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Making sustainable **wood value chains**  
work for sustainable development:

# Unlocking contributions to the SDGs

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# Outline

1. Value chain approach
2. Contribution of wood value chains to the SDGs
3. Sustainability of wood value chains
4. Examples in central and west Africa
5. Key takeaways




“ *The Forest Sector is in a strong position to **influence** the global response to many of the challenges that the **SDGs** aim to solve* ”

(World Business Council for Sustainable Development)





# 1. Value Chain Approach




“ Sustainable value chain is profitable throughout all of its stages (economic sustainability), has broadened benefits for society (social sustainability), and a positive or neutral impact on the natural environment (environmental sustainability).



# Value Chains or Supply Chains

- Supply chain: Organization of the industrial flow to deliver a product to final customer (micro level)
- Value chain: Set of interrelated activities to add value. Focused on competitiveness, it involves strategic relationships with stakeholders and the overall environment (meso level)

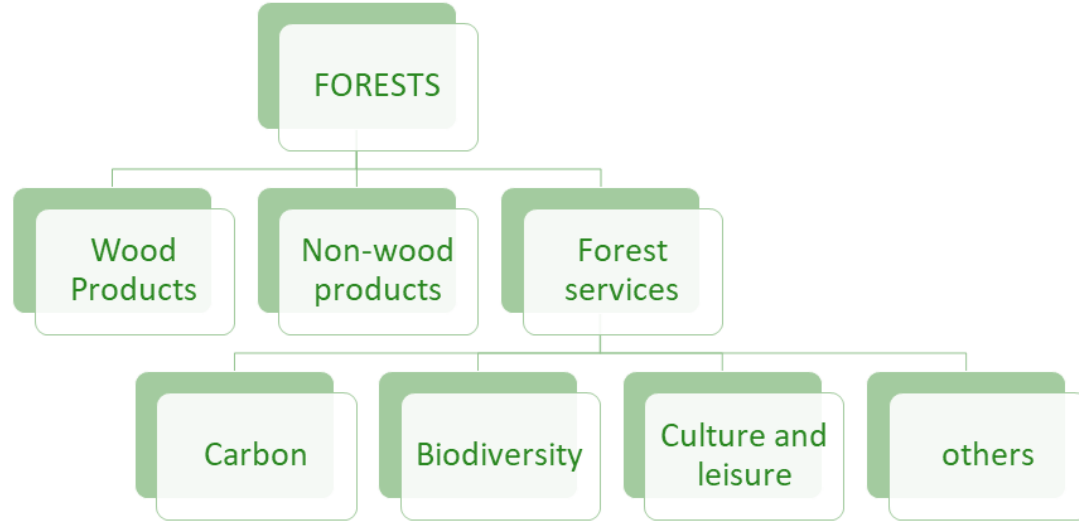
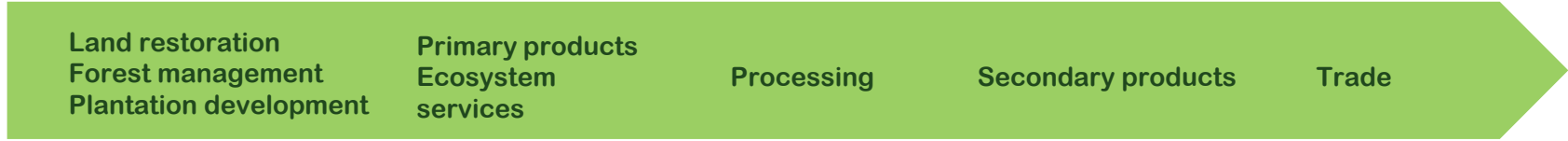




# Why value chain approach to forestry?

- Centrality of governance on coordinating the dynamic systems
- Rehabilitates the market dimension of forestry and reconcile the different forest values
- Clarifies how processes, flows and relationships contribute to value generation, as well the transaction costs.
- Identifies how and at which stages benefits are distributed among the different stakeholders
- Requests multidimensional performance measures

