

National Report to third Session of the
United Nations Forum on Forests

Portugal

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I. Key Contacts

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II. Progress and issues related to implementation of IPF/IFF proposals for action

General

1. Please provide additional or new information on initiatives taken or lessons learned further to the information on forests included in your national reports to the Commission on Sustainable Development¹ on the following points:
 - assessment (including of the relevance, priority, status of implementation, planned actions) of the IPF/IFF proposals for action in the national context

In 1997 a preliminary screening of the IPF proposals was done and the result was the identification of some gaps, concerning the national forest program. It was considered that the existing framework already covered a number of the IPF proposals. But to complete this framework according to the agreed concept of nfp, some tools were lacking and improvement was needed in some areas, specially concerning participation, cross-sectoral issues and target setting. Therefore, a process was launched during 1998 to develop the Plan for the Sustainable Development of the Portuguese Forest that tried to cover the missing elements and at the same time use a new “participatory approach” . The result (the PDSFP) was approved in 1999 by the Council of Ministers.

One major difficulty for having a broad dissemination of the proposals for action among the stakeholders, and therefore a good understanding and engagement in implementation, is the language: it was not found either practical nor feasible to translate all the proposals into Portuguese as there are many subtle changes in the language, due to negotiating process, that are not relevant for the more operational approach and may even be meaningless in our language.

Using as examples the available exercises (Practitioners guide, Australian work), cluster/group proposals should be translated directly into Portuguese and only then, in a consultation process with the stakeholders, conduct a more precise assessment of the proposals. It was found that a stronger message should be sent to all the ministries/national institutions with related interests, in order to increase cross sectoral approach, but the “summary/translation into Portuguese everyday language” will also be needed for this purpose.

- development and implementation of your national forest programme or similar national policy framework for forests,

¹ For further explanation, please refer to “content” in section 6 of the “Guidelines for the Preparation of Voluntary National Reports to the Third Session of the United Nations Forum on Forests”, attached above. The most recent information on forests submitted to the CSD by most countries is in their “Country Profile”. The text, on CD Rom and in hard copy, has been distributed along with these guidelines to each country.

The Forestry Policy Act (1996) is the major policy instrument in place and the PSDPF was developed later in accordance with the IPF agreed principles for national forest programs. Together with other existing policy and program instruments, they constitute an integrated part of the national forest program. The Plan for the Sustainable Development of the Portuguese Forest (PDSFP) adopted by the Government in 1999 is a sectoral policy instrument with several strategic tools. Very recently (March 2003) a more operational plan (Action Plan for the Forestry Sector - PAFS) was agreed by the Council of Ministers, after a consultative process involving major groups, with the aim to overcome gaps or constraints identified by the “iterative process” of monitoring of the implementation of the PDSFP: it includes several new actions and measures to solve the major problems encountered so far. See also mechanisms below.

- mechanisms or initiatives to facilitate stakeholder participation in forest sector planning, decision-making and/or forest management.

Major groups participate in decision-making at the national and regional level, and they are ad-hoc participants at the field level. The most relevant major groups in the country’s forest sector are farmers/forest owners, the forest industry, forestry entrepreneurs, local communities, and environmental NGO. The dialogue with the major groups should take place in the framework of a Forestry Advisory Council which was created formally for this purpose, but which has found some problems to start functioning on a regular basis. At the governmental level, the inter-sectorial co-ordination of forest policy is assured by an Inter Ministerial Commission for Forest Affairs, which is now going to be revitalized. The PDSFP/PASF will be monitored by the Ministry of Agriculture, through an independent commission that will include representatives from the civil society and will be coordinated by the DG on Forests.

Economic aspects of forests, including trade

2. Please provide information on: i) activities undertaken in your country, ii) progress made, iii) lessons learned, iv) constraints encountered (including those related to financing, transfer of environmentally sound technologies, and needs for capacity-building) and v) initiatives planned and vi) the role of enhanced cooperation and policy and programme coordination to facilitate progress in:

- valuation of forest goods and services (this may include, among other things, the development and use of new valuation methodologies, valuation of a wider range of goods and services, and policy decisions that reflect a more comprehensive assessment of forest values)

Forests are of utmost importance to Portugal, as one third of the country is covered by forests. The principal objective of wood production occurs in 58% of the forest, composed essentially of conifers (*Pinus pinaster* and other pines) cultivated as high forest and eucalyptus plantation cultivated as coppice. A considerable percentage of the forests is for production of non-wood goods (42%): oaks (for cork), chestnut trees and stone pines (seeds). Cork oak forest provides an important contribution to the economy of Portugal - the world’s largest producer and exporter of cork. Portuguese cork products are exported to countries all over the world.

