



UNFF14 Issue Brief April 2019



Forests, inclusive and sustainable economic growth and employment



Introduction

Forests provide multiple ecosystem services and hence play a prominent role in achieving synergies among sectors and the Sustainable Development Goals. It is estimated that over 1.6 billion people depend on forests for subsistence, livelihoods, employment and income generation, but all of humanity depends on forests in some manner.

Forests provide a wide range of goods and services, that create opportunities to address many of the SDGs and play an important role in the economy of many countries and rural communities, especially the poorer ones (GFG 2.1, SDG 8). Forests contribution to the global GDP in 2011 was USD600 billion (0.9 percent), but it was significantly higher in low-income countries, where it reached 1.4 percent, compared with only 0.1 percent in high-income countries.

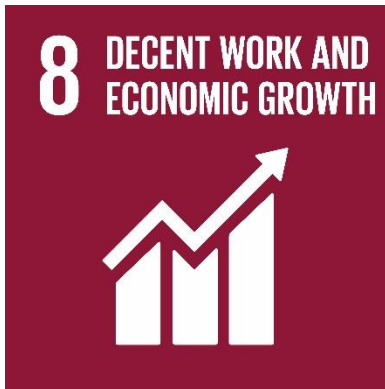
Additionally, non-wood forest products (NWFPs) are important sources of livelihood for many rural dwellers and for industries that process or use these products. The annual value of forest contributions exchanged for cash in the developing world is in the neighborhood of US\$ 250 billion, but it is likely to be two to three times greater for non-cash benefits.

The total number of people employed in the formal forestry sector is estimated around 13 million. But it is estimated that the number of people employed in the informal forestry sector is close to 45 to 50 million (SDG 8).

Balancing the increasing demands for land and forests through sustainable forest management and integrated landscape management, is critical to ensure that forests are managed

effectively for multiple objectives, including high quality employment and vibrant forest-based economies. Governments can develop locally appropriate policies and governance structures to support planning and implementation, incorporate local needs, enforce regulations and effective engagement of the private sector (GFGs 2.1, 4.3, 6.3, SDG 8, 17).

Governments and employers should address decent work deficits such as low wages and productivity, widespread informality, significant gender equality gaps, low unionization rates, highly hazardous work, lack of job security, and inadequate occupational safety and health conditions. Formal and informal training programs should be implemented to improve productivity, job security and reduce environmental impacts (SDG 8, 17).



Inclusive development and economic growth need forests

Forestry has become more integrative and participatory, with growing examples of inclusive governance arrangements and adaptive learning, especially through integrated landscape management and sustainable value chain approaches. For transformational changes at the scale and speed needed, collaborative approaches that realize the capacities and assets of multiple players at all levels are fundamental.

Countries will benefit by fostering development approaches that recognize forests' significance for sustaining economic growth across many sectors. REDD+ readiness plans can aim at policies that strengthen the forest governance and institutions, land tenure, combat illegal logging, and improve cross-sectoral coordination and collaboration, to ensure agricultural intensification does not increase forest clearing. Interventions at the landscape and farm scales can include afforestation, reforestation, natural forest management, assisted natural regeneration and agroforestry.

When designing interventions, countries could explore synergies to understand how addressing one driver of deforestation affects others. UNFF and CPF could support with strategies and interventions to address international drivers and market forces, particularly commodity markets through zero deforestation (GFGs 2.2, 2.4, 4.3, 6.3, SDG 17).



Eskinder Debebe | UN Photo

Locally-controlled forest enterprises that are good for people and planet

Over the last two decades a marked shift towards devolution of rights to local actors over natural forests has taken place across the global tropics, setting the stage for community-based management of forests and locally-controlled forest enterprises, that have proven to contribute to local livelihoods, ecosystem protection, and sustainable and inclusive development. For the long-term success of forest management by families, indigenous peoples and local communities, governments can support forest producer organizations by strengthening their capacities and linking them with investment and market opportunities. Long-term support to these organizations would pay-off through the conservation of the natural capital and sustainable community development, nurtured by asset building based on their natural capital (GFGs 2.1, 2.2, 2.3, 2.4, 6.3, SDGs 8, 17).

Forestry can act as a bridge between SDGs and sectors

Policy nexus that are closely related to SDGs such as forests and ecosystem services and livelihoods, forests and the green economy, and, forests and rights, justice, equality and inclusion, could guide priority setting to address tradeoffs

and mobilize synergies between SDGs and sectors. This requires innovative, inclusive and collaborative governance systems across sectors, and hence higher levels of collaborative leadership skills. Integrated landscape management and sustainable value chains can facilitate collaboration between players and enhance human and social capital (GFG 6.3, SDG 17).

Forests interact with agriculture, water, energy, tourism and health. Agriculture is by far the main driver of deforestation, while at the same time forests are important for food security and nutrition, especially for people living in remote areas. To accomplish the ambition of ending hunger and poverty, sectoral ministries can ensure policy coherence across governments, integrating strategies that deal with forests, agriculture, food, land use, and rural and national development (GFGs 2.3, 6.3, SDG 17).

Around three-quarters of the globe's accessible freshwater come from forested watersheds, hence forest-based solutions offer a great potential for the sustainable management of water resources. Forests also regulate the provision of water and water-related ecosystem services within a larger climate-forest-water-people system, that is under considerable pressure from increasing and changing demands from growing population and economic development (GFG 6.3, SDG 17).