# Basket of value chains



**Socioeconomic and environmental benefits**



## 2. Wood value chains contributions to the SDGs?



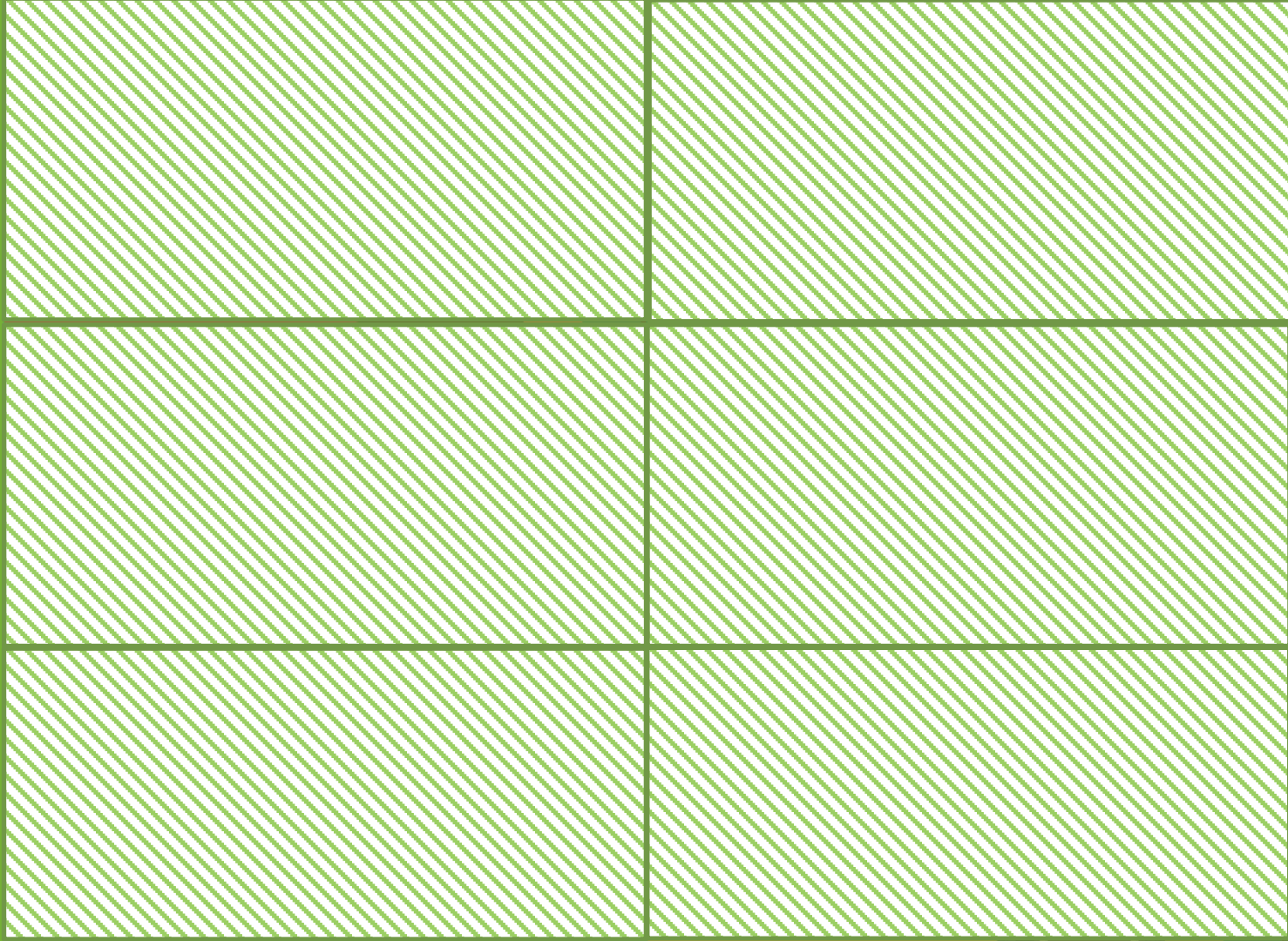


# What evidence tells us

- Contributes to at least 1% of global GDP, considering only formal activities and excluding furniture
- Economic impact more than double of direct contributions through impact on value added, income and employment in other economic sectors
- Strong presence of SMEs (around 75%)
- Important source of kind and monetary income to rural households
- Highly informal, in particular in developing countries
- Instrument for women empowerment, through their entrepreneurial role, especially in the informal sector