83% of all forests are private property, of which a significant part is integrated into farmland. Given their importance, a strategic shift was made in public administration of forests in recent years, in order to provide more and better services for privately owned forests.

The promotion of wood and other forest products and the development of studies aimed at defining specifications for “origin label” are encouraged by specific supporting measures.

The promotion of cork use is a concern of both the public and the private sectors. Since 1998, several related events have been organised in Portugal, namely, in 2000, a World Congress on Cork Oak and Cork. In addition, and in the context of the activities of the FAO Silva Mediterranea Sylviculture of *Quercus suber* network (under the co-ordination of its international co-ordinator, a Portuguese researcher) a CORK MARK has been created for promotion of cork products. On the other hand, the government is now preparing a program to better preserve the cork oak stands, including dimensions like applied research, best management practices, extension and training of forest owners and forest professionals.

Although a number of studies or research projects exist on non-wood goods and services provided by forests, there is still no systematic, easily available information on their assessment and valuation. Efforts are underway to improve the situation by means of partnerships between private forest producers' organizations, industry and the public administration which foresee the improvement of conditions for collecting such information, based on associative action at the local/regional level.

In general, the forest sector partners are engaging progressively in partnerships focusing on the respective "chain" ("filière"), from production to products: SUBERAV for cork, PINUS Center for pine wood, RAIZ for pulp and paper.

Very recently, within the context of the national preparation for the World Summit on Sustainable Development, Non-Governmental Organizations have started to talk about the development of economic and natural resource accounting systems. So far no action has been taken in this sense, as this is a complex issue.

- the amount, scope, or quality of market data and information for wood and non-wood forest products and their substitutes

The National Forest Inventory is a public information service under the responsibility of the General Directorate of Forests. Forest inventories are periodical, on a ten year basis, they cover the whole country and indicate the areas occupied by the main species. They assess the growing stock and age classes for the main timber producing species. The 3rd Revision of the National Forest Inventory, 1995-1998, mainland territory of Portugal, provides most of the necessary information to fulfil the needs for national and international reporting Criteria and Indicators and efforts were developed with a view to use internationally agreed terms and definitions and to include information on services like biodiversity.

The dynamics in price evolution for forest products, amongst others, play an important role for monitoring and carrying out plans and policies, which have been laid down for the forest sector. Free and easy access to information is also important for those who need it. This is why an information system was launched, named SICOP. The main objective of SICOP was to rapidly provide the producer/forest owner with updated information on sale prices of wood, cork, resin and pinecones (of stone pine). The information system started in the year 2000 as a partnership with Associations and Co-operatives of Forest Producers throughout the country. It is responsible for data collection, which is recorded and stored directly onto a server installed in General Directorate of Forests. Nevertheless some difficulties are still being felt to keep the system running. The public administration is now studding the possibilities of establishing a more complete Information System for the Forest Sector, in partnership with different stakeholders.

- use of economic and policy instruments to facilitate progress toward sustainable forest management (these may include improved tax policies and forest revenue collection systems)

Afforestation and improvement of existing forest resources are being promoted, and support is available for some specific activities. The new PAFS pointed to some key modifications to the existing programs, and they will be subject to some changes soon.

It is worth mentioning that an adaptation of the “Pan-european operational level guidelines for sustainable forest management”, is being used as “good practice guidelines” for projects with public support. Its use is encouraged in general. However, whenever public funds are used to afforest or improve existing areas, it is mandatory to follow an adaptation of these guidelines. Tax policies and forest revenue collection systems are planned (for instance in the Forestry Policy Act, PSDPF and the PAFS), but not yet implemented.

3. Please provide information on i) initiatives taken, ii) progress made, iii) lessons learned, iv) constraints encountered (including those related to financing, transfer of environmentally sound technologies, and needs for capacity-building) and v) initiatives planned, and vi) the role of enhanced cooperation and policy and programme coordination to facilitate progress related to trade in forest products or environmental services (e.g. carbon trading), including in:

- efforts to reduce negative impacts of trade,

The PDSFP foresees the rationalization of **markets and supply** circuits to industry and the improvement of market information system as well as their transparency (see reference to SICOP above). It also foresees the creation of a certification system for sustainable forest management. Through private/public sector partnerships, projects are now underway to improve the flow of information between forest producers and industry.

