Delegates met in two working groups to negotiate draft decisions on the MYPOW and the PoA. A contact group on cross-cutting issues and thematic focus and categories in the MYPOW met in the afternoon and evening, and Working Group 1 met in an evening session to continue negotiations on the MYPOW.

WORKING GROUP 1

MYPOW: Thematic Focus and Categories: Delegates agreed to text reaffirming that the MYPOW would address the principal functions of the UNFF. Chair Oistad proposed compromise text reaffirming that the MYPOW should reflect the three pillars of SFM, the tenets of sustainable development and the criteria for SFM, as well as the cross-cutting issues of finance, technology transfer, capacity building and trade. The EU opposed, and the G-77/CHINA supported, referring to cross-cutting issues. The US proposed, as a compromise, text deciding that the MYPOW should address the three pillars of SFM within the context of the IPF/IFF proposals for action, including consideration of cross-cutting issues. The section was referred to a contact group.

Scope of the MYPOW: The G-77/CHINA opposed a proposal by the EU, US and NEW ZEALAND to delete this section. Delegates supported a US-proposed compromise, with amendments, to “decide that the MYPOW establishes the organizing framework for the UNFF, and the PoA makes this framework operational.” The G-77/CHINA urged adding that the PoA will have targets, timetables and financial provisions for implementation, to which the US added “as appropriate.” Delegates agreed to merge and bracket the US and G-77/China proposals.

Monitoring, Assessment and Reporting (MAR): Delegates agreed to text recognizing that MAR are among the UNFF’s principal functions and are complementary to implementation of the IPF/IFF proposals for action and related to the overall review of the UNFF. Regarding information on the state of forests, delegates agreed to a paragraph emphasizing that the latest reports on forests should be easily accessible from existing databases but did not agree whether to specify criteria and indicators processes, with the G-77/CHINA and NIGERIA opposing and CANADA, the EU, NEW ZEALAND and the US supporting the reference. The US said this paragraph would be more appropriate in the PoA.

Delegates discussed US-proposed text, which “decides that the UNFF’s mandate to monitor, assess and report comprises three different areas: by countries, of their implementation; by the UNFF, of its own progress; and for global forests.” The EU amended the US’ list of areas to: “progress in implementation of the IPF/IFF proposals for action; progress towards SFM and trends in the state of forests; and evaluation of the effectiveness of the international arrangement on forests.” Delegates supported the EU’s first two amendments, but not the review of the international arrangement, which they agreed to bracket.

Delegates accepted G-77/China-proposed text calling on CPF member organizations to make information easily accessible on financial resources, environmentally sound technology and assistance to support national capacity building for forest-related information collection and reporting in developing countries, but the EU and US reserved the right to revisit it once the CPFF decision is agreed. NIGERIA and the G-77/CHINA objected to the RUSSIAN FEDERATION’s proposal to add criteria for international cooperation in transition to the US suggestion not to specify country categories. Delegates also supported G-77/China-proposed text calling for support for the working group on MAR criteria, although the EU and US preferred “ad hoc expert group on MAR.” Delegates agreed to bracket “criteria for MAR.”

Delegates tentatively accepted text inviting the CPF to support UNFF work. The G-77/CHINA suggested, and the EU opposed, deleting a paragraph on voluntary country reporting at each UNFF session. Delegates accepted the EU proposal to “invite” reporting and to delete “at each UNFF session.” The G-77/CHINA proposed, and the EU objected to, deleting a reference to “third party assessment.”

The US and G-77/CHINA recommended moving EU-proposed text deciding that the MAR issue be considered by an expert group established at UNFF-1 to the section on ad hoc expert groups, but the EU opposed. Delegates agreed to revisit it when discussing the expert groups section.

Regarding NEW ZEALAND’s proposal calling on CPF member organizations to promote and support the use of C&I as a basis for country reporting, the EU and US preferred stressing the importance of using C&I as a basis for reporting on SFM. The G-77/CHINA recommended further consultation on C&I.

