



## HIGHLIGHTS FROM IFF-2 TUESDAY, 1 SEPTEMBER 1998

Delegates at IFF-2 met in two Working Groups on Tuesday, 1 September. WG1 considered the draft Co-Chairs' report on promoting and facilitating implementation of IPF action proposals and WG2 considered the draft Co-Chairs' report on transfer of environmentally sound technologies.

### WORKING GROUP 1

Working Group 1 (WG1) discussed a draft Co-Chairs' report on promoting and facilitating implementation of the IPF action proposals in the morning and a revised draft in the afternoon.

On commitments to implement IPF proposals, the G-77/CHINA changed "stakeholders" to "interested parties" but opposed NORWAY and CANADA's proposal to add "indigenous people and local communities." The G-77/CHINA replaced text on the need for "adequate means of implementation" with "implementation of strategies" in terms of investment and mobilization of "domestic and international" resources. The EU preferred underscoring the need for appropriate financial "measures" rather than "mechanisms." A G-77/CHINA compromise calling for "mechanisms and measures" was accepted.

On the needs of countries with low forest cover, IRAN called for "UNEP as the lead agency of this programme element," rather than the FAO, to expedite the development of a definition of low forest cover. The G-77/CHINA, with CANADA, objected to a suggestion by NEPAL to focus on "least developed countries" along with countries with low forest cover. After lengthy discussion on the ITFF's mandate and nature, the US proposed compromise language calling upon the ITFF to coordinate "its" work rather than the efforts of its members.

Regarding the work of the ITFF, various suggestions were made, which the Chair categorized as relating to: its current main role of assisting the IPF/IFF process; its growing role in helping to coordinate forest-related activities; and the necessity of strengthening the ITFF in the future. A compromise proposal by the US, noting that "the ITFF has been and continues to be an effective means of supporting the IPF/IFF process and of informal inter-agency coordination on forests" was left pending EU consultation. An EU proposal that "in future, the work of the ITFF should be strengthened and further developed" was questioned by the US and bracketed.

On monitoring the effects of airborne pollutants, the EU specified the European countries that are engaged in monitoring the effects of airborne pollutants on European forests. In response to a

G-77/CHINA query, JAPAN noted its efforts to set up a monitoring network on acid rain in Eastern Asia. Text referring to that process was bracketed. The US called for reference to the new G-8 Forest Action Program. CANADA, with the EU, preferred moving this reference to the general paragraph on IPF implementation. The G-77/CHINA requested time for consultation on this matter.

In text on NFPs as a framework for addressing forest sector issues as well as the Six-Country Initiative's contributions, the G-77/CHINA added "comprehensive" to describe NFPs and replaced "significant" with "important" in reference to the contributions of the Six-Country Initiative. He also added that the Practitioners' Guide "should be revised to facilitate assessment exercises." AUSTRALIA proposed replacing "appropriate" with "useful" to describe the NFP framework. However, the G-77/CHINA and others preferred "viable." The EU, supported by the US, added a reference to the Baden-Baden Expert Consultation and its results and text on the need for effective follow-up and long-term commitment to implementation of the proposals. The US expressed problems with a reference to the implementation of work at the sub-national level.

On the evaluation of progress towards SFM, the G-77/CHINA deleted a reference to the Six-Country Initiative, noting that it had already been highlighted. IRAN said that such initiatives, while useful, are not official and should not be overemphasized. The G-77/CHINA and the US disliked the inclusion of a specific time reference and added language reflecting the long time horizon needed to achieve SFM. NEW ZEALAND added text noting that the Forum underlined the need for sustained effort in implementing the IPF proposals.

In discussion on particularly important actions for the implementation of the IPF proposals, the G-77/CHINA and the US supported deleting language on the analysis of synergies at the national level between forest programmes and requirements under the CBD, CCD and FCCC. On further development of financial and technical assistance, the G-77/CHINA proposed "the provision by the international donor community and international organizations of financial resources, including the establishment of new and additional sources of finance, and technical assistance and transfer of environmentally sound technologies." The EU suggested adding "as well as domestic resources," deleting "and substantial" financial assistance and replacing "measures" with "mechanisms" to support NFPs in developing countries. The US proposed the text's deletion. On creation of partnership agreements, JAPAN proposed replacing "partnership agreements" with "initiatives, approaches and partnerships." The US said language on targets and indicators

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was too prescriptive and proposed using broader language. The EU suggested that "clear targets and C&I should be formulated to ensure effective implementation towards SFM." AUSTRALIA proposed moving two of the actions, one for exchange of information and experiences in implementation and another on country development of implementation monitoring programmes, to the document on I.b (monitoring progress in implementation).

The Chair informed delegates that a revised draft Co-Chairs' report would be produced based on this discussion and available for review by WG1 later in the week.

## WORKING GROUP 2

WG2 proposed amendments to the draft Co-Chairs' report on transfer of environmentally sound technologies (ESTs). Delegates amended text noting that policy environments "and measures" (JAPAN) favorable to SFM "and investment" (NEW ZEALAND) are as important as availability "and appropriate application" (US) of technologies. The EU added text recognizing the private sector's important role while stressing governments' responsibility to develop an enabling framework.

