Restoration Roundtable of the forest-based industry Enhancing the forest sector's engagement in ecosystem restoration Concept Note

FAO Headquarters, Rome, Italy 2 October 2022, 9 – 17 hour

Hosted by the <u>Advisory Committee on Sustainable Forest-based Industries (ACSFI)</u> of the Food and Agriculture Organization of the United Nations (FAO) in collaboration with The Forests Dialogue (TFD)

In conjunction with the 26th session of FAO's Committee on Forestry (COFO), FAO's ACSFI and TFD will host a roundtable on **2 October 2022** to discuss a shared vision amongst the forest-based industries for ecosystem restoration. The roundtable aims to support initiatives to mobilize ambitious actions, foster collaboration, and raise the visibility of forest-based industries in ecosystem restoration and related initiatives.

The challenge of ecosystem restoration

Natural ecosystems are a major ally to tackle the challenges humanity is facing, such as climate change, food and water security and more recently the Covid-19 pandemic¹. Preventing the degradation of ecosystems but also promoting their restoration are essential. Ecosystem restoration can be defined as actions aiming to enable the recovery of ecosystems that have been degraded or destroyed, and to conserve the ecosystems that are still intact. Restoration can happen in many ways – for example through actively planting or by removing pressures so that nature can recover on its own. Ecosystem restoration is crucial to achieve the Sustainable Development Goals and can deliver multiple environmental, social, and economic benefits such as enabling adaptation to climate change, ensuring food security and creating economic value, as half of the world GDP is dependent on nature².

For the forest-based industries the challenge of restoration is particularly important. Indeed, forests are home to most of the terrestrial biodiversity (75% of bird species, 68% of mammal species and about 60,000 tree species). Between 1990 and 2020, deforestation and forest degradation have led to a decrease in the world's forest area of around 178 million hectares, which is equivalent to the size of Libya³.

The opportunities for ecosystem restoration are very significant. Several international ecosystem / forest restoration initiatives have emerged in the last ten years, such as the *Bonn Challenge* and regional initiatives (20x20 in LAC, AFR100 in Africa, etc). Moreover, June 2021 marked the launch date of the *United Nations Decade on Ecosystem Restoration* (2021-2030), which is intended to build political momentum and a global movement for restoration, and to unleash action on the ground by catalyzing a diversity of restoration initiatives towards achieving the global restoration targets.

¹ United Nations Environment Programme (2021). Becoming #GenerationRestoration: Ecosystem restoration for people, nature and climate. Nairobi.

² United Nations Environment Programme (2021). Becoming #GenerationRestoration: Ecosystem restoration for people, nature and climate. Nairobi.

³ FAO and UNEP. 2020. The State of the World's Forests 2020. Forests, biodiversity and people. Rome. DOI: https://doi.org/10.4060/ca8642en

Exploring the role of forest-based industries in ecosystem restoration

In this context, the challenge of ecosystem restoration requires the action of both public and private sector stakeholders. While consumer-facing companies have started to pledge for restoration efforts, private forest companies have not yet engaged with the same visibility. **Nonetheless forest-based industries can have a significant impact on the sustainability of forest ecosystems and ecosystem restoration**, as they are major players in the forest products value chain. Further, business entities have more than 420 million Ha under management, representing more than 10% of global forest areas⁴.

The involvement of the forest-based industries in the conservation and restoration of forest ecosystems can have a positive impact on biodiversity and forest health, and de facto on the sustainability of the companies' own raw materials sourcing and commercial activities along the value chain. Indeed, ecosystem restoration can be perceived as one of the pillars for securing long-term benefits for forest-based industries, alongside a strong business rationale and sustainability goals.

In addition, given the importance of the private forest sector in terms of socio-economic development through key value chains, including wood and non-wood forest products, and the creation of green jobs and decent employment⁵, forest-based companies' engagement in ecosystem conservation /restoration is very much needed.

Some forest private sector companies are already doing many activities that contribute to ecosystem restoration and are very active both operationally (for example through mosaic restoration approaches) and financially (e.g. through green bonds, impact funds/blended finance, payments for ecosystem services/carbon finance). However, they do not always appear visible in global and regional restoration initiatives that can limit the opportunities for the development of their actions, and for the dissemination of their good practices. Other forest-based companies do not have enough technical expertise on the topic and see the engagement in ecosystem restoration as an important challenge requiring too many resources. There is thus a need to support the less engaged firms, by sharing the examples of the leading companies.

Restoration Roundtable of the forest-based industry - Enhancing the forest sector's engagement in ecosystem restoration

This roundtable on the forest-based industries 'role in forest restoration is a collaboration between FAO's ACSFI and TFD. Utilizing a day-long roundtable format, the hosts will bring together the forest-based industries 'and relevant association leaders to define a vision of the forest-based industries engagement in ecosystem restoration. Participants will build shared understanding of the synergies between ecosystem conservation and restoration, sustainable supply chains, and net zero goals; scope key barriers and opportunities; and identify strategic collaborative actions.

⁴ FAO. 2020. Global Forest Resources Assessment http://www.fao.org/forest-resources-assessment/2020/en/

⁵ About 33 million people – 1 percent of global employment – are estimated to work directly in the formal and informal forest sector. Some 3.5 billion–5.76 billion people use non-timber forest products for own use or to support livelihoods (FAO. 2022. The State of the World's Forests 2022. Forest pathways for green recovery and building inclusive, resilient and sustainable economies. Rome, FAO. https://doi.org/10.4060/cb9360en)

Roundtable Objectives

- 1. Build trust and shared understanding through sharing experiences, questions, challenges and good practices for forest restoration;
- 2. Create a vision and plan forward for the forest-based industries;
- 3. Scope opportunities and needs for further dialogue to drive understanding and action in specific contexts and contribute to global learnings.

Outputs

- a **Background Paper** synthesizing current understanding and good practices;
- a forest-based industries vision for their participation in ecosystem restoration;
- **Co-Chair's Summary** detailing the roundtable learnings and recommendations for a path forward.

Partners

Advisory Committee on Sustainable Forest-based Industries of the Food and Agriculture Organization of the United Nations

The Advisory Committee on Sustainable Forest-based Industries (ACSFI) is a statutory body that guides the Food and Agriculture Organization of the United Nations (FAO) on issues concerning the **sustainable consumption and production of forest products.** It also provides a **forum for dialogue** between FAO and the forest-based industries, with a view to identifying strategic actions that promote sustainable forest management.

The Forests Dialogue

The Forests Dialogue (TFD) is a neutral, international, multi-stakeholder platform established in 2000 to help address conflicts and challenges related to important forest related issues. TFD has developed and facilitated more than 15 dialogue initiatives, comprising more than 60 country-level and international dialogues involving over 3,000 individuals. The Restoration Roundtable is part of TFD's **Forest and Climate Initiative** designed to identify key fracture lines and needs for dialogue to drive climate change mitigation and adaptation.