SUSTAINABLE WOOD *for a* SUSTAINABLE WORLD





# What can make wood value chains sustainable?

- Compliance with sustainable forest management of natural and planted forests;
- Respect to sustainable landscapes;
- Commitment to efficient production;
- Enabling regulation and finance;
- Compliance with international and national social and labour standards;
- Commitment to responsible consumption;
- Contribution to the bioeconomy.



### 3. Making wood value chains sustainable at national and jurisdictional level



# Operationalizing sustainable value chains for the SDGs

## Value Chain Approach for sustainability assessment

- Assessing actors, flows, relationships, transaction costs
- Verifying SDG impact pathways
- Choosing priority value chains

## Cross-sectoral policy

- Multistakeholder cross-sectoral platforms
- Evidence-based
- Sustainability performance indicators
- Measures to deliver SDGs

## Forest Finance Information Hub

- Value generation opportunities and suitable types of finance
- Capacity building & mentoring

# Value chains sustainability assessment

Input/output  
models



Mapping and quantifying the different forest value chains



Valuation of ecosystem  
services



Assessing factors in the value chain,  
including intermediaries



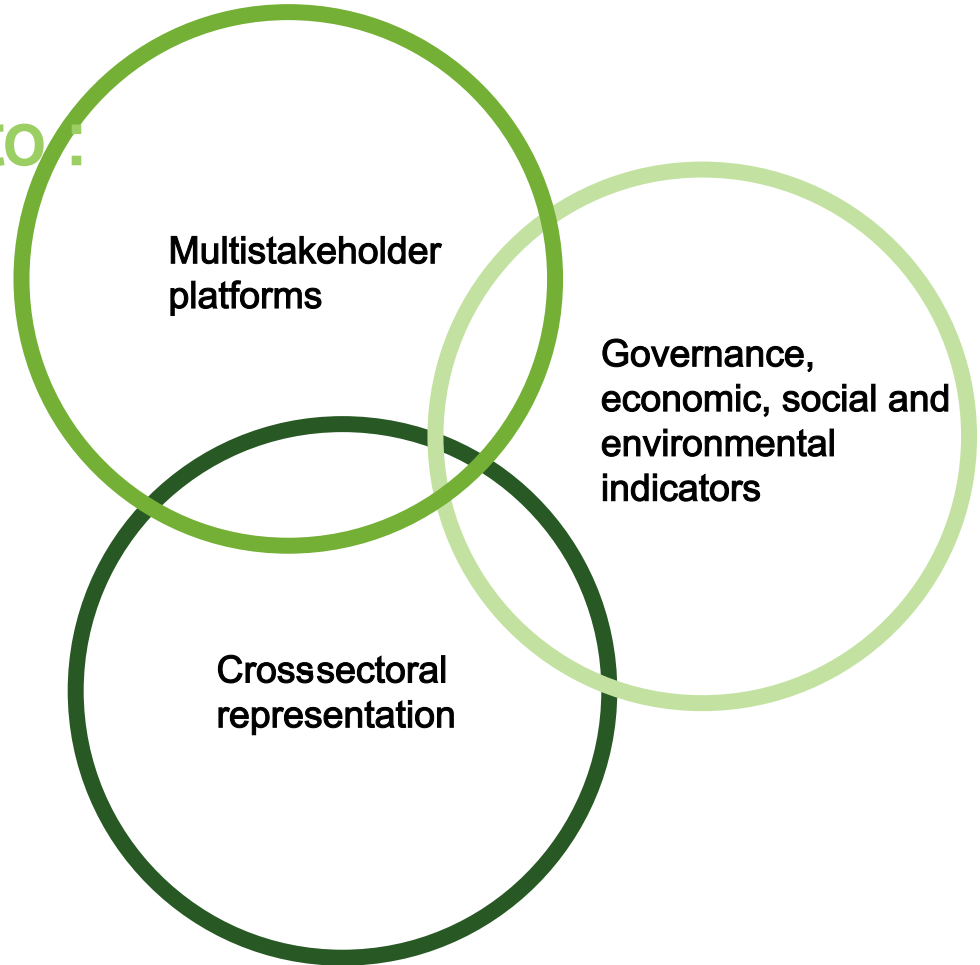
Mapping interlinkages and governance  
structures