On the need for NFPs to facilitate development and transfer of technologies, BRAZIL bracketed the US' specification of NFPs "as described in IPF paragraph 17(a)." Delegates amended and then bracketed text on the need to facilitate efficient adaptation and use of technologies "and know-how" (US) through partnerships among public and private sectors, "including research centers, universities and companies" (G-77/CHINA), "indigenous people" (VENEZUELA) and local communities and NGOs, "in accordance with national legislation" (BRAZIL).

The US bracketed G-77/CHINA-proposed text noting that developed countries are required under the Forest Principles to transfer ESTs to developing countries on favorable terms, including on concessional and preferential terms. Delegates amended text noting that many countries, "particularly developing countries" (CHINA), need to strengthen capacity for assessment of the environmental soundness, "economic sustainability and social impacts" (SWITZERLAND) of technologies.

Delegates amended and then bracketed text on technological needs of "developing" LFCCs (G-77/CHINA) and "countries with fragile forest ecosystems" (TURKEY) for "restoration of degraded land" (EU and US). On North-South technology transfer, the G-77/CHINA added that "opportunities do exist to finance and support technology transfer through ODA." Regarding other existing financing opportunities, the US stressed North-South "cooperation in" technology transfer and added "public and private" partnerships. The US replaced "efficient" with "effective" private sector involvement and added text to convey that it "depends on mutual interests and an appropriate enabling environment, including policies and regulations that help attract foreign direct investment and help remove barriers to the provision of services." The EU proposed text on the important role of international organizations in knowledge dissemination and regional and inter-regional networks' contributions to effective and efficient use of existing technologies. The entire paragraph was bracketed.

Regarding South-South technology transfer, the G-77/CHINA added text noting that South-South cooperation is complementary to North-South technology transfer. To the need for further strengthening of South-South technology transfer, the US added transfer of know-how. On benefits of technologies generated in the South, the G-77/CHINA bracketed the US' addition that these technologies may often be more "applicable" than some in the North.

NORWAY added that indigenous technologies, including TFRK, require special attention. BRAZIL supported CANADA's proposal to indicate that any transfer of indigenous technology be

done with the consent of the holders and added "according to national legislation." The EU and CANADA bracketed the text. The US and the EU bracketed G-77/CHINA-proposed text emphasizing the importance of technologies related to biodiversity. The US amended text on the need for modern, appropriate technologies "which would enable more efficient use of waste and by-products from forest logging and wood processing, as well as wood harvested for fuelwood, for both industrial and household uses."

On the proposals for action, the EU and AUSTRALIA opposed the G-77/CHINA's proposal urging the establishment of an EST transfer mechanism to enhance technology transfer from developed to developing countries. The text was bracketed. The G-77/CHINA opposed an EU proposal to add text urging countries to "develop an enabling policy, legal and institutional framework which encourages private sector investment in ESTs in line with respective NFPs." The text was bracketed.

On establishment and strengthening of national and regional institutions to facilitate assessment, adaptation and transfer of technology, the G-77/CHINA added that North-South cooperation should be complemented by South-South cooperation. The US proposed the text's deletion due to its repetition of IPF proposals. The text was bracketed.

Proposed additions by the G-77/CHINA, urging developed countries to recognize the importance of technology transfer to developing countries, including human and institutional capacity building, and by NORWAY, underscoring the importance of combining technology transfer with training, education and institutional strengthening, were bracketed. On promoting diffusion of ESTs, NEPAL's call for diffusion "through appropriate legislation" was bracketed by the EU and the US. The US bracketed G-77/CHINA-proposed text urging developed countries to share research results and benefits associated with the utilization of biodiversity based on applications of research in accordance with the CBD.

Delegates proposed amendments to text on mechanisms to enable indigenous people and local communities to realize potential benefits of TFRK, "in close cooperation with the CBD" (EU) through establishment and enforcement of IPR "or *sui generis* systems" (NEPAL). The US said the paragraph repeats IPF proposals and preferred its deletion. The text was bracketed.

The US amended text on wood-based technologies, calling on countries to facilitate transfer of modern, appropriate, "environmentally sound" wood-based technologies and analyze the implications of using wood, "waste and by-products from forest logging and wood processing" as an energy source. BRAZIL and the REPUBLIC OF KOREA preferred urging "developed countries" to pursue such actions, but the EU, the US and AUSTRALIA said all countries should do so. The paragraph was bracketed.

The EU bracketed G-77/CHINA-proposed text urging transfer and development of technologies to make use of waste materials generated from wood and non-wood processes. Delegates amended text on steps to ensure "equal" (EU) opportunities for women to become beneficiaries of forest-related ESTs, "know-how and extension services" (US).

The Chair informed delegates that a revised draft Co-Chairs' report on EST transfer would be available by noon on Wednesday.

## THINGS TO LOOK FOR TODAY

**WORKING GROUPS:** WG1 will convene in Salle XXV at 10:30 am to continue discussion on programme element I.a (promoting and facilitating implementation) and to begin discussion on I.b (monitoring progress in implementation). WG2 will meet in Salle XXI at 10:30 am to discuss the revised draft Co-Chairs' report on II.b (trade and environment).