



# Earth Negotiations Bulletin

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## REPORT OF THE FIRST SESSION OF THE CSD INTERGOVERNMENTAL PANEL ON FORESTS: 11-15 SEPTEMBER 1995

The Economic and Social Council, in its decision 1995/226, endorsed the recommendation of the third session of the Commission on Sustainable Development (CSD) to establish an open-ended *ad hoc* Intergovernmental Panel on Forests (IPF) to pursue consensus and coordinated proposals for action to support the management, conservation and sustainable development of forests. In pursuing its mandate, the IPF is expected to focus on 11 issues clustered into five interrelated categories and submit final conclusions and policy recommendations to the Commission at its fifth session in 1997.

The IPF will consider the outputs of a large number of ongoing processes and initiatives and draw upon the expertise and resources of relevant organizations within and outside the United Nations system, as well as from all relevant parties, including major groups. Meetings of experts sponsored by one or more countries, international organizations and major groups will contribute to the work of the IPF. The IPF will hold a total of four meetings and, at its first session, decided that all topics should be left open for discussion during its second and third sessions, but different topics will be emphasized at each session.

At its first session, which was held in New York from 11-15 September 1995, the IPF elected its officers, adopted its programme of work, and attempted to set the dates and venues of future meetings. The debate intensified on Friday afternoon as delegates painstakingly renegotiated the text of the report of the meeting. When the meeting finally adjourned at 1:15 am on Saturday morning, many tired delegates admitted that they did not know exactly what they had agreed to.

### MONDAY, 11 SEPTEMBER 1995

CSD Chair Henrique Brandao Cavalcanti (Brazil) opened the first session of the IPF by recalling the main points of the Statement of Forest Principles adopted at the Earth Summit in 1992, and by reminding delegates of the importance of increasing forest coverage in both developed and developing countries. He added that the IPF will not only note the present status of forests, but will investigate the causes of difficulties and obstacles in the implementation of sustainable management and conservation. He

urged the IPF to draw upon the experience of NGOs as well as the business and scientific communities.

Under-Secretary-General for Policy Coordination and Sustainable Development Nitin Desai stated that the history of these discussions has been difficult and contentious because countries' perspectives on the problem vary according to their levels of forest coverage and consumption of forest products. He said that different groups emphasize different global aspects of forests, such as their potential as biodiversity storehouses and reservoir sinks for greenhouse gases. Any attempt at a global consensus must consider all perspectives. He said that IPF discussions must be guided by elements specific to this issue including: a focus on long-term, intergenerational activities; a concern for sustainable development, which involves meeting human needs, along with conservation; and a cross-sectoral approach that goes beyond on forest management.

### AGENDA ITEM 1 - ELECTION OF OFFICERS

The first item of business was to elect two Co-Chairs, in compliance with the Rules of Procedure of functional commissions of the Economic and Social Council, as provided in document E/CN.17/IPF/1995/1. Mr. N. R. Krishnan (India) and Dr. Manuel Rodriguez (Colombia) were elected as Co-Chairs from the G-77, with Krishna serving as Co-Chair for the first two sessions and Rodriguez serving as Co-Chair for the final two sessions. Sir Martin Holdgate (UK) was elected as Co-Chair from developed countries.

In his opening statement, Holdgate stated that the IPF should forge a common understanding and propose solutions for forest management problems. He emphasized the need to work expeditiously and recognized that the Panel must address the following: the need to take account of related activities in relevant bodies; the need for assistance in convening intersessional meetings to address issues not covered during the three scheduled sessions; and the need for UN Secretariat support to ensure that the proposed work schedule will be met.

Krishnan stated that complicating factors come into play as the opposing goals of preserving global biodiversity and promoting strong trade in forest products are attempted at the international level. He noted that while the issues are not simple, they are not intractable. He added that because a large body of information about forests has been accumulated, IGOs and NGOs should assist the Panel in discharging its task.