Assessing transaction costs

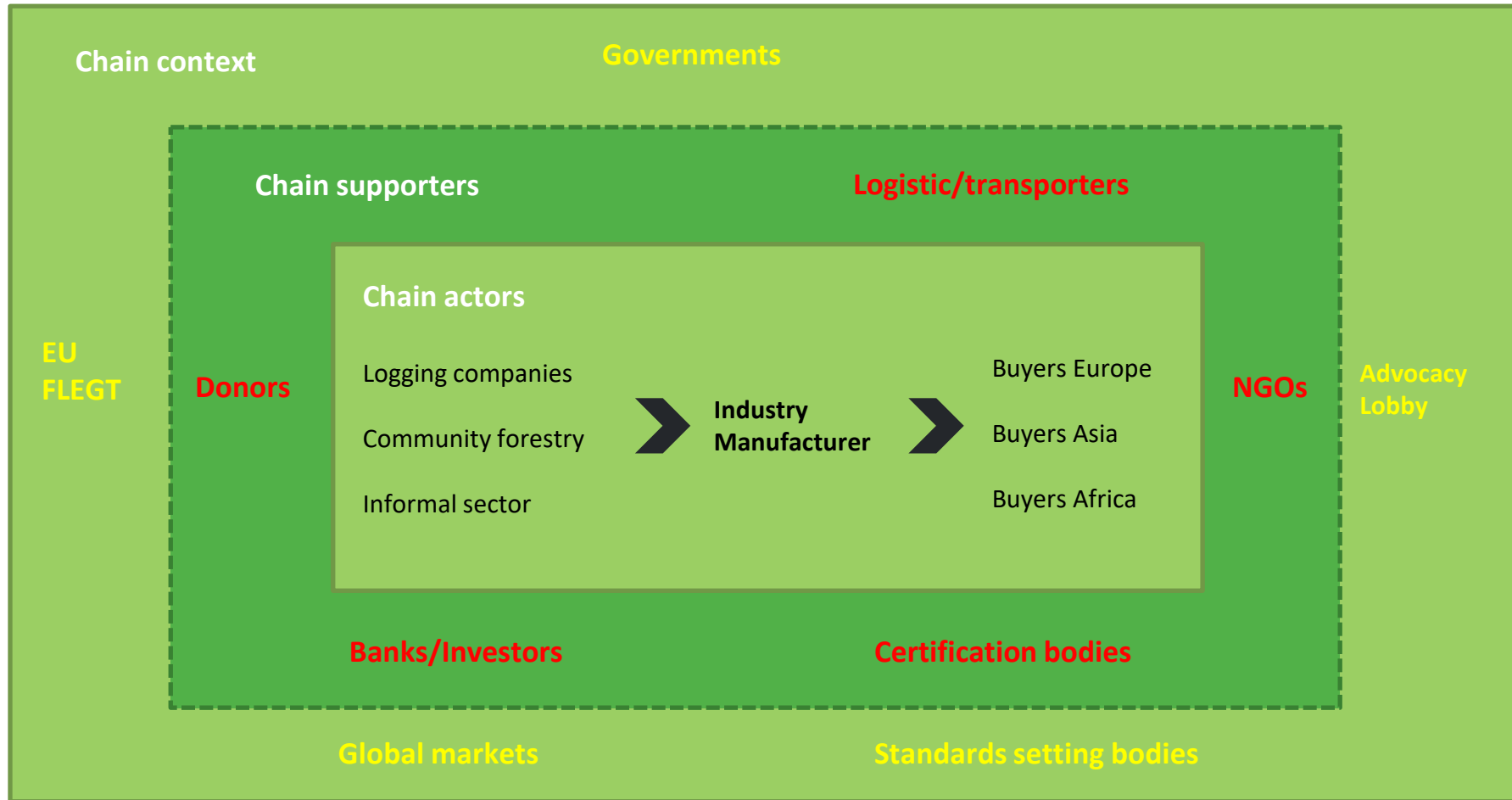
# Using the assessments to:

