

## Protecting forest values as economic integration advances – The importance of regional collaboration

### Consequences of economic integration for natural forests without environmental controls or incentives

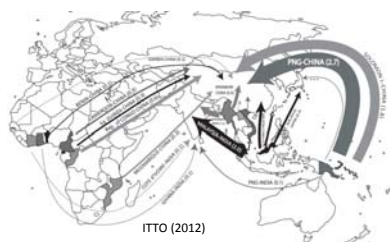
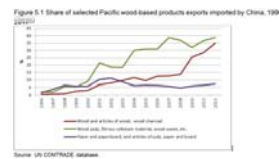
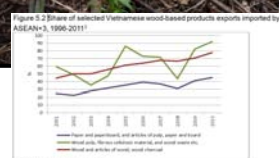
- Factors driving intraregional trade and investment**
- Differences in factor endowments
  - Dwindling supplies from natural forests and their replacement with supplies from planted forest
  - Growing regional demand for wood products and materials



- Formal integration processes**
- Tariff reduction/elimination
  - Removal of non-tariff trade barriers
  - Trade facilitation
  - Investment liberalisation and financial sector integration



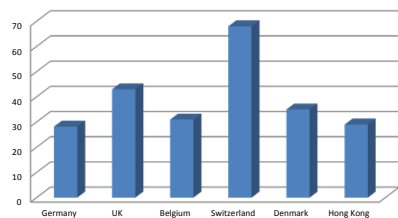
*Massive pressure on forests and forest lands*



### Creating responsible regional markets and production chains: Strategic demand and supply side measures and linkages

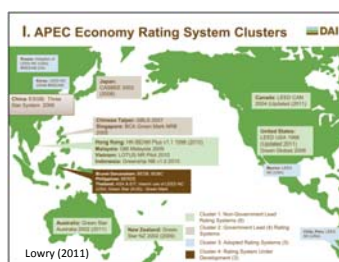
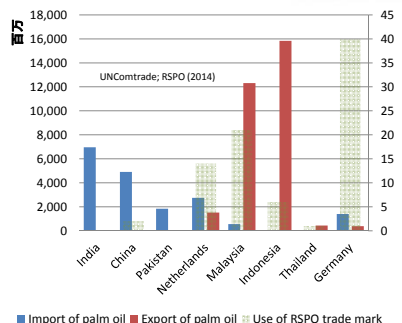
- Industry and consumer awareness on how deforestation is linked to their spending decisions
- Responsible public and private procurement policies
- Green building
- National timber legality licensing

% of people who recognise FSC label (2011)

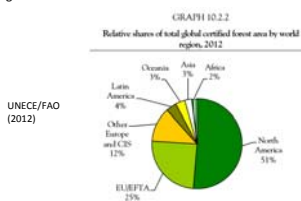
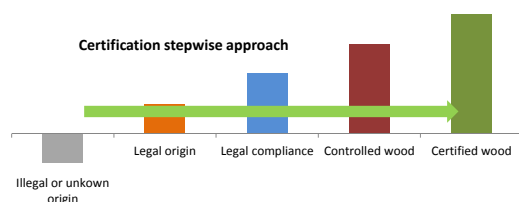


FSC (2012), LEI & MTCs websites, RAFT (2014 - unpublished), FAO (2010)

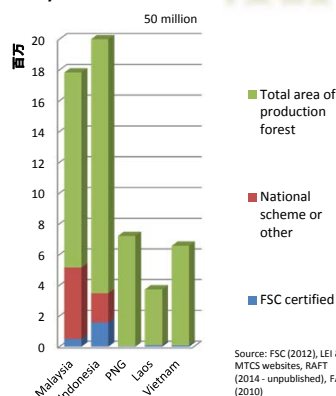
### Top 5 importers and exporters of palm oil compared with use of RSPO trade mark (2013)



- Reviewing forest and land development laws and strengthening implementation
- Making certification more accessible and attractive to forest managers
- Certification of 'forest risk' agricultural commodities
- Responsible banking and investment



### Certified forest and total production forest area by country



### Examples of Chinese investor and banking guidelines

- A Guide on Sustainable Overseas Silviculture by Chinese Enterprise
- Guidelines for Environmental and Social Impact Assessments of the China Export and Import Bank's Loan Projects
- Environmental Assessment Framework
- Green Credit Guidelines

### Key actors for building responsible regional markets and production chains for forest products in the context of regional integration