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## **AGENDA ITEM 2 - ADOPTION OF THE AGENDA AND OTHER ORGANIZATIONAL MATTERS**

The agenda, contained in document E/CN.17/IPF/1995/1, was introduced and adopted. GABON acknowledged that cooperation was lacking, particularly where consultations were concerned. He stated that the IPF should strive to achieve the widest possible consultations and that all documents must be available in all UN languages to facilitate widespread participation. The Secretariat said that documents will be available in all official UN languages.

## **AGENDA ITEM 3 - PROGRAMME OF WORK**

Joke Waller-Hunter, Director of the Division for Sustainable Development of the Department for Policy Coordination and Sustainable Development (DPCSD), introduced the report on the proposed programme of work, contained in document E/CN.17/IPF/1995/2. She stated that the report summarizes the work to be accomplished during the three sessions of the IPF and also attempts to identify appropriate work for the intersessional periods, such as expert meetings. She noted that some member States and agencies have agreed to sponsor intersessional meetings, but said that sponsorship for others is needed. She thanked Switzerland, the US and the ITTO for their generous contributions and expressed hope that others would follow suit.

The eleven programme items to be considered by the Panel, as outlined in E/CN.17/IPF/1995/2, are:

- I.1 — national forest and land-use plans;
- I.2 — underlying causes of deforestation;
- I.3 — protection and use of traditional forest-related knowledge;
- I.4 — monitor actions in Africa and assess the impact of airborne pollutants on forests in central and Eastern Europe;
- I.5 — study the needs of countries with low forest cover;
- II — coordination of bilateral and multilateral assistance;
- III.1 — assessment of valuing the multiple benefits of forests;
- III.2 — criteria and indicators;
- IV — trade in forest products;
- V.1 — an overview of existing institutions and instruments, identifying overlaps and gaps; and
- V.2 — options for future action.

Co-Chair Krishnan then opened the floor for general comments. The PHILIPPINES, on behalf of the G-77 and China, said that it was premature to talk about a final document for 1997 and the IPF should not discuss this issue until the elements to be approved by the CSD have been made clear. She said that financial and technical assistance and technology transfer were priorities for the G-77. It will be difficult for developing countries to attend the proposed expert meetings. Revisions to the language adopted by the CSD were made to the 11 elements to be considered by the Panel. The holistic approach could be lost by dividing the elements into two sessions, and that the distribution of work needed more discussion.

SPAIN, on behalf of the European Union, said that sustainable development is an environmental and economic necessity. He said the IPF must look to the activities that must be carried out between sessions and that the proposed programme of work is an excellent basis for further discussions on the distribution of work. The EU will make proposals to ensure an in-depth discussion of all topics in order to lay a strong foundation.

The US said agreement was needed on an organizational framework, concrete tasks to be completed and the lead organizations to undertake each task. He said that discussions should move forward on all fronts and added that the sequential approach could hamper progress because the issues are too interlocked. He supported the proposal for working groups and noted that the differences between the proposed synthesis papers for each area are unclear. He added that the Secretariat should not take on analytical exercises but should assign them to agencies.

NORWAY stated that given the broad and ambitious mandate provided by the CSD and the short time period in which to accomplish it, there was no need to reinvent the wheel as far as determining the work programme is concerned. He advocated that the Panel follow a holistic approach and suggested that papers on all 11 issues be prepared prior to the next session. Financial resources and technology transfer should be discussed in later sessions and that intersessional working groups be established at this meeting. Norway announced a contribution of US\$60,000 to support the Secretariat and assist representatives from developing countries to attend.

AUSTRALIA re-emphasized the US position that it was important to "move ahead on all fronts," and stated that the Panel should reach agreement this week on its programme of work. Reaching agreement now will allow the relevant agencies to prepare documents in a timely fashion. The underlying causes of deforestation should be addressed at the second session since it may expose other important issues for later discussion. The issue of traditional knowledge should be considered at the third meeting since the Panel will have to draw heavily on the work that will have been completed by the Biodiversity Convention COP. He suggested that the Panel lengthen its sessions from one to two weeks. Australia agreed to host an intersessional meeting on certification and labeling and to contribute A\$60,000 to support the Secretariat and to assist representatives from developing countries to attend future meetings.

