMENT

We are all aware of the critical roles that forests play in maintaining our climate, our freshwater systems and soils, and our biodiversity, all of which are critical for food security and other key aspects of human well-being. Forests are also critical for watersheds, carbon management and clean air, and the conservation of critical species and ecosystems. What we have come to learn and appreciate is that forests and forest management is not just about timber. Forests play a critical role in sustainable ecological development, from combating soil erosion in agricultural fields to mitigating the effects of climate change. We all know that the lack of clean water and clean air can result in negative social and economic impacts on communities and economies. But the relationship is not just one-directional. Climate change and its associated stressors also can have devastating consequences for watershed health, directly impacting water supplies and other ecosystems services we need from our forests. Many of our forest areas are experiencing drought and major outbreaks of insects and diseases. Drought stressed forests are especially vulnerable to wildfire as well as to outbreaks of insects and disease. And in the last 10 years, at least nine U.S. states have had record-breaking fires on a scale rarely seen in history.

GREEN ECONOMIC DEVELOPMENT

As we all acknowledge, forests and forest products are vital to the health of many APEC economies; that is certainly the case in the United States. The United States is the world’s largest producer and consumer of wood. Similar to the situation in many of your economies,

the forest products industry is a significant source of jobs and revenues in many of our U.S. states. In California, for example, the forest products industry accounts for more than 68,000 jobs, and industry shipments are worth approximately \$16.8 billion dollars annually. However, the economic downturn over the past several years has had a significant impact on the forest products sector. This economic environment presents both challenges and opportunities, a chance to position the forestry sector as an engine of green growth. As “Ministers Responsible for Forestry” in our respective economies, we should seek opportunities to encourage our national leaders to pursue strategies that capitalize on the critical role forests can play in developing a green economy.

In the United States, we have come to understand the relationship among environmental protection, forest management, and economic growth. In February 2009, President Obama signed the American Recovery and Reinvestment Act, an economic stimulus measure with over \$1 billion dollars for projects administered by the U.S. Forest Service, including efforts to clean up abandoned mining lands, restore forest trails, resurface roads, improve recreational facilities and treat forests to promote forest health and reduce wildfire risk. This is a clear example of how investing in forests and their management is not only an economic stimulus, but also a tool for enhancing positive social and economic impacts in our local communities.

Ladies and Gentlemen: Markets for forest products are changing. Consumers are increasingly demanding assurances that the forest products they buy have been legally harvested, and governments as well as private sector companies are responding to this change. In the United States, we amended the century-old Lacey Act in 2008 to make it illegal to import any plant or plant product taken in violation of foreign laws. As we heard from our Australian and Indonesian colleagues, this U.S. initiative is only one of a number of similar efforts to encourage “due diligence” concerning the legality of the trade in forest products. Many private companies, in the United States and across the world, are instituting their own policies and procedures to exclude illegal wood from their supply chains. This is important because effective action to combat illegal logging and associated trade requires support and commitment from all stakeholders, particularly the private sector.

FORESTS – PARTNERSHIPS

In response to the forestry challenges we all face, my agency, the U.S. Forest Service, is focusing on forest ecosystem restoration at a watershed scale to enhance forest and watershed resiliency and biodiversity, prevent the loss of large carbon sinks, and maintain jobs. All of these efforts require us to work broadly across all lands, public and private, federal and state, and to coordinate planning and management with other land uses, such as agriculture and urban development. We value the role that community-based organizations, NGOs, local, state and tribal partners are playing in these restoration efforts. We celebrate the current global focus that recognizes the importance of developing jobs, creating new markets in water, carbon, and biodiversity, and adopting sound business models that promote investment in sustainable forest management to ensure that benefits flow to local communities.

We have also just issued a new Report on Sustainable Forests. The report uses the Montreal Process criteria and indicators and fosters open and transparent reporting on current forest

conditions and recent trends in the United States. We are excited about its publication.

