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IPF-2 HIGHLIGHTS THURSDAY, 14 MARCH 1996

Delegates completed consideration of financial assistance and technology transfer during the morning of the fourth day of the second session of the Intergovernmental Panel on Forests. By the end of the day, they had also finished discussion of programme element III.1(a), assessment of the multiple benefits of all types of forests.

FINANCIAL ASSISTANCE AND TECHNOLOGY TRANSFER

FRIENDS OF THE EARTH said improving efficiency in spending entails reducing administrative costs, not increasing conditionality. He voiced concern over tradable development rights and the report's omission of a recent multilateral pilot programme for Brazilian rainforests. MEXICO noted that proposed innovative mechanisms concentrate on conservation rather than development. She expressed concern about mechanisms that place responsibility on developing countries.

ZIMBABWE cautioned against blanket statements regarding the private sector. Forest productivity in dry areas is often too low to attract investment. He also emphasized: socially and environmentally oriented ODA goals; technology development; and extension agencies. He did not support proposals on debt swaps and national forestry funds. NEW ZEALAND supported innovative financial mechanisms, but noted they raise difficult questions and are under consideration in other fora. She welcomed the emphasis on the private sector and said national forestry funds were a national-level decision.

INDIA said the emphasis on mobilizing domestic resources complicates the report and reiterated commitments made in the Forest Principles. Despite donor statements, ODA in absolute terms has decreased. He said new donor policies require changes by recipients and private investment leads to more jobs but defeats forest policy.

GABON said many African countries may not be able to mobilize domestic funds due to a current lack of public investment and that UNCED has been unsuccessful in projecting future financial needs. He supported concerns that private investment may not be an effective means of attaining long-term sustainability. PAPUA NEW GUINEA announced that its provincial forest plans have been completed. He highlighted the need to establish new mechanisms to increase domestic and ODA funding. BRAZIL noted the crucial role of the private sector in financing and technology transfer. He called for compliance with UNCED's mandate to develop new and additional financial resources and encouraged NGO participation in data gathering and fund raising. He supported debt-for-nature swaps but not debt-for-policy; consideration of tradable emission

permits in context of the FCCC; and, as supported by CHINA, partnerships and joint ventures between donor and recipient countries provided they comport with the host country's sovereign rights.

CANADA said recommendations for capacity building need further elaboration. He supported Brazil on acknowledging national sovereignty in international partnership agreements. Agenda 21 should serve as the template for technology transfer. GERMANY noted that: national finance arrangements, in Agenda 21, should reflect the actual quality and quantity of forests; an intersectoral approach to financing is essential; institutional shortcomings should be addressed; cooperative agreements formed at the national level; and the constructive role of NGOs.

FINLAND said it is alarming that deforestation, overutilization, loss of biodiversity and problems in other sectors result from disinvestment. National funds should be analyzed for efficiency and effectiveness. DENMARK said all instruments should be improved to complement each other. Public funds, domestic or ODA, must create an enabling framework for private resources, that cannot be expected to promote sustainable development. ALGERIA said UNCED commitments can only be achieved through strengthening capacity and financial resources for an international body involved in SFM.

The UKRAINE called for: internal fundraising and forest fund creation; economic reform that promotes ecological criteria and sustainable principles in SFM; and international support for self sufficiency for economies in transition. The ALLIANCE OF INDIGENOUS AND TRIBAL PEOPLES OF THE TROPICAL RAINFOREST said the CBD's protection of indigenous knowledge and practices will only be realized if indigenous people are the subject of plans as well as the object. Recognizing indigenous groups' rights within their territories would permit them to cooperate to protect remaining natural forests. FUNDACIÓN NATURA said debt-for-development proposals cannot interfere with national sovereignty. Tradable emissions should not work only in favor of developed countries. UGANDA said IPF should highlight the responsibility of recipients, whose structural problems, including revenue collection and accountability, must be ameliorated before they ask for assistance.

PERU highlighted "reciprocal" South-South development cooperation, and questioned how to continue initiatives like the Amazonian Cooperation Treaty without political will. CHILE underlined North-South and South-South technical cooperation, highlighting "triangular" cooperation involving a developing country funded by an international agency to share information with another developing country. ARGENTINA suggested that development banks should concentrate on forests and highlighted sovereignty *vis-a-vis* carbon offsets and tradable emissions permits, stating that the FCCC is the proper framework for discussion.

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ECUADOR called for a forum at IPF on demands placed on countries as a result of new roles in world relations.

ASSESSMENT OF THE MULTIPLE BENEFITS OF ALL TYPES OF FORESTS

Jean Clement, the Task Manager for FAO, introduced the Secretary General's Report on programme element III.1(a) (E/CN.17/IPF/1996/6), which describes: the users of forest resources information; FAO's forest resources assessment; gaps in forest information; and approaches and lessons learned and future trends.

The EU encouraged information production, processing and interpretation to benefit planners at different levels. He supported the global forest assessment and noted the need to address local impacts of national policies. SWEDEN called for improvement of the global forest assessment process, considering: forest degradation; assistance in national capacity building; and information to develop SFM plans. TANZANIA highlighted national databases and a regional data bank for assessing forest area and resources. Data should reflect macro-economic conditions.