CHINA reiterated the need for transparency and equal participation at both formal sessions and intersessional meetings. He stated that the issues concerning financial commitments and technology transfer were very important for developing countries and stressed that new financial commitments were needed. He also agreed that the Secretariat should utilize work completed by all agencies related to forests.

MALAYSIA stated that the proposed program of work for the IPF is best contained in the decision adopted by CSD in April 1995, and since it represents a compromised consensus it should be preserved and not be reopened. He noted the inherent risk in elaborating on areas and gave examples of sections of the report that were materially different from what was agreed upon by the CSD. He also acknowledged the need to recognize the limitations of developing countries in drafting the work programme.

The REPUBLIC OF KOREA expressed concerns similar to Malaysia and the US, noting that the Panel should not reopen decisions taken by the CSD. He noted that expert meetings would be useful, but that clarification was needed on their modalities.

CANADA said the Panel should aim to set specified tasks under the 11 issue areas, set specific time frames and assign tasks to specific agencies. The Panel must move forward on all issues and trying to invoke closure on some items is not practical or reasonable. He supported working groups and said that country-led studies are critical to success.

BRAZIL supported the G-77 and China and stated that the clustering of issues approved by the CSD was carefully negotiated and the IPF should not change it. He said that paragraph 13, referring to preparatory work and background studies on programme elements, exceeds the scope set by the CSD on issues such as certification and labeling. He added that all elements of the terms of reference must be balanced and he asked why some topics warranted expert meetings while others did not.

SWITZERLAND stated that there should be flexibility in the division of work between the second and third sessions, working groups could expedite the process, the third session may need to be extended and NGO participation adds an important perspective.

NEW ZEALAND made five general recommendations: 1) the need to draw on the expertise of other international bodies so as not to duplicate work done elsewhere; 2) the need for transparency during expert intersessional meetings; 3) issues should be given

different focus at different sessions; 4) the Panel should consider lengthening the sessions; and 5) participation by NGOs and the business community should be encouraged.

INDONESIA supported statements made by the G-77 and China and suggested that each activity cluster be assigned to a working group. He also stated that any initiatives of intergovernmental organizations or agencies be undertaken under the aegis of the IPF.

JAPAN stated there was insufficient time to ingest a wide range of data on forest issues. He re-emphasized the need to utilize parallel work completed by related intergovernmental organizations. He agreed with the G-77 that a holistic approach should be undertaken and that issues should not be considered separately. Policy recommendations must address regional diversity. He suggested creating two working groups.

COLOMBIA stated it would be better to treat all issues simultaneously, not sequentially, as proposed by the Secretariat. He also noted the need to better define the working relationship between the experts and the IPF. He added that the mandate, as it appeared in the Secretariat's document, extends the original mandate handed down by CSD.

MEXICO agreed that the 11 issues should be considered simultaneously and that the Panel should break into two working groups to be headed by the two Co-Chairs. He also emphasized the need for transparency in all working groups.

FRIENDS OF THE EARTH presented the Charter of Rio Branco, a regional agreement approved by 27 Brazilian organizations aimed at attaining significant improvement in the regional forestry development. He stressed that this initiative represented the results of grassroots consultations and processes involving environmental organizations and timber companies.

## TUESDAY, 12 SEPTEMBER 1995

The Co-Chairs opened the floor for specific recommendations for the programme of work. While the Co-Chairs attempted to go item-by-item, delegates often made more general comments.

### ITEM I — IMPLEMENTATION OF UNCED DECISIONS RELATED TO FORESTS

UGANDA supported a more action-oriented approach and said that monitoring does not do justice to the issue of forestation and reforestation. He said the Secretariat should produce a synthesis report, rather than the proposed analytical report, for the second session. He added that working in groups could have a duplicative effect and compromise the work of the Panel. Regarding the proposed expert meeting on criteria and indicators, having international criteria as a benchmark for sustainable forest management is "unrealistic" and "overly ambitious."