- **Identify** – contributions to the SDGs, interlinkages, synergies and trade-offs;
- **Plan** – forest development and investment plan
- **Monitor** – selecting indicators
- **Reduce** – transaction costs

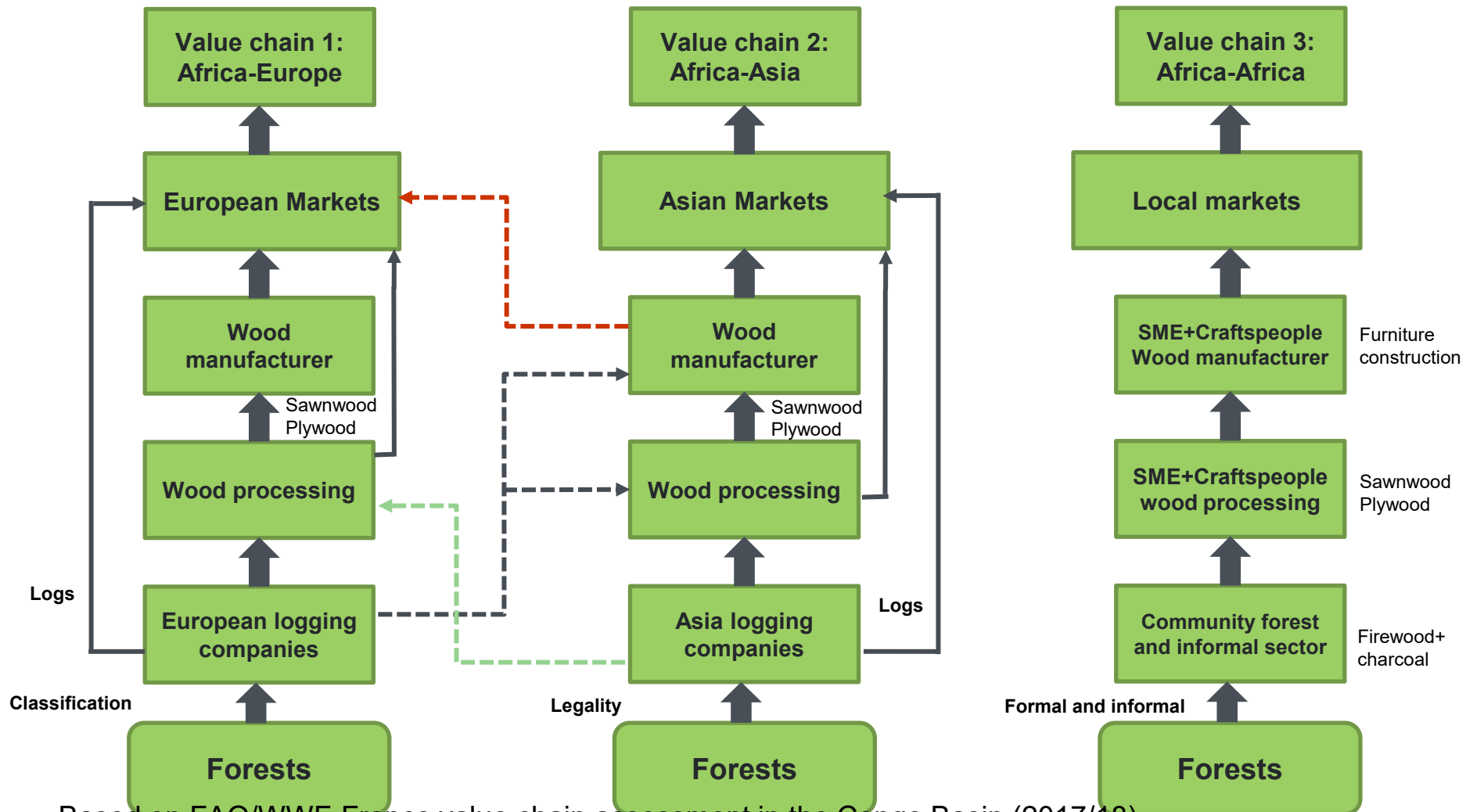




## 4. Examples in Central and West Africa



Based on FAO/WWF-France value chain assessment in the Congo Basin (2017/18)



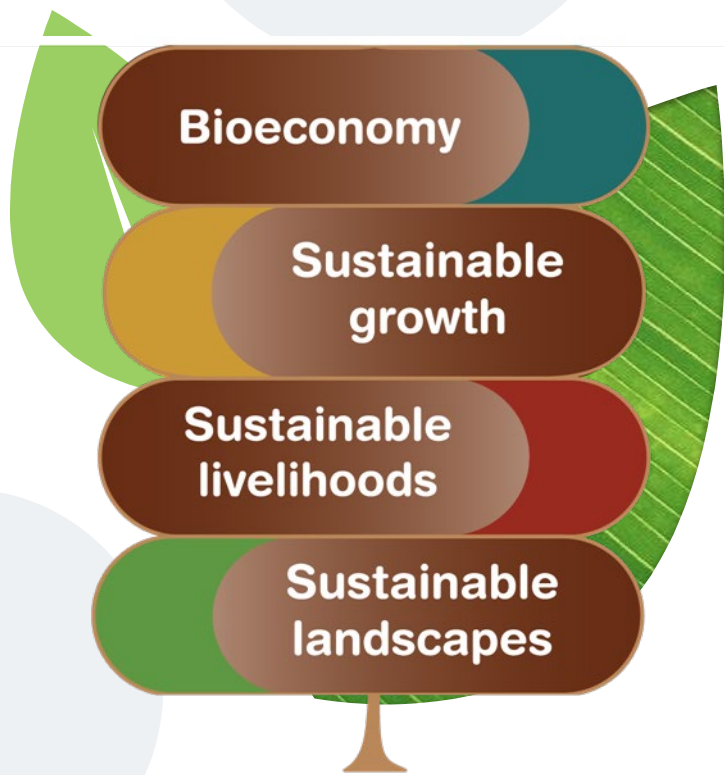
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# SW4SW Francophone countries

- SDGs 1, 2, 8, 9, 12, 13, 15
- Relevance of charcoal production for women
- Results from preliminary value chain assessment for DRC, RC and Cameroon shows importance of regional wood markets energy, furniture, housing
- Main areas for a SW4SW agenda: Informality, local value chains, intra-regional markets, plantations, diversification of species, access to technology, reduction of trade barriers and improvement of controls, public procurement, housing and energy policies

# Key Takeaways



- The value chain approach is a valuable tool to design targeted interventions to optimize forest contributions to the SDGs .
- Wood value chains are critical for sustainable rural and urban landscapes. They can enable a virtuous cycle of sustainable growth based on the bioeconomy.
- The forest value chain sustainability assessments can provide the necessary planning and monitoring framework to unlock contributions from wood value chains with environmental integrity.



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# Thank you

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<http://www.fao.org/forestry/sustainable-wood/en/>

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**#SW4SW**

