On Monday, delegates at UNFF-2 met in a brief Plenary in the morning to review progress in the work of UNFF-2. Following the Plenary, informal consultations were held on the three ad hoc expert groups, and a contact group was convened to consider a draft compilation text of the UNFF’s ministerial message.

PLENARY

Delegates met briefly in Plenary to hear reports from the Working Groups and decide on the organization of work for the day. Hossein Moeini (Iran), Chair of Working Group I, reported that the Group had completed its first round of discussion on combating deforestation and forest degradation; forest conservation and protection of unique types of forests and fragile ecosystems; rehabilitation and conservation strategies for low forest cover countries; and rehabilitation and restoration of degraded lands and the promotion of natural and planted forests, and was prepared to conduct the next round of negotiations on draft outcomes on these items. Ositaadinma Anaeudu (Nigeria), Chair of Working Group II, said progress had been slow, and noted that negotiations on a compilation text on the ministerial message would continue and should be completed by the end of the day.

On the organization of work, Chair Øistad proposed that delegates resume informal consultations on the ad hoc expert groups, and meet in contact groups on the ministerial message and on criteria for reviewing the effectiveness of the international arrangement on forests. The G-77/CHINA opposed having three groups meet concurrently, and said negotiations on the ministerial message should take priority.

INFORMAL CONSULTATIONS ON THE UNFF AD HOC EXPERT GROUPS

Patricia Chaves (Costa Rica) chaired informal consultations on the draft terms of reference for the UNFF ad hoc expert groups.

EXPERT GROUP ON APPROACHES AND MECHANISMS FOR MONITORING, ASSESSMENT AND REPORTING: Officers: Delegates agreed that the Chairmanship of the expert group shall be elected from among the government-designated experts.

Duration of Work: Delegates discussed whether the expert group should complete its work three months prior to UNFF-3 or three months prior to UNFF-4. Some suggested that discussing the duration of work was premature, as the group’s tasks had not yet been decided. The matter remains pending.

DELEGATES DISCUSSED WHETHER THE EXPERT GROUP SHOULD COMPLETE ITS WORK THREE MONTHS PRIOR TO UNFF-3 OR THREE MONTHS PRIOR TO UNFF-4. SOME SUGGESTED THAT Discussing the duration of work was premature, as the group’s tasks had not yet been decided. The matter remains pending.

Meetings: Delegates agreed that the expert group would hold up to two meetings for up to five days each, and that the UNFF Secretariat would facilitate the delivery of these meetings. Delegates agreed to use this language for the meetings of the other two expert groups.

Proposals and Recommendations to the UNFF: Delegates discussed and agreed, with minor amendments, to a proposal by the Chair stating that proposals and recommendations should be provided by consensus and, in the absence of agreement, that the expert group’s reports shall reflect fully the diversity of views expressed. Delegates agreed to use this language for the proposals and recommendations of the other two expert groups as well.

Secretariat: Delegates agreed that the UNFF Secretariat would serve as the Secretariat of the expert group, supported by the CPF. Delegates agreed to use this language for the Secretariats of the other two expert groups as well.

EXPERT GROUP ON FINANCE AND TRANSFER OF ENVIRONMENTALLY SOUND TECHNOLOGIES (ESTs):

Scope and Work Programme: Delegates agreed that this expert group shall provide scientific and technical advice to the UNFF on finance and ESTs. Delegates debated references to existing and future documents relevant to the expert group’s work, with a group of developing countries stressing the need for an explicit reference to the report of UNFF-1 (E/2001/42/Rev.1). With some amendments, delegates agreed that “the work of the ad hoc expert group should be undertaken within the context of ECOSOC Resolution (E/2000/35) and reports of UNFF-1 (E/2001/42/Rev.1) and UNFF-2, and should also consider, inter alia, related IPF/IFF proposals for action and relevant outcomes of UNFF sessions including their reports.”

Tasks: Regarding the chapeau, delegates did not support a proposal for the expert group to split its tasks by addressing finance in 2003 and ESTs in 2004, and the text was bracketed. Under a proposed sub-section on finance, delegates agreed to a proposal that the expert group “consider previous initiatives on finance, as well as relevant IPF/IFF proposals for action, background papers, and strategy documents of CPF members.” Delegates also agreed that the expert group would “assess the role, status and effectiveness of ODA to developing countries for sustainable forest management (SFM),” but that this phrase should be moved to a subsequent paragraph of the “Tasks” section. Text calling for the identification of mechanisms to enable developed countries to fulfill their ODA commitments encountered considerable opposition, and was bracketed.

Regarding the assessment of country experiences with financing SFM, delegates agreed that the expert group would “assess country experiences towards mobilization of financial resources to support SFM.” Delegates could not agree whether this would apply to all...
countries, or only to developing countries and countries with economies in transition. The remainder of this paragraph, including text calling on the expert group to propose approaches to enhance and more effectively use and mobilize such financial resources, was bracketed.

Delegates agreed that the expert group should "assess and consider" the private sector's role in financing SFM. One developed country proposed that the expert group should recommend measures to improve the enabling environment for private investment in SFM at the national and international levels, and be aimed at encouraging increased private resource flows to the forest sector. A group of developing countries suggested, and a developed country opposed, specifying particularly "in developing countries." The issue remains unresolved.

