



## HIGHLIGHTS FROM IFF-2 WEDNESDAY, 26 AUGUST 1998

Delegates at IFF-2 continued their deliberations in two Working Groups. Working Group 1 discussed forest-related work of under existing instruments. Working Group 2 considered transfer of environmentally sound technologies (ESTs) to support sustainable forest management (SFM) and began discussing the need for financial resources.

### WORKING GROUP 1

#### FOREST-RELATED WORK UNDER EXISTING

**INSTRUMENTS:** Working Group 1 (WG1) discussed Category II(e), first addressing international and regional organizations (E/CN.17/IFF/1998/5) and then existing instruments (E/CN.17/IFF/1998/11). On international and regional organizations, the US, JAPAN, RUSSIA, MALAYSIA and COSTA RICA, for the G-77/CHINA, supported the preliminary action proposals to: support the IPF/IFF processes; strengthen the Inter-agency Task Force on Forests (ITFF); and forge synergies. The EU noted efforts to analyze gaps and overlaps, called for integration of organizations and cited insufficient coordination on key forest issues as an obstacle to progress. The US and others opposed focusing on gaps and/or overlaps, noting that this process is susceptible to differing interpretations.

The EU called for: improved global communication and dissemination of information on forests; strategic data and information collection; a focus on land-use plans through national forest programmes (NFPs); cooperation with civil society; and links to local community needs. JAPAN, with INDONESIA, RUSSIA, NEW ZEALAND and others, supported the creation of a comprehensive directory of forest-related international and regional organizations. COLOMBIA called for inclusion of data on resources available for current activities. The US, supported by AUSTRALIA, BRAZIL and others, expressed discontent over the division of Category II(e) into instruments and organizations, describing it as artificial and confusing. The US called for the sub-documents to be consolidated for further discussion.

CANADA noted that forest work is fragmented among 42 different processes and organizations and, with ARGENTINA and RUSSIA, recommended considering a longer-term legally-binding process. She also noted that the ITFF's nature does not allow all interested parties to set a forest agenda. IRAN called for the ITFF to continue strengthening collaboration between UN and non-UN organizations and to address the economic, social and environmental components of sustainable development in a balanced manner. BRAZIL, with COLOMBIA, noted conclusions drawn at a recent conference of Amazon countries that any international action undertaken must support NFPs and said the role of agencies

within and outside the UN system must be analyzed. SWITZERLAND called for a global overview of organizations' activities, including information on methods to integrate forest services, and for integration of the aspects of the IFF work programme into the activities of these organizations. The ITFF underlined the value of partnerships and highlighted ITFF foci, including forest fires, coordination of databases, carbon sequestration and forest policy. He encouraged feedback on and support for the ITFF which he hoped would continue beyond the lifetime of IFF.

Regarding existing instruments, IUCN pointed out that the CBD addresses the conservation and sustainable use of forest ecosystems as well as the equitable sharing of benefits derived from forests, and said improving compliance with the CBD would be more useful than negotiating a new agreement. GREENPEACE INTERNATIONAL said negotiating a legally-binding agreement would only serve to distract from the lack of action and that all elements necessary for SFM already exist aside from political will. He called for synergies and cooperation among existing instruments and suggested making the IFF an ongoing process.

NORWAY encouraged development of synergies and cooperation between the IFF and the CBD. He said the CBD Forest Programme takes a multi-sector approach aiming to incorporate social and economic aspects and can therefore address IFF concerns such as multiple benefits, market access for forest products and non-discriminatory trade practices. JAPAN cautioned against duplicating CBD work. With the US, she questioned the posited relationship between CITES and the expansion of free trade and noted the omission of numerous ITTO activities. INDIA, supported by NEPAL, called for reference to safeguarding the interests of the least developed countries and LFCCs, rather than just to environmental problems, in the proposals.

The US noted the omission of numerous instruments from the list of existing instruments and, with CANADA, said that most existing agreements are not intended to regulate. The G-77/CHINA, echoed by COLOMBIA and BRAZIL, requested detailed analysis of the degree of implementation and achievement of forest-related instruments. JAPAN and the US called for a different classification of instruments in order to identify gaps and overlaps in their mandates. The US opposed delineation between social, economic and environmental functions of forests and categorization of legal agreements according to these functions.

CANADA, supported by RUSSIA, called for a permanent legal mechanism to address forests holistically in order to, *inter alia*: generate political will; establish priorities; monitor progress toward SFM; and provide a coherent arrangement to ensure needed resources. POLAND supported starting negotiations on an international convention with a regional emphasis, like the CCD. The US said that preliminary conclusions were internally inconsistent and

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insisted that future arrangements be discussed under Category III. The GLOBAL FOREST POLICY PROJECT stressed the importance of establishing solution-oriented goals instead of creating instrumental or institutional boxes.

#### WORKING GROUP 2

**TRANSFER OF ESTS:** Delegates resumed their discussion of Category II(c). The G-77/CHINA reaffirmed that the Forest Principles should constitute the basis for discussion on access to and transfer of ESTs. He underlined the critical role of EST transfer from developed to developing countries on preferential and concessional terms in achieving SFM and urged developed countries to establish an appropriate EST transfer mechanism. Supported by MALAYSIA, he also proposed establishing a clearinghouse mechanism to provide inventories of technology demand and effective methods of transfer. BRAZIL called for an inventory of best practices in technology transfer.