- participation in forest certification and labeling schemes and work toward mutual recognition and comparability of such schemes, and

The main stakeholders of the forestry sector are currently addressing certification of sustainable forest management. Two complementary approaches are being pursued, the development of a national standard and the adaptation of the Pan European Forest Certification system to Portuguese conditions. For the first approach, the Portuguese Institute for Quality created a technical commission (TC145), led by the General Directorate of Environment. The aim of this commission was to develop and establish a “National standard for sustainable forest management” that deals with, among others, issues like regional certification, tracing, criteria and indicators at the forest management unit level, good practices, forestry terminology, etc. The national standard (NP 4406) was published and in force since 1st February 2003. For the second approach, a private, national, multi-stakeholder group, the Portuguese Forestry Sector Council (PEFC Portugal) was also created to deal with the adaptation of PEFC to Portuguese conditions. The results of TC145 and the Portuguese candidature to PEFC will be submitted to the PEFC Council as soon as they are made available.

- efforts to reduce illegal trade (exports from or imports into your country) in wood or non-wood forest products. Please indicate achievements made, lessons learned, constraints encountered, and planned initiatives.

So far, there are no planned specific national initiatives on illegal trade in wood or non-wood forest products.

Forest health and productivity

4. If damage to forests from air pollution is a significant problem in your country, please provide information on recent national strategies or programmes to minimize damaging air pollution. Please indicate if your country is involved in any international cooperation efforts aimed at strengthening scientific knowledge, increasing information access or reducing the impacts of long-range air pollution on forests, as well as your views on the role of enhanced cooperation at the regional and international levels to facilitate such work.

Portugal is a participating country of the ICP Forests. In accordance with EU regulations for forest protection against air pollution, annual forest assessments are being carried out and permanent observation plots have been established. The results after more than 10 years of monitoring show that damage to forests from air pollution is not a significant problem in the country. Nevertheless, the health and vitality of the forest and the impact on forests of pests and diseases is being assessed and monitored. This allowed the detection of the presence of the pinewood nematode on a restricted area and the development of a National Program to Fight the Pinewood Nematode with the objective to eradicate the disease. The situation is now under control and it is confirmed that it didn't spread to areas outside the initial affected area. A buffer zone was established and the program includes different components, like prospection eradication control of the vector and research.

In general terms, forest conservation and protection are being promoted as part of the forest policy and efforts have been made to raise public awareness of forest issues, including restoration and rehabilitation of degraded land. As fires are a permanent threat affecting forests in the country, there are systems in place for protection against forest fires, including prevention, fire risk systems, surveillance and monitoring that are under constant reviewing and improvement.

Enhanced cooperation at the regional and international levels: Six different institutions, three Brazilian and three Portuguese, have initiated a pilot project which will include technical and scientific cooperation in addressing environmental, social and economic aspects of carbon fixation. A Center for Environmental and Social Monitoring will be created in Viana do Castelo (northern Portugal) with objectives of conception, development and implementation of methodologies for carbon fixation study as well as education for sustainability.

Maintaining forest cover to meet present and future needs

5. Please indicate progress made and lessons learned in efforts to harmonize or to make compatible policy frameworks in your country (e.g. national forest programme or a similar policy framework for forests, biodiversity strategies and action plans, national action plans to combat desertification, etc.) that collectively address the full range of forest values.

The PDSFP included “nature conservation and valuation of environmental dimension in forests”, as one of its strategic guidelines, comprising 4 main operational objectives: “conserve soil and water”, “protection of biodiversity and landscape”, “increase carbon sequestration” and “protect cultural and historical heritage”. For each of this operational objectives, several actions were identified and are being implemented. Therefore, when the National Biodiversity Strategy was

later developed, it included the measures already considered in this forest policy framework. The National Program for Climate Change is now under preparation and has the same approach: it picks the PDSFP and existing measures and assesses the results as contribution of the forest sector to the Climate Change Program. The National Action Plan to Combat Desertification started to be developed before the PDSFP and therefore the process was the other way round: when considering soil and water conservation, the PDSFP took into account what was being the result of the NAPCD. As a result of the NAPCD, 4 pilot areas affected by desertification and land degradation were identified and there are now integrated projects under way, lead by local actors. Actions in these projects are being designed in such a way that they can contribute not only to the objectives of the CCD, but also to the CBD Joint wokprogram on biodiversity of dry and subhumid land, to the UNFCCC objectives and to the IPF/IFF proposals for action. This implied a co-ordination among the respective national focal points.