Beyond what the United States is doing within our own borders, we have international partnerships in promoting sustainable forest management and biodiversity conservation. For example, we have worked with Australia on wildfire management; with China on invasive species and forest restoration; with Indonesia on conserving biodiversity, combating illegal logging and addressing forest-related climate change; with Korea on forestry research; and with Peru on the revamping of forest laws and institutions.

Regionally, we have been a supporter of APEC taking a constructive role in promoting sustainable forest management, promoting trade in legally harvested forest products, and combating illegal logging and associated trade. We are pleased that APEC has decided to establish an experts group to enhance the efforts of member economies to take concrete steps to promote trade in legally harvested forest products and to combat illegal logging and associated trade. We also applaud the efforts taken by a number of producers, NGOs, and companies in the private sector to strengthen policy, management, and enforcement measures to combat illegal logging and associated trade. In particular, we would note the substantial measures taken by Indonesia in developing and implementing its Timber Legality Assurance System, as described by our Indonesian colleague just yesterday; Peru's ambitious overhaul of its forestry and wildlife laws and institutions, just completed earlier this year; and the important efforts here in China to strengthen timber legality verification systems and capacities.

Multilaterally, the United States actively participates in a range of processes relevant to forests, including the Convention on International Trade in Endangered Species, REDD-plus discussions under the U.N. Framework Convention on Climate Change, the International Tropical Timber Organization, the U. N. Forum on Forests, and the U.N. Food and Agriculture Organization and its regional commissions. We also participate in regional networks such as the Asia Forest Partnership, and APFNet, one of the co-sponsors of this Ministerial. In this regard, we look forward to actively participating in Asia Pacific Forest Week here in Beijing in November, and give our thanks in advance to both FAO and China for organizing this important event.

CLOSING

Thank you for your attention. I look forward to engaging with each of you as we address and advance our commitment to highlighting the importance that forests play in maintaining the ecological basis for green growth and improved human well-being.

Statement **Enhancing practical cooperation to achieve inclusive growth**
Viet Nam **for the forest sector in the region**

HE SPEECH OF HIS EXCELLENCY DR.CAO DUC PHAT,

MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT OF VIETNAM

AT THE FIRST APEC MEETING OF MINITERS RESPONSIBLE FOR FORESTRY

Excellency Mr. JIA Zhibang, Minister, State Forestry Administration, People's Republic of China,

Excellency Ministers

Ladies and gentlemen,

First of all, I would like to express my sincere thanks to the His Excellency JIA Zhibang, the Minister of State Forestry Administration, People's Republic of China, for inviting me and my delegation to participate in the First APEC Meeting of Ministers Responsible for Forestry and the warm hospitality for Viet Nam delegation. I am very happy to have this opportunity to share our view regarding to the topic "Enhancing practical cooperation to achieve inclusive growth for the forest sector in the region"

Excellency Ministers

Ladies and gentlemen,

With the dynamic development and great potentials, APEC has made firmly significant progress in the effort of economic integration, contributing to make the Asia-Pacific the most dynamic region. However, Asia-Pacific has been also considered the region easy to be vulnerable to the economic and energy crisis as well as to the climate changes. Sustainable development has been an issue for all the APEC economies. Currently, some economies in the APEC has started transforming their growth models, economic structures to aim for "a green growth" by reducing emission, saving energy and transferring green technology. Green growth is not a choice but a task that we have to do and a new development trend in the coming time. Green growth is aimed for the harmonization between development and environmental protection.

In this process, forest is considered as the backbone for the green growth. Today, forest development and protection has become more important when the phenomenon of global warming is threatening our human beings. Forests are the starting point for a long-term policy of each economy. Forests are characterized as both a natural resource and asset. Being a resource, but forests are a renewable one; being an asset, but forests are a very typical asset which no one can own all the environmental values that are brought by forests to the society. Each economy is responsible for protecting and developing forest resources in a sustainable manner. In the recent years, despite many difficulties, Viet Nam has made great efforts in preventing deforestation, enforcement laws and planting trees in all the bare land, increasing the forest coverage and we have gained positive achievements. In the period 2000-2010, the forest coverage in Viet Nam has increased from 33.2% to 39.5%.