SWITZERLAND and the REPUBLIC OF KOREA supported the proposal to include EST transfer and investment promotion in NFPs. SWITZERLAND and NORWAY noted that many technologies are already available but know-how, information and effective institutions are often lacking. NORWAY stressed the importance of education, training, extension and institutional strengthening in this regard. The US stressed the need to increase the absorptive capacity of developing countries. TURKEY and BRAZIL underscored the importance of building developing country capacity to develop new technologies suited to national conditions. MALAYSIA supported institutional capacity-building and said the long-term objective should be for local experts to develop their own technologies. NEW ZEALAND underscored the importance of human resource development and called for a focus on basic technology geared to local conditions, highlighting the need to involve local communities in technology transfer and use.

A proposal to address limitations in patent and other intellectual property rights (IPR) aspects of technologies was supported by THAILAND, MALAYSIA and MEXICO. BRAZIL proposed that the IFF dedicate more attention to this issue, while SWITZERLAND and the US said the IFF should leave this task to the WTO and WIPO.

The G-77/CHINA and SWITZERLAND stressed the importance of developing country participation in technology R&D. The G-77/CHINA, ZIMBABWE, EGYPT and IRAN called for international assistance and technology transfer to developing LFCCs for reforestation, afforestation and capacity building. IRAN emphasized the need for training, research, know-how and capacity building in this regard.

MALAYSIA supported proposals on assessment of technology generation and needs. The INSTITUTE FOR GLOBAL ENVIRONMENTAL STRATEGIES said a technology assessment process should reflect and examine local communities' needs and concerns and be linked to other areas such as trade and consumption and production patterns. The REPUBLIC OF KOREA proposed that the FAO undertake a technology needs assessment.

BRAZIL, MALAYSIA and MEXICO called for strengthening the links between research, technology generation and information technology. CANADA highlighted the potential of the Internet for disseminating new technologies and knowledge.

NORWAY, BRAZIL and others highlighted the importance of the private sector and joint ventures in technology transfer. The G-77/CHINA called on developed countries to facilitate and stimulate investment or joint ventures with companies in developing countries. NEW ZEALAND and SWITZERLAND stressed the need for liberal and open foreign investment regimes to encourage private investment in technology transfer. BRAZIL said countries should establish the necessary regulatory regimes for foreign investment.

CUBA supported South-South technology transfer. The G-77/CHINA, MALAYSIA, CUBA and others supported the establishment of regional institutions for technology transfer. The G-77/

CHINA highlighted opportunities for transfer of traditional forest-related knowledge (TFRK) and establishment of IPR regulations by developing countries to protect TFRK. ZIMBABWE supported R&D to develop appropriate technologies built on TFRK. BRAZIL, supported by MEXICO, stressed that EST transfer must be consistent with CBD provisions on respect and protection of TFRK and equitable sharing of benefits arising from its utilization. BRAZIL said access to genetic resources should be subject to the prior informed consent of the country of origin.

TURKEY called for studies on gender aspects in forest policy. SWITZERLAND supported gender mainstreaming in decision-making related to technology transfer, research and education. CANADA endorsed the recommendations on, *inter alia*, ensuring women's participation in forest-related decision making and utilizing gender-desegregated information. The US highlighted the need to address wood specifically harvested as a household energy source and the related gender implications.

AUSTRALIA, ARGENTINA and MEXICO supported the proposal for international action to urge a shift to modern wood energy technologies as a means to address carbon sequestration. ARGENTINA cautioned against duplicating FCCC activities. The US and TURKEY said the matter should be addressed by the FCCC. TURKEY supported the proposal for action to use energy-efficient technologies as important criteria in assessing the environmental soundness of wood processing technologies.

**FINANCIAL RESOURCES:** Ralph Schmidt (UNDP) introduced the Secretariat's Note on matters left pending on the need for financial resources (E/CN.17/IFF/1998/7). The EU said financial needs for SFM should be met through effective mobilization of domestic resources as much as possible. The EU, JAPAN, AUSTRALIA and NEW ZEALAND called for more effective utilization of existing funds. AUSTRALIA underscored the role of the private sector. The EU said private sector financing could be enhanced by adapting policies to create stronger incentives. SWITZERLAND highlighted the need to develop more favorable framework conditions and incentives in developing countries. NEW ZEALAND stressed the importance of sound and open economic policies to encourage investment. Regarding innovative financing initiatives, the EU called on the IFF Secretariat to prepare a document for IFF-3 on experiences in implementing ongoing initiatives before launching new initiatives. AUSTRALIA, JAPAN and RUSSIA advocated examining the GEF as a potential source of funding for forests before calling for any new mechanisms.

#### IN THE CORRIDORS

Discussions in both Working Groups have not gathered momentum and meetings are regularly adjourning early. One participant associated this with problems in re-focusing on issues just after vacation. Another related it to the *déjà vu* feeling of hearing the same conversation again and again after so many international forest discussions. One observer noted this may reflect a lack of motivation to move away from rehashing hardened positions toward reaching the consensus necessary to address SFM appropriately at the international level. Another participant saw the IFF evolving into a "talk shop" for defending interests, pushing other agendas and socializing. A delegate suggested that giving IFF-2 one week instead of two might have enhanced the sense of urgency to produce concrete results.

#### THINGS TO LOOK FOR TODAY

**WORKING GROUPS:** WG1 will meet in Salle XIX to discuss Category I(b) (monitoring progress in implementation) and Category II(d)(ii) (underlying causes, TFRK, forest conservation and research priorities). WG2 will meet in Salle XX to consider Category II(a) (financial resources) and the draft Co-Chair's report on Category II(b) (trade and environment).