Demand for forest products will continue to grow

Forests play an important role in creating options for affordable and clean energy, particularly in developing countries. They supply about 40% of the global renewable energy in the form of wood fuel, resulting in around 50% or 1.86 billion m³ of global wood production being used for energy. This use might increase and to ensure the poor participate in this new economy, additional financing, knowledge transfer, policy/institutional changes, market development and regulatory mechanisms will be required (GFG 6.3, SDG 17).

Emerging wood-based products offer new markets that are expected to increase, especially in construction, textiles, chemicals, biofuels, packaging and a number of small upstream niche markets such as cosmetics, food additives and pharmaceuticals. A higher use of wood-based products could also become an effective climate change mitigation option. This increase in value-added would be particularly important for rural economies that have a higher dependency on forests for income and employment.

National policies, NDCs and VNCs could help creating proper conditions and solutions for sustainable wood production, taking into consideration all actors in value chains, especially the most marginalized, ensure property rights and access to legal sources of forest products (GFGs 2.1, 2.4, 6.3, SDGs 8, 17).

Overall, demand for wood products will continue to rise and place pressure on natural forests, yet sustainably managed forests will play a significant role in enabling us to move away from more carbon-intensive materials (e.g. concrete, steel). This shift towards new activities could create new or renewed competition between wood energy and traditional industrial uses and other sources of energy, and wood in green building and other materials.



Forests are important for employment but improvements are needed

In addition to their direct, cash and non-cash economic contributions, forests also provide substantial levels of employment. More than 13 million people are employed in the formal forest sector. In the informal sector of small and medium forest enterprises another 40-60 million people may be employed, in addition to forest-dwelling indigenous peoples and local communities, who primarily depend on forests for their livelihoods.

In some countries SMEs account for 80-90% of forest-related employment (GFG 2.2, SDG 8). Globally, employment in forestry and logging seems likely to decline as productivity increases in most parts of the world. However, this decline is unlikely to occur in countries with high wood fuel use, where labor-use efficiency is unlikely to change in the foreseeable future. Labor productivity has increased in most regions over the last 10 years but remained higher in the developed regions. Average wages in forestry are lower than in other sub-sectors. The wage and salary conditions differ between regions; in industrialized countries wages converge with the manufacturing sectors, while in many developing countries they are at or close to minimum wages. In addition, the forestry workforce is exposed to high risks of accidents, including fatalities and serious health problems. The intrinsically hazardous nature of the work and high turnover makes forestry a risky sector. Adequate

formal and informal training is a key element in breaking the circle of low productivity and wages, and high accident rates, turnover in the workforce and environmental impact (SDG 8, 17).

Governments and employers of the forest sector should address decent work deficits such as low wages and productivity, widespread informality, significant gender equality gaps, low unionization rates, highly hazardous work, lack of job security, and inadequate occupational safety and health conditions. Formal and informal training programs could be implemented to improve productivity, job security and reduce environmental impact (SDG 8, 17).

The UNSPF 2030 can contribute to developing forest-smart solutions to global challenges

The UNSPF 2030 is a strategy that sketches out a detailed roadmap to achieve the Global Forest Goals. Partnerships are key. UNFF, governments, donors, CPF and the private sector should use the UNSPF for the design and implementation of forest-smart solutions that support development outcomes to halt deforestation and forest degradation and contribute to food security and nutrition, water management, green growth, and climate change, enhancing the multiple contributions of forests and the forest sector to the 2030 Agenda (GFGs 6.1, 6.2, 6.3, 6.4).



George Love | UN Photo

About this UNFF14 Issue Brief

The UN Forum on Forests (UNFF) is a functional commission of the UN Economic and Social Council (ECOSOC) with universal membership. The Forum is composed of all Member States of the United Nations and Member States of specialized agencies.

Since its inception in 2000, the Forum has reached numerous milestones including agreement on the first United Nations Forest Instrument in 2007, establishment of the Global Forest Financing Facilitation Network (GFFFN) in 2015, and agreement on the first United Nations Strategic Plan for Forests 2030 in 2017.

The UN Forum on Forests Secretariat, in the UN Department of Economic and Social Affairs provides substantive support to the Forum, prepares technical reports and analytical studies, and fosters dialogue to enhance cooperation and coordination on forest issues.

At its 13th session in 2018, the Forum requested the UNFF Secretariat to prepare background analytical studies on the contribution of forests to other Goals under review by the High-level Political Forum on Sustainable Development in 2019, for consideration by the Forum at its fourteenth session

Accordingly, the UN Forum on Forests Secretariat commissioned three background analytical studies, in consultation with the Bureau of the fourteenth session of the Forum, taking into account the thematic priorities of the fourteenth session of the Forum.

The three studies are on: (a) Forests and climate change; (b) Forests, inclusive and sustainable economic growth and employment; and (c) Forests, peaceful and inclusive societies, reduced inequality and inclusive institutions at all levels.

The issue brief is derived from the background analytical study on Forests, inclusive and sustainable economic growth and employment by José J. Campos Arce.

The full text of the study is available at <https://www.un.org/esa/forests/wp-content/uploads/2019/04/UNFF14-BkgdStudy-SDG8-March2019.pdf>

The views and opinions expressed herein are those of the authors and do not necessarily reflect those of the United Nations Secretariat. The designations and terminology employed may not conform to United Nations practice and do not imply the expression of any opinion whatsoever on the part of the Organization.