The PHILIPPINES, on behalf of the G-77 and China, said that although there is a need to distribute the items between the two sessions, the programme of work does not have to be completed at this session. She said that the five paragraphs under Item I should be considered during a single session. She added that five days may be insufficient for consideration and expressed concern over labeling schemes.

The US suggested that clusters be considered individually, but that clusters and their related tasks should be prioritized.

BRAZIL reaffirmed the importance of engaging in regional consultations and suggested that criteria and indicators be developed on a regional basis, in line with the recommendations in the recent FAO report. The formation of collective criteria and indicators would be the next logical step. He also stressed the need to develop evaluation methodologies and ways to ensure full cost internalization. He cautioned the Secretariat from taking a selective view of what was embodied in the CSD decisions, noting that all the things called for in Item IV were not addressed paragraph 13(i) in E/CN.17/IPF/1995/2.

The REPUBLIC OF KOREA stressed the need to better understand the role of voluntary certification and how it helps trade. He thought it important, however, to review scientific data before considering trade and labeling matters.

SPAIN, on behalf of the EU, expressed support for an integrated debate, expert meetings and transparency. He stated that the Panel must find an approach that will integrate the intersessional activities because it will be impossible to discuss all issues at each session. The IPF should request reports from international institutions, identify the organizations responsible and specify the terms of reference and time allotted. He proposed that the second session focus on discussion of Items I.2, I.3, I.4, I.5, Item II and Item III.1. At the third session, emphasis should be on Item I.1, Item III.2, Item IV, Item V.1, and Item V.2. He added that no element should be considered closed at the third session.

AUSTRALIA stated that discussion of Item I.2, the underlying causes of deforestation, was an important issue that will be helpful in identifying further work and that the Panel should consider during the second session. She recommended that a synthesis report be prepared during the coming intersessional period. She also suggested that the Panel draw on the work of the Biodiversity Convention, particularly with regard to traditional knowledge, and noted that the Biodiversity Convention Secretariat has been designated as the lead agency to assist the Panel with its work.

GERMANY offered to host two workshops — one concerning implementation of the Forest Principles and the promotion of national land-use programmes to be held in June 1996, and another to be announced at a future date.

SWEDEN supported the use of two working groups during the two substantive sessions and recommended that the work of the Biodiversity Convention be followed as a model. He proposed that one working group consider policy issues and the other consider trade and institutional issues. With regard to Item I.1, implementation of the Forest Principles and promotion of progress through national land use plans, he suggested that the FAO and the Biodiversity Convention provide background material prior to the Panel's second session. He stated that Issue I.2, the underlying causes of deforestation, should be considered during the first substantive session along with energy efficiency issues and debt. He noted that the Convention to Combat Desertification may also provide useful information. The role of women in forest management should also be addressed.

FINLAND said that work should be clearly prioritized. Regarding the proposed intergovernmental meeting in Finland, he emphasized that the seminar should be open-ended and inclusive, and the scope could be as follows: exchange and share knowledge, examine progress on indicators and facilitate participation. He emphasized the need for financial commitments and reiterated Finland's commitment to supply resources.

The US stated that an overview report by the UNDP on Item I.1 would be helpful. On Item I.2, concerning deforestation, he suggested preparing a synthesis paper drawing on existing work. The paper could be provided by the FAO and the World Commission on Forests and Sustainable Development could supply valuable input. On Item I.3, the SBSTTA of the Convention on Biological Diversity recently concluded its first meeting, and the Panel should consider an input to this process. On Item I.4, the Panel should be informed on the work of the desertification process, and on Item I.5, he suggested a list of forest areas for conservation and sustainable management, which could be completed by the IUCN.

AUSTRALIA stated that in Item I.1 national forest plans cannot proceed in isolation from other socio-economic considerations, and that integrated land management is a key feature.

SWEDEN stated that the US suggestion for UNDP input was inappropriate because it is not an IGO, and suggested UNESCO.