On reviewing the status of international arrangements related to financing SFM, a group of developing countries proposed, and others opposed, that it recommend increased funding, including new and additional funding. On addressing new approaches to financing SFM, some developed countries preferred that the expert group "discuss" rather than "propose" new approaches. A group of developing countries stressed the need to reflect the inadequacy of existing levels of finance. A developed country delegate opposed a reference to a global forest fund.

**Officers:** Delegates agreed that the Chairmanship of the expert group shall be elected from among the government-designated experts.

**Duration of Work:** Delegates agreed that the expert group should initiate its work immediately after UNFF-2, and complete its work three months prior to UNFF-4.

**EXPERT GROUP ON PARAMETERS OF A MANDATE FOR DEVELOPING A LEGAL FRAMEWORK: Officers:** A group of developing countries proposed that this expert group be co-chaired by a developed country expert and a developing country expert, but no consensus was reached.

**CONTACT GROUP ON THE MINISTERIAL MESSAGE**

Osiatadinda Anaedu (Nigeria) chaired a contact group on a compilation text of the UNFF ministerial message. Stressing the need for brevity in the opening paragraph, delegates agreed to move text pertaining to national forest programmes (NFPs), criteria and indicators (C&I) for SFM and voluntary certification systems to a subsequent paragraph. Delegates also agreed to state that although significant progress has been made in SFM, much remains to be done. On the IPF/IFF proposals for action representing significant progress, developing countries suggested, and others opposed, deleting a commitment to "national" implementation of the proposals for action to promote SFM, including cross-sectoral coherence in the framework of NFPs. Several developed countries proposed that language urging the international community to strengthen cooperation on finance, trade, transfer of ESTs and capacity building be moved to the action-oriented section of the ministerial message.

Developing countries opposed referring to the UNFF as the permanent intergovernmental forum for forest policy deliberations. A group of developed countries suggested underscoring the unique character of the UNFF and committing to strengthening the UNFF's leading role in facilitating the development, coordination and guidance of international forest policy. Regarding the benefits of forests beyond wood and non-wood products and services, delegates debated elements for inclusion, but did not reach consensus. Delegates agreed to text stating that: SFM is essential to sustainable development; natural and planted forests are affected and affect other sectors; and development of all sectoral policies and approaches should take into account cross-sectoral impacts. Developing countries proposed, and many developed countries opposed, deleting a paragraph stating that SFM involves reconciling conflicting interests, and that forest management is the concern of many stakeholders. On financing and the importance of trade to SFM, one developed country added "trade capacity building." A group of developed countries proposed adding language on fostering development goals and targets for forests.

On text stating that linkages between forests, poverty, governance and law enforcement are crucial to addressing underlying causes of deforestation and forest degradation, developing countries proposed, and others opposed, deleting a reference to governance and law enforcement. Delegates did agree, however, to include references to unsustainable patterns of production and consumption and insufficient international cooperation. Delegates debated text inviting the CPF to support the UNFF's work, and a developed country proposed text stating that countries should act to ensure that priority areas are addressed by the governing bodies of the CPF.

On the relationship between the Convention on Biological Diversity (CBD) and the UNFF, some developed country delegations strongly supported sending a specific message to CBD COP-6, and developing countries proposed referring to other relevant conventions, such as the Convention to Combat Desertification and the Framework Convention on Climate Change. One developed country delegate proposed stating that the World Summit on Sustainable Development (WSSD) provides a unique opportunity for strengthening private sector involvement in SFM.

Delegates then debated specific areas that the WSSD should address. On the multiple benefits of forests, delegates discussed whether to list examples of benefits and functions, including references to energy and water. Delegates agreed to language endorsing SFM as a priority on the international political and policy agendas, taking into account linkages between forests and other sectors through integrated approaches. Delegates also discussed language on financing, and one developed country proposed language addressing, *inter alia*, the responsibilities of developing countries to ensure that ODA is used effectively. On action to address unsustainable timber harvesting and forest law enforcement, one developed country proposed text on associated illegal trade in timber and non-timber forest products. Delegates also addressed proposals on: voluntary partnerships to reduce the rate of deforestation; and international cooperation to achieve SFM, implement IPF/IFF proposals for action, and monitor, assess and report on implementation for integrated decision making. Some developed countries supported text calling on countries and the CPF to accelerate implementation of the IPF/IFF proposals for action and intensify efforts on reporting to the UNFF to enable assessment of progress in 2005.

**IN THE CORRIDORS**

As the second week of UNFF-2 began and the impending arrival of ministers drew nearer, the pressure on delegates to reach agreement on the ministerial message rose several degrees. Unfortunately, many observers noted that they were not successfully rising to the challenge, and there was significant frustration with the lack of progress, as well as the guidance and procedure of the contact group, as another day was spent reiterating divergent views rather than negotiating compromises. Moreover, despite repeated calls for a short, pithy and inspiring ministerial message, the text of the message grew longer while, some said, the substance grew shorter, which would not bode well for the tenuous position of forests on the international agenda. Delegates were also beginning to worry that UNFF-2 may not have time to adequately address the criteria for reviewing the effectiveness of the international arrangement on forests, and whether this may actually be in the interest of some delegations.

**THINGS TO LOOK FOR TODAY**

**INFORMAL CONSULTATIONS:** Delegates will meet in Conference Room 1 at 10:00 am to continue informal consultations on the *ad hoc* expert groups.

**CONTACT GROUPS:** A contact group will convene at 10:00 am in Conference Room B to continue negotiations on a new draft compilation text of the ministerial message. A contact group on criteria for the review of the effectiveness of the international arrangement on forests may convene later in the day.