Excellency Ministers

Ladies and gentlemen,

Yesterday, we listened and discussed about the new challenges and opportunities for the forestry sector. To deal with the challenges in forest loss, the management, institutional, legal systems as well as financial sources of one economy shall not be sufficient. We need to have a stronger and more profound cooperation at all the levels and among all the stakeholders to make use of the opportunities to promote sustainable forest management in the region so that programs on forest restoration, regeneration and forest resource conservation will be more effective, leading to increase the forest coverage, ability for environmental protection, job generation and contributing to the sustainably economic development. In such spirit, Viet Nam would like to recommend the solutions to strengthen our cooperation in order to aim for a comprehensively green growth for forest sector of all APEC economies as follows:

- We highly appreciate the initiative to organize the APEC Meeting of Ministers Responsible for Forestry in conjunction with the meetings of the leaders of APEC economies and we do hope that the initiative shall be further maintained in the future. We would like to request China, the event-hosting economy and APEC Secretariat shall submit the Beijing Statement on Forestry to the APEC leaders, to the 10th session of the United Nations Forum of Forestry (UNFF) in 2013 and to the negotiation rounds on the United Nations Framework Convention on Climate Change (UNFCCC).
- APEC economies need to promote the cooperation among the economies by strengthening the economic-trade-investment links, technology transfer, human resource training, infrastructure development and structure reform, combining the new growth strategy with millennium development goals, sustainable forest management objectives and cooperation programs of the all members at the sub-regional and regional level.
- Enhance the roles in dialogue and information sharing related to forestry of Asia Pacific Forestry Commission (APFC), of other forestry-related working groups in ASEAN (ASOF Leader). The topics should focus on member economies' forestry programs, forest protection and development policy, attracting the participation of all the stakeholders in the society into the forestry sector, conducting forest resource inventories.
- Regional forestry organizations such as the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation (APFNet), ASEAN Social Forestry Network, the Asia-Pacific Center for People and Forests (RECOFTC), Asia Forest Partnership should cooperate with each other more closely to increase the regional strength. Annual meetings should be organized for such aforementioned organizations to jointly identify the forestry-related issues, seek for common solutions and better coordinate the regional efforts.

Viet Nam commits to continue our policy reform, improve management capacity and investment in forestry sector to adapt with emerging issues to facilitate the socio-economic development in a sustainable manner, contributing positively to the common efforts of international communities.

Thank you for your kind attention!

**The First APEC Meeting of Ministers Responsible for Forestry
Beijing Statement on Forests and Forestry
Beijing, 7 September 2011**

We, the Ministers and senior officials attending the First APEC Meeting of Ministers Responsible for Forestry, held in Beijing, China on 6-7 September 2011,

Realizing that the world economy is recovering from the global financial crisis while still facing such challenges as resource and energy constraints, climate change, loss of biological diversity, poverty and food insecurity; and that improved management, conservation and rehabilitation of forests can make a significant contribution to the economic, environmental and social priorities and goals of the APEC economies and that enhanced international cooperation is needed to address these challenges;

Recalling the 2007 Sydney APEC Leaders' Declaration commitments to increase forest cover in the region by at least 20 million hectares of all types of forests by 2020 and to establish the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation;

Recalling also the 2010 Yokohama APEC Leaders' Declaration to "enhance work on meeting the aspirational goal in the Sydney Declaration and instruct our officials to take concrete steps toward this goal, and to enhance our cooperation to address concerns with illegal logging and associated trade and to promote sustainable forest management and rehabilitation";

Reaffirming the United Nations Conference on Environment and Development Forest Principles and the United Nations Non-Legally Binding Instrument on All Types of Forests, and noting that they have raised awareness of the important roles and contribution of forests in socio-economic development, ecological, sustainability, poverty eradication, climate change, and green growth which is one of the priorities to be discussed at the 19th APEC Economic Leaders' Meeting;

