On the second day of UNFF-2, delegates met in a Working Group to discuss preparations for the high-level ministerial segment in a morning session, and to continue deliberations on the draft terms of reference for the three ad hoc expert groups in an afternoon session.

**WORKING GROUP**

**PREPARATIONS FOR THE HIGH-LEVEL MINISTERIAL SEGMENT:** Ositaadinma Anaedu (Nigeria) chaired the Working Group discussion on preparations for the high-level segment. He invited delegates to comment on an information paper containing “Possible elements for a ministerial message from UNFF-2 to WSSD.” Venezuela, on behalf of the G-77/CHINA, recommended that the ministerial message endorse the UNFF Plan of Action and that it be an important input to the World Summit on Sustainable Development (WSSD). He stressed that finance, technology transfer and capacity building are critical issues for developing countries.

The US recommended that the ministerial message emphasize implementation of the IPF/IFF proposals for action and focus on, *inter alia*, partnerships and lessons learned in sustainable forest management (SFM). She urged ministers to reaffirm the role of the Collaborative Partnership on Forests (CPF) in supporting the UNFF’s work. NEW ZEALAND stressed the need for the message to justify the importance of forests, outline actions that have been taken, note that problems persist, and identify what remains to be done.

SWITZERLAND recommended that the ministerial message highlight the relationship between forestry and sustainable development, economic welfare and poverty eradication; the need to address forest issues comprehensively; and progress achieved since the UN Conference on Environment and Development (UNCED). INDONESIA stated that the message should avoid technical and controversial issues and should not be seen as a substitute for the Plan of Action, which will also be submitted to the WSSD.

Spain, for the EU, said the ministerial message should be a Ministerial Declaration directed not only to the WSSD, but also to the sixth Conference of Parties (COP-6) of the Convention on Biological Diversity (CBD). He said the Declaration should, *inter alia*, encourage coordination, cooperation and synergies between various international and regional forest-related instruments and processes; support the integration of forests into other sectors; and recognize the multipurpose role of forests and their contribution to sustainable development and poverty eradication. It should also make specific commitments to: national implementation of the IPF/IFF proposals for action; the UNFF’s role and its success; the Plan of Action; and facilitation of the necessary human, technical and financial resources nationally and by international cooperation. CANADA stressed that the message should be strong, inspiring and useful to all ministers, not only forest ministers. She urged the WSSD to address the consequences of current consumption and production patterns on sustainable development, and suggested that concepts such as “ecological footprints” could be used to address the impacts of current patterns.

BRAZIL said the statement should recognize developing country efforts in implementing structural reforms to attract investment and highlight means of implementation of SFM, such as trade, finance and transfer of technology. The RUSSIAN FEDERATION said the WSSD provides an opportunity to enhance the status of forests on the international agenda. CHINA called on the international community to strengthen international cooperation, financing, transfer of technology and capacity building. JAPAN highlighted the universal nature of forests and underscored the importance of partnerships. GHANA said the WSSD provides an opportunity to highlight the plight of forests in Africa, underscored linkages between forestry programmes and poverty alleviation, and recommended addressing capacity building, illegal logging and law enforcement.

The G-77/CHINA called for a focus on common denominators rather than unresolved issues. LATVIA stressed the need to finance SFM and to make it self-financing in the long term. CUBA said that the specific characteristics and needs of developing countries in implementing the IPF/IFF proposals for action should be recognized, and stressed the need for developed countries to comply with commitments regarding ODA. AUSTRALIA highlighted the need for a short and sharp message that, *inter alia*, recognizes country problems and progress on forests, and stresses the need for synergies. INDIA advocated a concise and focused ministerial message that affirms political will and commitment to forest issues. She said the message should emphasize the role of forests in sustainable development and cautioned against the inclusion of issues that lack consensus. MALAYSIA proposed linking economic development and poverty eradication to ensure a balanced message.
SOUTH AFRICA said the message should express concern with continued deforestation and forest degradation while acknowledging progress, and stressed the need to assist regions that lack capacity in implementing the IPF/IFF proposals for action, such as the Congo Basin. COSTA RICA stressed the need to strengthen the position of forests on the political agenda at the national and international level, strengthen cooperation and coordination mechanisms on forests, and include forests in the review of environmental governance at the international level. He highlighted the need to better evaluate the contribution of forests to economic development and poverty eradication.

GREENPEACE and the GLOBAL FOREST COALITION emphasized the need for the ministerial statement to address the underlying causes and cross-cutting issues responsible for forest degradation and loss, and to focus on primary forests. She urged the UNFF to send a message to CBD COP-6 affirming its support for and commitment to implementation of existing and future CBD decisions on forests. Stressing that forests will receive political attention only if the UNFF joins forces with the CBD, she recommended that the UNFF and the CBD together send a strong message to WSSD about the importance of forests and their conservation and sustainable use.

INTERSESSIONAL WORK: Patricia Chaves (Costa Rica) chaired an afternoon meeting of the Working Group to continue discussion on the draft terms of reference of the ad hoc expert groups.