WORKING GROUP 2

PLAN OF ACTION (PoA): The EU proposed text inviting ministers to endorse the PoA at UNFF-2, and acknowledging countries’ responsibilities for implementing proposals directed at the national level.

The G-77/CHINA proposed text inviting countries to establish national focal points. The EU suggested that national focal points “guide and coordinate implementation and assessment of the IPF/IFF proposals for action.” The US opposed, noting complications with making focal points responsible for implementation.
Regarding a paragraph recommending that, _inter alia_, the PoA implement the IPF/IFF proposals for action in clustered sets, AUSTRALIA, with CANADA, CHINA and NEW ZEALAND, opposed reference to “clustered sets.”

Regarding text encouraging countries to systematically assess and analyze the proposals for action, AUSTRALIA proposed adding “for implementation relevant to their circumstances and capabilities.” To a paragraph stating that the PoA must work through relevant national and international organizations, the G-77/CHINA proposed adding “sub-regional and regional” organizations. He also proposed text encouraging initiatives to address LFCCs. The EU proposed text suggesting that countries: undertake assessments and planning for implementation in the context of their national processes; and link NFPs to sustainable development strategies.

AUSTRALIA proposed paragraphs deciding that countries will report their plans for implementation and encourage financing, technical assistance and capacity building. CANADA, with INDONESIA, stressed that the PoA’s purpose is to provide guidance to the UNFF, and objected to focusing on country action. BRAZIL opposed setting common policy parameters for all countries. SOUTH AFRICA said the PoA must take into account the global implications of national forest policies.

The G-77/CHINA preferred “inviting” rather than “encouraging” CPF member organizations to facilitate donor coordination. The EU proposed adding “multilateral” donor coordination. The US, with the EU, preferred addressing governments rather than CPF member organizations, and suggested “encouraging member States to work with CPF organizations.” The G-77/CHINA and the US suggested deleting a paragraph on sustained financial resources. The EU proposed adding that “countries may wish to use facilities such as the GEF.” The US objected to naming specific organizations. The G-77/CHINA, the RUSSIAN FEDERATION and SOUTH AFRICA urged that the GEF, rather than countries, be targeted.

On adopting a detailed PoA at the UNFF-2 ministerial segment, the US proposed adding: an invitation for a country-led initiative on financing; a decision to continuously review and update the PoA; and a decision to proceed with country-specific implementation prior to officially launching the PoA at UNFF-2. Regarding a paragraph adopting the PoA’s framework with the understanding that the PoA would be adopted at UNFF-2, AUSTRALIA preferred adopting an “interim PoA” and adding that it would be “complemented by national commitments to implementation and a PoA by the CPF.”

Regarding input to the World Summit on Sustainable Development, the US proposed that, in addition to the PoA, commitments made by ministers at UNFF-2 also reflect the input. AUSTRALIA added commitments made by CPF organizations and major stakeholders. The EU and AUSTRALIA recommended deleting a paragraph recognizing the 16 programme elements as the basis for the PoA. The G-77/CHINA objectied. Regarding a paragraph deciding that the PoA be clustered according to six clusters of elements, the G-77/CHINA and NEW ZEALAND preferred listing the 16 programme elements. The US proposed bracketing the paragraph. The EU proposed alternative text requesting CPF members to assess the proposals for action and identify their collective and individual contributions.

The EU and US proposed deleting a paragraph listing, _inter alia_, scientific knowledge, major group participation and financial mechanisms as “supporting measures.” The G-77/CHINA suggested replacing the list with paragraphs on technology transfer, trade and institutional and capacity building, and describing them as “cross-cutting issues.” The US, supported by CHINA, suggested deleting a paragraph inviting the CPF to further elaborate the PoA. The G-77/CHINA suggested “inviting the CPF to support the UNFF in developing the PoA.” The RUSSIAN FEDERATION called for a mechanism to elaborate the PoA intersessionally.