Recognizing that forestry, with its unique roles and contribution to sustainable development, has the potential to be a leading sector in achieving green growth;

Welcoming the Cancun agreements which include policy approaches and positive incentives on issues relating to reducing emissions from deforestation and forest degradation in developing economies and also include the role of conservation and sustainable forest management as well as the enhancement of forest carbon stocks in developing economies;

Bearing in mind the natural and socio-economic diversity of the APEC economies, their different development needs and objectives, and the great challenges related to the conservation, sustainable management and rehabilitation of the region's forests in support of green growth and sustainable development, we aspire to:

1. Maintain and further strengthen the political commitment in support of sustainable forest management, forest conservation and forest rehabilitation;
2. Facilitate implementation of forest-related agreements and foster a common understanding

on sustainable forest management, through existing international processes such as the United Nations Forum on Forests, the International Tropical Timber Organization, and the Montréal Process on Criteria and Indicators for the Conservation and Sustainable Management of Temperate and Boreal Forests;

3. Strengthen international cooperation on sustainable forest management including consideration of innovative financial mechanisms, as a component of green growth.

4. Strengthen coordination and cooperation among APEC economies on forest policies and management, inter alia, to promote investment and trade in sustainable forest products, deepen economic and technical cooperation in the forestry sector; promote the multiple uses of forests in terms of products and services; and combat illegal logging, promote trade in legally harvested forest products, and build capacity in this area through the APEC expert group on this topic;

5. Enhance practical cooperation to conserve, rehabilitate and sustainably utilize forest resources through, inter alia, active participation of stakeholders, including indigenous and rural communities, in regional forestry initiatives, technical cooperation, and other measures that strengthen sustainable forest management in the region;

6. Promote better coordination among and effective action by established regional forestry organizations and processes, inter alia, the Asia-Pacific Forestry Commission of the Food and Agriculture Organization of the United Nations, the Asia Forest Partnership and the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation, to exchange information and experiences, foster greater cooperation among economies and promote sustainable forest management;

7. Encourage APEC economies to enhance afforestation, reforestation and tree planting programmes and avoid further deforestation and forest degradation to increase forest cover so as to achieve the aspirational goal set in the 2007 Sydney APEC Leaders' Declaration and improve forest quality, taking into account the best socially, environmentally and economically sustainable options;

8. Encourage the exchange of information on how forests can mitigate the effects of natural disasters and on measures needed for their recovery from such hazards, and strengthen exchange of information on monitoring and prevention of cross border forest pests, diseases and alien invasive species to prevent forest degradation;

9. Further strengthen forestry institutions, enhance forest management capability and mobilize financial resources for the forestry sector, to better manage emerging and growing demands on forests from increasing economic, social and environmental pressures;

10. Develop and improve forests and forestry legislation and policies in order to, inter alia, strengthen forest governance, protect forest lands, establish secure forest tenure systems, and improve forest law enforcement;

11. Encourage conservation, sustainable use and rehabilitation of forest resources, improve forest quality and enhance the capacity of forests to store carbon to address climate change;

conserve and wisely use wildlife and wetland resources, combat land degradation and desertification, and protect biological diversity;

12. Promote the development of forest-related industries, create employment, build the capacity of indigenous and rural communities to manage forests sustainably and to participate in trade and the processing of forest products, facilitate development of forest dependent communities and improve their livelihoods so as to achieve green growth;

13. Strengthen cross-sectoral collaboration, establish cross-sectoral policy coordination mechanisms and encourage participatory forest management to minimize potential conflicts and negative impacts on forestry;

14. Encourage technical innovation, accelerate the integration of forest technology with economic development and strengthen capacity building, research and development in the forestry sector, including through technology transfer, technical information sharing, scientific-practical conferences and the consideration of innovative financial mechanisms; and strengthen the application of new technologies and technical achievements to promote green growth; and

15. Strengthen outreach programs that raise public awareness regarding, inter alia, forestry-related regulations, the importance of ecological protection, and sustainable forestry practices.



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