He added, regarding the proposed UNDP input, that the UNDP has no programme in Sweden and other developed countries.

The Co-Chair stated that apportionment of tasks to meet the needs of the Panel was placed on the Secretariat by the CSD and there is an interagency task force to do this. The US disagreed that the Secretariat should identify lead organizations, and said that the prerogative belongs to the Panel. The PHILIPPINES stated the Panel was free to make suggestions at this point.

NORWAY suggested with regard to Item I.1 that the Panel receive input from the Biodiversity Convention Conference of the Parties and added that Item I.2 should be discussed in depth at the next meeting. The sectoral impacts from agriculture and trade need to be clarified. He supported the idea of working groups.

BRAZIL proposed that the Secretariat of the Biodiversity Convention contribute an analytical paper on Item I.3, protection and use of traditional forest knowledge. He also expressed the need to access the knowledge of indigenous peoples.

URUGUAY reiterated that agencies entrusted with the preparation of materials look to the Panel for direction.

The SECRETARIAT OF THE BIODIVERSITY CONVENTION stated that the Biodiversity Convention's contribution to the Panel will be brought up at the next Conference of the Parties in November in Jakarta, and expects that a statement indicating the Conference's level of input will be adopted. She stated that the Convention would be most helpful by providing information on science and technology transfer, indigenous peoples and the sharing of traditional knowledge. She added that because the Convention will not complete its work on traditional knowledge before the second meeting of the Panel, that this issue be deferred until the Panel's third session.

FINLAND stated that all European States have committed themselves to producing forest plans and suggested that a report be produced describing their implementation. He also recommended that the Panel follow the general guidelines set out in the Biodiversity Convention regarding this issue.

The PHILIPPINES, on behalf of the G-77 and China, requested that her views concerning expert meetings be included in the Co-Chair's summary and reiterated the need for any such meetings to be fully open and transparent and the developing countries' potential difficulties in participating be addressed.

SWEDEN suggested that the FAO participate in the proposed experts meetings and that regional conclusions were essential.

GERMANY stressed that its proposed initiative relates only to national level programmes and suggested that a comprehensive study of national forest programmes be undertaken.

COLOMBIA stated the need to establish the Panel's priorities prior to determining the expert meetings that will be held. The Panel should first clearly define its needs and not merely meet the desires of sponsoring countries. This would help to eliminate the potential for important topics not being sponsored. He noted that if such meetings are not fully open-ended, any conclusions reached at them will not be well received. He also proposed holding expert meetings on financing and technology transfer.

FINLAND supported the German initiative to host a working group on the implementation of national land-use programmes and encouraged wide participation with the working group and other proposed intersessional activities.

**CO-CHAIR'S SUMMARY:** The Co-Chair then summarized the discussion on Item I. On Item I.1, concerning national forests and land-use plans, an assessment of progress and gaps by the FAO from national reports was suggested, as well as a workshop following consultations on national level implementation of the Forest Principles. He said that work on this Item needs to be considered at the third meeting, but a progress report is due for the second. On Item I.2, underlying causes of deforestation, there was a general view that a report should be issued at the next meeting, but

in light of the number of contributing cross-sectoral factors, they will need judicious consideration. The FAO should address this for substantive debate at next session. On Item I.3, protection and use of traditional forest-related knowledge, the initial Secretariat proposal fell short, and wider attention to some points was necessary. The close relationship between Item I.3 and the Biodiversity Convention should be established. He added that progress may be made by second session, but the third session is the time for discussion. On Item I.4, actions in Africa and central and eastern Europe, a synthesis report is needed. The Panel should also utilize the work of the Convention to Combat Desertification. This item should be discussed at second session as a substantive item. On Item I.5, countries with low forest cover, there is a need for a study of areas with low forest cover, protected areas and dryland regions, and how far the coverage was being expanded. The FAO may be able to do this study. There may be discussion on this item at the second and third sessions.

