

SESSION 1: A REVIEW ON TIMBER TRADE POLICY IN ASIAN NATIONS

Chair : Prof. Shin Nagata (University of Tokyo)
Rapporteur: Dr. Yasushi Minowa (Kyoto Prefectural University)

1. Professor Shin Nagata chaired the first session of the workshop. Prof. Nagata opened by explaining that this session would be about timber trade policy, a sub-theme of the IGES Forest Conservation Project. The targets of the project, the project structure, and its main contents, i.e., econometric analysis and policy analysis, were briefly introduced.
2. The first presentation, by Mr. Nobuyuki Yamamoto of Shimane University, was entitled "Forest Resource Accounts and Trade Models". Mr. Yamamoto mainly described the structure of forest resource accounting and the linkages between forest resource accounts and land accounts, and explained the physical sector commodity table in some Asian countries.
3. Dr. Philip Hirsch, of the University of Sidney, asked the first question, about the kinds of values that Prof. Yamamoto uses to measure forest resources. Forests have many kinds of values, and volume of timber is only one such value, he said, and asked how one should deal with the problem of biased consideration of only the value of timber. Prof. Yamamoto answered that resource accounting attempts to do cost and benefit analysis and evaluate the "CV value", but the latter cannot make accounts consistent. Prof. Nagata added that forest resource accounting deals not only with timber, but many other aspects as well. However, in this project, since the intention was to build a timber trade model, the focus on timber was very important. IGES is aware of many other values, and they have not been overlooked, he said.
4. Mr. Herman Hidayat asked whether timber models affect forest resources. He pointed out that a focus should be given to the process of conducting research among developing countries, such as Malaysia and Indonesia. He asked how data had been collected in terms of the relation between timber trade models and forest resources. He asked if Prof. Yamamoto had conducted research in the area of , for example, one or two models of logging, regarding the patterns of the cutting, processing and collecting plywood to process and make into manufactured goods, and export to consumer countries, such as Japan and Korea. This is very important, he said, and expressed the desire to know the patterns of linkages between timber trade models and forest resources. He suggested interviews with the Indonesian Timber Association in Indonesia, and interviewing key persons in timber associations about how they export to Japan.
5. The second presentation, by Prof. Yeo-Chang Youn of Seoul National University, was entitled "Forest Policy and Conservation Movements in the Republic of Korea". The paper described the recent trends in forest policy and non-governmental organizations engaged in forest conservation in the Republic of Korea.
6. Prof. Youn said that the forest composition in Korea was shifting from softwood, coniferous trees to hardwood, non-coniferous trees. Prof. Nagata mentioned that in the case of Japanese forests, the coniferous trees are basically plantation forests , and non-coniferous trees are rich in bio-diversity, and asked Prof. Youn that whether it was the same in Korea. Prof. Youn answered "yes," adding that to increase bio-diversity, he had proposed to the Korean government that it should promote a transition from coniferous trees to non-coniferous trees.
7. Mr. Yoichi Kuroda of IGES, Japan, asked the reasons why growing stock has been increasing while the average area of forests is decreasing, and whether a program exists that Prof. Youn considers to be promoting a domestic timber supply for Korea's own consumption. In his answer he said that most of the species today are coniferous species, and still they do not suit industry, such as sawmill tooling, for the near future. From the data, one can see that most of the raw materials are imported, he said. Other questions were whether raw materials in Korea are of good quality and

useful in making paper, and what were the prospects of the utilization of domestic logs 20 years later. Prof. Youn answered that there are a lot of younger stands of forests and that the average volume is increasing. Today most raw materials for paper and pulp are imported, and Korea only has a 20 percent self-sufficiency rate, he said.

8. Prof. Wang Xi of Wuhan University, China, asked about forest management policy, saying that Prof. Youn had mentioned that Korean government as promoting the building of forest roads. He asked why Korea had this policy, and was it good for forest conservation or not? He also asked if the road density of 10 meters per hectare was ecologically suitable or not. Prof. Youn answered that some people were arguing that forest roads protect only industries, and that the environment should be considered first, and that it was difficult to say whether 10 meters of roads per ha was suitable or not.
9. The third presentation, by Dr. Satoshi Tachibana, of the University of Tokyo, was entitled "Forest-Related Industry and Timber Exports of Malaysia: Policy and Structure". The paper clarified policies on timber export and wood-processing industries and revealed the timber export structure of Malaysia. Because of time limitations, there were no discussions on the presentation.
10. Mr. Yuji Kuboyama, of FFPRI, Japan, commented on Session 1, saying that from the viewpoint of global concerns, people want to know more about timber production and trade, forest resources and governmental projects. In this sense, the key concept to consider was sustainability of forest resources. Several criteria existed, he said, such as growing stock, forest area, bio-diversity, etc. However, he said one important thing was to measure trade impacts on forest sustainability, and pointed out two problems. Forest-related models were necessary which formulate the interface between forest resources and timber markets, he said. The first problem was the problem of limited data, to which there are some solutions. One solution was quite simple, to find essential data by every possible method. Another was to make bold but appropriate assumptions. For doing this, cooperation was very important. Regarding the second problem, the necessity of forest-related models, the solution suggested was that silviculture needs to be included, and cooperation with other research teams is important, he said.
11. Mr. Yashuhiro Oka, of FFPRI, Japan, also commented that by the research in this project, one can learn about some specialized problems, such as the data availability and reliability of data, relating to making an econometric model on timber trade. Mr. Kuboyama mentioned that we should first specify the data in need and then some additional data and also should be able to make analysis, given the limits of available data. In addition, in this IGES project, if one wanted to make strategy and policy decisions to review for conservation of forest resources, the meaning of sustainability should be clarified. The major issue was indicators of sustainability. In addition, environmental impacts of forestry, timber production and forest products trade need to be clarified. That needs further research, he said.
12. Prof. Nagata explained that Thailand was included as one of the importing countries but nearby countries were not included in this project framework. The availability of data for smuggling and underground trade is very poor, he said. Both Mr. Kuboyama and Mr. Oka mentioned the problems of data availability, and other formal presentations also mentioned this. The views were expressed that researchers could only do their best using the data available in each region and country, and that there was no golden road to solve problems of data availability.
13. To questions about concrete policies relating to the World Trade Organization (WTO) treaties and Siberian forest protection, posed by Mr. Okazaki of Friends of the Earth Japan, Prof. Nagata explained that IGES was aware of the importance of WTO, but at this stage could not yet give concrete answers to questions about trade negotiations, IGES would be are trying to find answers. As to including the Siberian forests in studies, more human and monetary resources are needed, he said. In the first and second IGES workshops, there was a suggestion to include China into the

project framework, and an attempt was made to include it, but without success, due to the lack of human and monetary resources. Right now, IGES was aiming to establish a place for Siberian issues in the project framework. Since Japan and South Korea are importing a lot of timber and logs from Siberia, IGES recognizes the importance of Siberian forests, he said.