Regarding a paragraph recognizing the main responsibility of countries for implementation, the G-77/CHINA and the US supported deleting “main,” and the G-77/CHINA proposed adding the responsibility of the international community. The G-77/CHINA and the EU supported a paragraph on the need to reach the 0.7 percent ODA target and to increase donor support for SFM. JAPAN proposed deleting the ODA target. The EU proposed replacing the reference to increasing donor support with text urging all actors to give greater priority to SFM in allocating resources.

Regarding a paragraph recognizing that implementation would include targets, AUSTRALIA proposed alternative text noting that the PoA’s target is substantial progress on implementing the proposals for action and demonstrable progress on SFM by 2005. To a list of example targets, the G-77/CHINA recommended adding, _inter alia_: effectiveness of international arrangements on forests; effective implementation of proposals for action; and addressing cross-cutting issues. Other proposals included that: targets and outputs reflect progress in implementation (EU); overall UNFF progress towards meeting the target be measured through country reporting on achievements, supplemented by international assessments (AUSTRALIA); and country-led initiatives on MAR prior to UNFF-2 be invited (US).

Regarding a paragraph deciding that MAR on progress in implementation be based on voluntary national reporting, JAPAN proposed adding MAR on progress toward SFM. The G-77/CHINA and BRAZIL requested clarification of text recommending the use of existing reporting structures. CANADA, with JAPAN, suggested “drawing on existing formats.” The US proposed requesting countries to make voluntary commitments relating to their targets and timetables at UNFF-2.

On a paragraph recommending that national reports include achievements and identify gaps and obstacles in implementation, and that they may be prepared in consultation with forest-related stakeholders and submitted at UNFF-3 and UNFF-5, the US suggested reports “should” be prepared in “an open and transparent process with” such stakeholders for all UNFF sessions. The EU preferred “relevant” stakeholders and, with the RUSSIAN FEDERATION, submission of such reports at UNFF-3 and UNFF-5. On text encouraging other forest-related stakeholders to report, the EU proposed deleting “within the multi-stakeholder dialogues.”

**CONTACT GROUP**

In a contact group facilitated by Rob Ranson (Australia), delegates discussed the format for the table of the suggested MYPOW schedule, including topics to be discussed at the remaining UNFF sessions, and how cross-cutting issues would be handled. Delegates reiterated that cross-cutting issues would be discussed in relation to the thematic elements for each session, and that sessions should focus on elements similar in substance for manageability and to maximize the use of experts. Regarding the G-77/China-proposed cross-cutting issues, some countries opposed trade as a cross-cutting issue. One group of countries said they consider other issues, such as public participation and NFPs as also necessary for implementation. It was suggested that the G-77/China-proposed category of cross-cutting issues be divided into two: means of implementation, including finance, technology transfer and capacity building; and common agenda items, which would include, _inter alia_, emerging issues, lessons learned and CPF participation, and would be addressed at each session. After informal discussions, the US proposed a table grouping thematic elements for the remaining UNFF sessions, and reflecting categories on means of implementation and common agenda items for all sessions. Delegates agreed that the US proposal addressed the primary concerns but needed further work.

**IN THE CORRIDORS**

Some delegates noted that steady progress is being made on the MYPOW and PoA, with several expressing optimism that text on the PoA will be ready by the end of UNFF-1. However, tension remains between those pushing for adoption of the PoA at UNFF-1 and those who expect only a framework for a PoA.

**THINGS TO LOOK FOR TODAY**

**WORKING GROUP 1:** Working Group 1 will convene at 10:00 am and meet in afternoon and evening sessions in Conference Room 1 to continue negotiating the MYPOW.

**WORKING GROUP 2:** Working Group 2 will meet at 10:00 am in Conference Room 3 to consider the draft decision on the CPF in the morning, and compilation texts on the PoA and the CPF in afternoon and evening sessions.