## **ITEM II — COORDINATION OF BILATERAL AND MULTILATERAL ASSISTANCE**

The Co-Chair then turned to Item II, concerning improvements to the efficiency and coordination of bilateral and multilateral assistance, and also referred to paragraph 13(f) in the list of Secretariat inputs, concerning preparation of a study on possible ways and means of enhancing efficiency in delivering forest programmes and possible meetings sponsored.

MALAYSIA stated that financial resources and technology transfer are being dealt with at other CSD meetings, and suggested that the Panel only address these issues as they relate to forestry.

VENEZUELA stated that priority should be given to discussing additional financial resources and technology transfer because these issues are closely linked with plans countries may have for sustainable forest development. GUATEMALA supported statements made by the Philippines regarding the need to recognize the importance of finding funding for developing countries to participate in intersessional activities. The GLOBAL FOREST POLICY PROJECT stated the importance of addressing the issue of additional financial resources as they will play a critical role in enabling interested countries to engage in sustainable forest management. He encouraged the Panel to make this issue a priority.

The Co-Chair stressed that the issues of financial resources and technology transfer were cross-cutting and would surely resurface. He suggested that workshops on these issues be hosted, while noting the need to examine and synthesize work already completed. He suggested that the CSD may be able to conduct a case study on these issues as they relate to forestry.

SWEDEN expressed the need for an assessment of biodiversity issues as they relate to forestry and suggested that a working group on science and technology transfer be undertaken with the advice of the Biodiversity Convention. FINLAND proposed that the FAO report on matters related to biodiversity and technology transfer as they are in the process of organizing a meeting on this issue to be held next summer. The UK said that the FAO has completed substantive work on this issue and stressed the need to consider relevant scientific data.

UGANDA stated that UNEP and the GEF should be consulted with regard to this issue and cautioned the Panel against limiting itself in terms of consulting with other international organizations. The Co-Chair responded by stating that the topic needed further clarification before agencies can be selected for expert consultation.

The US endorsed paragraph 13(f), and suggested that the UNDP undertake the proposed study on enhancing efficiency in delivering forest programmes. He also suggested that the German experts' group meeting examine ways to improve assistance for coordination, unimpeded markets, and mobilization of finances as well as ways to establish an international capability to respond to national requests for assistance.

AUSTRALIA stated that NGO inputs are necessary, that existing institutions can be used to promote cooperation and coordination, and that lead agencies in each region should be designated to avoid duplication. He said that the Panel should give priority to assisting developing countries and supported the Secretariat and US proposals.

The PHILIPPINES, on behalf of the G-77 and China, reiterated that the Panel should consider this item during both sessions. She reminded delegates that in Rio the international community committed itself to helping developing countries and that national resources are not enough. She said that consultations would focus on national government action and assistance was needed so that all countries could attend.

SWEDEN said that this issue must be discussed at both the second and third sessions and must involve the ITTO. He added that the IPF must start discussing the transfer and development of environmentally sound technology and develop policy guidance on this "important, but sensitive" issue. UGANDA stressed that any proposed meeting should discuss how to mobilize additional funds, and added that the question is not one of efficiency, but whether enough resources have been mobilized to measure up to the task at hand. The UK stated that this demonstrates the need for an integrated approach, because the flow of aid money is small in comparison to all sources of funding and there are many examples of coordination mechanisms for donors. He said the Panel must examine existing mechanisms to determine why and where they worked. The World Bank and the ITTO could contribute to this.

**CO-CHAIR'S SUMMARY:** The Co-Chair said that many delegates noted that Item II is a cross-cutting issue, which will come up again under Items III and IV. There is a need to review the efficiency with which existing systems are working, and specific workshops might be encouraged in this field. Several delegates noted that in this area the Panel needs to deal with these crucial issues as they relate to forestry, which could illuminate wider issues, and added that this item may be discussed at both the second and third sessions. He stated that the IPF must allow at least some debate at the second session, but it will not end there. UNDP might be able to contribute to the documentation.