CANADA stressed: conducting national forest assessments best suited to national needs and available resources; increased national capacity building; addressing views of all stakeholders; and more frequent global forest assessments. The G-77/CHINA noted the need to expand the base of institutions consulted in assessment processes and encouraged South-South cooperation. Transparency in the process is important to prevent bias. JAPAN supported enhanced capacity building and institutional development, pledging US\$150 million to the FAO for this, and suggested harmonization of national data collection methods.

NEW ZEALAND called for increased institutional capacity and international coordination efforts to collect global data to reflect changes in forest cover, wood production and carbon absorption levels. NORWAY and GERMANY commented on the need to improve comparability of information on national inventories. Norway also highlighted local and regional utilization in forest assessments. The US agreed with many priorities in the report, including continued resource assessments and harmonization efforts. He supported expanded Forest Resource Assessment, but noted the need for cost-benefit analyses.

GERMANY called for making use of existing assessment data, and an overview of institutions in this field. He noted the Swiss/Peruvian initiative and highlighted Germany's activities. SWITZERLAND said that assessments should focus on feasibility, usefulness and prioritization of elements, and supported: developing local capacity for interpreting inventories; the report's priorities; and its issues for consideration. AUSTRALIA emphasized the importance of capacity building, but noted that concepts such as biodiversity are hard to inventory. He called for clarification of definitions and noted Australia's forthcoming forest report.

IRAN stated that capacity building must be a high priority and called for national mechanisms to improve the information capabilities of developing countries. He emphasized the importance of further research on forest inventory techniques and integration of indicators for SFM. MALAYSIA recognized the need to harmonize standards for reporting. Future assessments should include measures of carbon storage and forest health. Indicators should be simple and practical to use. The REPUBLIC OF KOREA supported proposals on capacity building and stressed the need for standardized data.

FUNDACION PERUANA PARA LA CONSERVACION DE LA NATURALEZA emphasized: increased use of ground-truthing; enhanced information access; NGOs and local communities as resources; forest authenticity; soil and biodiversity conservation; and transparent and effective partnerships. POLAND stated that nonlinear forest methodologies have created a new scientific base for SFM and that unbiased data is necessary for management decisions. The CENTER FOR INTERNATIONAL FORESTRY RESEARCH noted that evaluating NTFPs, biodiversity, and environmental

services require broad assessments, and that investment in forestry research as a percentage of income is lower than in agriculture.

AUSTRIA noted that cost-efficient forest assessments should incorporate social and environmental data, and should avoid duplication. KENYA highlighted accurate information for forest management, including development of C&I, and capacity building to coordinate forest, social and environmental assessments. FINLAND highlighted resource assessments for forest management and respect for national needs when gathering data. He emphasized: coordination; identifying information users; information dissemination; and including non-forest information with assessments.

GABON questioned whether finance and technology transfer implies a partnership for mutually advantageous exchange. He called upon IPF-2 to define the rules of international cooperation. The UK stated that assessing social, economic, cultural and environmental benefits is necessary for land use decisions and that global assessments have limited value for national planners. He supported a study on charging fees for information.

The NETHERLANDS suggested investing in capacity building. FAO should monitor biodiversity of forests, health conditions, biomass, and forest product and is the logical agency to implement the assessment.

ZIMBABWE acknowledged progress in assessment and capacity in developing countries. He supported research in monitoring methods but said harmonizing terminology and classification could lose key details. FAO said it verifies data. The UN budget crisis will affect FAO's forestry department, but the amount given to forest resource assessment will increase. Suggestions for new assessment elements are of interest but would present problems in methodology, data consistency and financial resources.

FRANCE urged increased forest assessment when fundamental information is unavailable. It is important to collect and update data to identify trends. COLOMBIA said all necessary technology is in Northern nations. Access to and costs of computer technology present problems, therefore technical assistance and mobilization of funds are needed. INDIA said SFM indicators have not been identified. A wide range of information is needed for National Forestry Action Plans and assessments. FAO should organize regional workshops to improve country staff expertise.

BRAZIL said assessments should account for multiple benefits, such as non-wood products, and should emphasize information on economic and social variables. The report should include a table on temperate and boreal forests. ARGENTINA stressed the lack of data on forest benefits and requested information on the integration of forest ecosystems. Assessments require international financial support and information exchange, and should reflect social and economic information. CHINA said the quality of capacity building and forest assessment should be emphasized. Priorities should include international cooperation on technology and shared information.

IN THE CORRIDORS

Participants at IPF-2 generally agreed that delegates restrained themselves in defining positions during finance and technology transfer discussions. Some thought countries would continue to hold back until the IPF work programme and objectives are better defined. Some observers interpreted the restraint on financial issues as a reflection on some countries' weak commitment to SFM. Others speculated the lack of specific proposals at this early stage of negotiations was more of a strategic move, that countries were waiting for others to reveal their positions first.

THINGS TO LOOK FOR TODAY

VALUATION OF FOREST BENEFITS: Delegates are expected to consider programme element III.1(b) methodologies for proper valuation of the multiple benefits of forests in both morning and afternoon sessions.