Ad Hoc Expert Group on MAR: Delegates considered a G-77/CHINA proposal calling on the MAR expert group to recommend guidance to UNFF work on forest-related concepts, terminology and definitions. The US noted the difficulty in developing common definitions but said it would support the clarification and compilation of common terms used by relevant international organizations. On another G-77/CHINA proposal recommending that the group establish criteria for monitoring and assessment of international support to assist developing countries in implementing the IPF/IFF proposals for action, the US, JAPAN and the EU opposed addressing financing within the MAR expert group’s terms of reference, suggesting instead that the issue falls under the scope of the expert group on finance and transfer of environmentally sound technologies (ESTs).

Regarding text recommending that the MAR expert group consider the results of country- and organization-led intersessional activities related to MAR, the US proposed that the group also contribute to such activities. When CANADA expressed concern about the potential cost of this proposal, the US suggested instead that the expert group provide its reports to country- and organization-led initiatives as appropriate.

On the composition and participation of the group, the EU, supported by CANADA, SWITZERLAND, and INDONESIA, reasserted that the group should provide the UNFF with scientific and technical advice and not duplicate the UNFF process. He proposed that the group be composed of 15 experts, three from each UN region, supplemented by eight CPF and four major group experts. JAPAN proposed that the group be composed of 30 experts, six from each UN region. The US proposed limiting the size of the group to 25, five from each UN region. With the EU, she said CPF representation should consist of up to eight experts. The G-77/CHINA proposed that the group play a facilitating role, be composed of 25 experts, five from each UN region, and remain open to intergovernmental organizations and accredited major groups.

CUBA stressed that budgetary constraints must not restrict developing country participation in the group. Jag Maini explained that the total allocation for the biennium would cover the costs of two meetings of two expert groups with three experts from each of the five UN regions. Regarding participation of major groups, Vladimir Zelenov, Senior Officer and Deputy Secretary of ECOSOC, clarified that major groups could participate only as observers. Hosni El-Lakany, Chair of the CPF, preferred that the number of CPF representatives remain open. CUBA asked if the Forum could take a decision earmarking funding specifically for developing country experts. The US inquired whether the expert groups’ terms of reference could state explicitly that the budget cover only developing country participants. Zelenov responded that it was up to the Forum to decide whether financial support should go specifically to developing countries. The US further clarified that the expert groups were not subsidiary bodies and could only make recommendations to the UNFF. The US, supported by the G-77/CHINA, opposed language authorizing the Bureau and the Secretariat to review credentials and approve nominees, as this was for governments to decide. JAPAN suggested that the expert groups be supported by voluntary contributions.

Ad Hoc Expert Group on Finance and Transfer of ESTs: On the scope and work programme of the expert group on finance and transfer of ESTs, the G-77/CHINA supported the existing reference to the mandate of the UNFF as contained in a list of paragraphs in ECOSOC Resolution E/2000/35 and the report of UNFF-1 (E/2001/42/Rev.1). The EU and the US preferred stating that the expert group’s work should be undertaken within the context of the ECOSOC Resolution and resolutions from UNFF-1.

On the tasks of the group, the US proposed that it consider previous initiatives on finance, as well as relevant IPF/IFF proposals for action, background papers and strategy documents of CPF members. CHINA proposed adding a reference to developing countries with fragile ecosystems to a task on identifying gaps, potentials and limitations of current financing to implement SFM in developing countries.

BRAZIL recommended that the group’s terms of reference highlight the need to explore means to intensify international cooperation on provision of finance and transfer of technology, including debate on a global fund for forests and global mechanisms for technology transfer. She supported the immediate initiation of the group’s work and its completion by UNFF-4, with a preliminary report to UNFF-3. CUBA proposed an additional task on assessing the role and status of ODA and its importance for SFM, particularly to assist developing countries in attaining adequate financial resources.

Regarding a task on suggesting new approaches of increasing financing sources for SFM, the EU preferred that the group “discuss” rather than “suggest” such approaches, and INDIA proposed specifying that this occur “through implementation of national forest programmes.” The EU, supported by JAPAN, recommended deleting a reference specifying consideration of the concept of an “Investment Promotion Entity” and a global forest fund.

Chair Chaves invited delegates to submit written proposals on the terms of reference for all three expert groups by 6:00 pm Wednesday, which the Bureau would use to produce a compilation text for further discussion.

IN THE CORRIDORS
Although difficulties with work on the terms of reference for the expert groups continued on Tuesday, some delegates expressed satisfaction with the ease of the first round of discussions on possible elements for a ministerial message to the WSSD. Others seemed disappointed with the lack of substance in the message, hoping for a “juicier” and more inspirational statement that would ensure that forests not be lost amidst the multitude of other issues being addressed at the WSSD.

THINGS TO LOOK FOR TODAY
MULTI-STAKEHOLDER DIALOGUE: UNFF-2 delegates will convene in Plenary at 10:00 am and 3:00 pm in Conference Room 1 to engage in a multi-stakeholder dialogue. The dialogue will focus on the review of progress in the implementation of the IPF/IFF proposals for action within the context of elements being considered at UNFF-2.