Other instruments, like the Land Use Act and the correspondent specific legislation define the policy of land management and urbanization as well as the land management instruments, their relationship and political state. Therefore, there are strong linkages between the Forest Management Plans and the Land use management plans, as these allocate available land to forest use and provide the main framework for developing forestry activities. Forestry planning is done by Regional Plans of Forest Management "to be applied on a sub-national scale", and by Forest Management Plans "to be applied on a local scale" and they integrate all aspects of the multiple use of forests. There is still much to be done, however, before achieving generalized forestry planning, specially regarding the management of private forests. There is some success with group management plans in certain regions and partnerships between forest industry and forest producer organizations.

6. Please provide information on recent efforts to assess long-term trends in national supply and demand for wood, non-wood forest products and services and whether your country's national forest programme or similar policy framework for forests takes into consideration future needs for forest goods and services. Please provide views on how enhanced cooperation at the regional and international levels, including through UNFF, could further facilitate implementation of the IPF/IFF proposals for action

(see 2 – Forestry Inventory)

The National Forest Inventory provides information on supply of forest products (wood and cork). Other statistical processes cover data on supply of other non wood products, like game or resin. The PDSFP includes targets on afforestation for the main species and takes into account increasing demand for products and services. The pulp and paper industry develop their own assessments of trends in supply and demand of forest products.

Portugal is participating in the EFSOS (European Forest Sector Outlook Studies) in the ECE/Timber Committee framework. These type of studies are very helpful and could be a basis for UNFF to debate this issue.

Other information and emerging issues

7. Please provide any additional relevant information on the implementation of proposals for action or emerging issues² related to: i) economic aspects of forests, ii) forest health and productivity, or iii) maintaining forest cover to meet present and future needs.

An increased concern is the relatively low profitability of forestry and therefore their economic viability. Associated with the high risk of fires in many areas, this discourages investment, implying a loss of potential revenue and other services. Nevertheless forestry activities still constitutes an additional income in rural areas and are a relevant component of rural development although no strong relationship exists between forestry and poverty alleviation in the country. Keeping in mind that the rural regions are the poorest areas, several measures were adopted to promote social and economic development in the traditional activities in order to avoid human desertification and preserve cultural values.

Despite the strong occurrence of forest fires (an average of 50,000 ha of forest stands burn per year, but with strong annual variation due to meteorological factors), there has been an expansion in forest area, at an annual rate of 0.5%, over the past 20 years, due to natural regeneration and the restructuring process of grazing and burned lands (sowing and planting) uncultivated land, and marginal agriculture.

The fragmentation of forest property, absenteeism of forest owners, and the high level of forest fires are the main obstacles to effective afforestation and reforestation policies. There is a considerable degree of hope in the forest sector that these obstacles will be resolved by addressing recognized deficiencies in the effective application of support programs and fiscal incentives, problems with registration and organization of forest properties and lack of technical and professional training.

In order to prevent and combat forest fires, Portugal has established a national network of lookout towers and ground patrols. Additionally, there are special projects to improve forest infrastructure, to provide training, to develop preventive silvicultural techniques, and to improve the data bank on forest fires. At present, means and methods are sufficient for a reactive (combative) approach to the problem of forest fires but in order to reduce their number and severity, a pro-active approach is always foreseen, including measures to change public attitude as well as a move toward more global fire management.

III. Preparation of the Report

8. Describe the process of preparing this report, including which government agencies and stakeholder groups were involved, and the extent to which they contributed. Provide information on challenges encountered and lessons learned in the preparation of this report.

In order to prepare this report a first message was sent to major related institutions, asking for contributions: other ministries, universities, stakeholder's groups and environmental NGO. There was then an information process, with the organization of a meeting with several stakeholders. A first draft was elaborated and sent for comments, asking for further improvements. The final draft was then produced (co-ordinated by the DGF).

² "Emerging issues" refer to issues that have not been addressed by UNFF but that are related to UNFF "elements". For example, some countries may consider forest fires and forest pests and diseases as important emerging issues for the UNFF to address under the UNFF element, forest health and productivity. Kindly limit the emerging issues to three per UNFF element addressed by this report.

Annex 1 (of proposed format for voluntary national reports to UNFF 3)

Indicative summary of IPF/IFF proposals for action relevant to each of the three substantive issues on the agenda of the third session of UNFF

This summary of IPF/IFF proposals for action related to economic aspects of forests, forest health and productivity, and maintaining forest cover to meet present and future needs builds upon work initiated by the Program on Forests (PROFOR) at the World Bank and the Government of Australia. The summary of actions is provided for illustrative purposes only. Countries are urged to refer to the full text of the proposals for action as provided in the reports of IPF 4 (E/CN.17/1997/12) and IFF 4 (E/CN.17/2000/14).

UNFF 3 substantive issue	Type of action called for	IPF Proposal(s) for action	IFF Proposal(s) for action
Economic aspects of forests	Valuation of forest goods and services	58h, 104a, 104b	107a, 107b, 107c, 107d
	Data and information on prices and markets for forest products		41e, 121d, 122e
	Full-cost internalization of wood and non-wood forest products and services	58b(iv), 134a, 134b	41c, 41d, 64h, 122f
	Development and use of economic and policy instruments and forest revenue collection systems to increase rent capture and promote sustainable forest management	70b	115a, 115b, 115c, 115d, 115e, 115f, 115g, 122b, 122d
	Market and trade on forest products	128a, 128b, 128c, 131a, 131b, 132a, 132b, 133a, 133b, 133c, 133d, 133e, 133f, 133g, 135a, 135b	41a, 41b, 41e, 41f, 41g, 64i

UNFF 3 substantive issue	Type of action called for	IPF Proposal(s) for action	IFF Proposal(s) for action
Forest health and productivity	Adopt a preventative approach to the reduction of damaging air pollution	IPF 50a	
	Strengthen international cooperation in strengthening related scientific knowledge and information access and in reducing long-range air pollution	IPF 50b, IPF 50e	
	Develop national and regional programmes for monitoring air pollution and provide factual information about transboundary air pollution	IPF 27c, IPF 50c, IPF 50d	
Maintaining forest cover to meet present and future needs	Assess and meet long-term trends in supply and demand for wood through sustainable forest management policies within and between the public and private sectors (including Incorporate supply of fuelwood and wood energy as well as efficient wood energy technologies in policy development)	28 (a) 58b (i)	122 (a) 122 (b) 122 (d) 122 (c)
	Develop and implement strategies for the protection of the full range of forest values, including cultural, social, spiritual, environmental and economic aspects; particularly biological diversity, indigenous needs and planning and management on an ecosystem basis		85 (b)
	Improve data collection and information dissemination on forest resources, both wood and non-wood forest products and services		121 (b) 121 (c)

Provisional Agenda for the Third Session of UNFF

The provisional agenda for the third session of the United Nations Forum on Forests was adopted at the first session of UNFF, and amended slightly by ECOSOC in its session in June 2002. The agenda is as follows:

1. Election of officers.
2. Adoption of the agenda and other organizational matters.
3. Implementation of the proposals for action of the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests and the plan of action of the United Nations Forum on Forests:
 - (a) Progress in implementation:
 - (i) Economic aspects of forests;
 - (ii) Forest health and productivity;
 - (iii) Maintaining forest cover to meet present and future needs.
 - (b) Means of implementation (finance, transfer of environmentally sound technologies and capacity-building for sustainable forest management) as a cross-cutting issue, considered in the context of items 3(a) (i)(ii) and (iii);
4. Common items for each session:
 - (a) Multi-stakeholder dialogue;
 - (b) Enhanced cooperation and policy and programme coordination;
 - (c) Country experience and lessons;
 - (d) Emerging issues relevant to country implementation;
 - (e) Intersessional work, including further discussion on the ad hoc expert groups;
 - (f) Monitoring, assessment and reporting;
 - (g) Promoting public participation;
 - (h) National forest programmes;
 - (i) Trade;
 - (j) Enabling environment.
5. Date and venue for the fourth session of the Forum.
6. Provisional agenda for the fourth session of the Forum.
 7. Adoption of the report of the Forum on its third session.