### **ITEM III.1 — SCIENTIFIC RESEARCH AND FOREST ASSESSMENT**

SWEDEN said that this was one of the most complex issues. He added that the Panel define the topic clearly because different organizations have different areas of expertise and stressed the need to proceed to crystallize the topics for inputs.

AUSTRALIA stated that the Panel needs to develop a broader assessment of forest values and that the FAO should play a major role along with other organizations. He said the topic was still in its infancy and there are a range of bodies to be considered.

At the end of the afternoon, the Co-Chair noted that the meetings or workshops that might be convened between sessions must not only be open-ended and transparent, but require sponsors to consider their capacity to assist developing countries to attend. The work needs to be carefully integrated with ongoing events in other organizations. While the generosity in offering to convene meetings was appreciated, countries wishing to host workshops should consider the priorities that have emerged at this session and offer workshops on those points. The organizations that delegates would prefer to have inputs into the process have been noted.

### **WEDNESDAY, 13 SEPTEMBER 1995**

Discussion on the programme of work continued on Wednesday. Before discussions began, Co-Chair Krishnan introduced document E/CN.17/IPF/1995/L.1, on participation of intergovernmental organizations in the work of the Panel, which was adopted. UNIDO described plans to participate in the analytical work in support of the Panel, especially on technology

transfer and enhancing capabilities of forest-based industry. The work will cover, *inter alia*, increasing value added from secondary forest products, assisting small enterprises and creating funds for conserving and managing forests.

The FAO stated that it produces a report every ten years that emphasizes forest cover and reasons for deforestation by gathering information from countries and by satellite remote sensing. He said the FAO wants to give increased attention to assessment, preferably producing a study every two years, and is currently preparing for the year 2000. The FAO is planning consultations with technical agencies to achieve better and more widely accepted definitions and is attempting to include environmental factors. He hopes to build strong partnerships with other UN agencies and will continue to incorporate capacity building so that countries can assess their own forests. He added that while the Panel should be clear on assigned tasks, it should allow flexibility in order to continue partnerships. He also asked delegates to "rethink" their contributions regarding professional staff in light of the amount of work and the close deadlines.

### **ITEM III.1 — SCIENTIFIC RESEARCH AND FOREST ASSESSMENT**

INDIA said that assessment requires long periods of time for countries with mega-biodiversity and reported a marginal increase in tree cover. He added that the Panel may need country-specific guidelines. MALAYSIA, supported by JAPAN and CANADA, stated that an assessment on a global basis should consider all types of forests and drew attention to the work of the ITTO. The US supported the FAO global forest assessment and the preparation of a discussion paper for the second session. MEXICO emphasized the importance of hard scientific data from the national level to develop assessments and underlined the importance of taking a global approach to the forests. UGANDA supported the FAO and Mexico regarding national levels as the starting point and stressed the value of current assessments. FINLAND said the key issues included technology for global assessment, transparency and access and interactiveness of forest assessment systems.

### **ITEM III.2 — CRITERIA AND INDICATORS FOR SUSTAINABLE FOREST MANAGEMENT**

The US said the Panel should focus on advancing implementation of national level indicators and welcomed the offer by Finland to hold a meeting on this issue. He said a common definition for key terms is important, and added that the paper proposed by the Secretariat, concerning the outcome of various initiatives, is necessary. AUSTRALIA stated that it was "megadiverse" and was currently undertaking assessments and added that the level of activity in this area creates "a moving target." He supported the Secretariat proposal to consider this item at the third meeting and welcomed Finland's proposed seminar.

MALAYSIA said this is the one area where tangible progress can be achieved. Some of the crucial aspects include eliminating the practice of "double standards" and leveling the playing field. Tropical countries have been driven to accept tropical forest indicators that were developed by countries with temperate forests. The "convergence of international initiatives" is only to ensure that criteria and indicator initiatives are placed on common ground. GERMANY offered to produce a background paper on work that has already been completed by the various international organizations, agencies and conventions. The proposed paper would be for further examination of the issues only and not an attempt at harmonization.

The REPUBLIC OF KOREA stated that it is important to first identify problems of real application, taking into consideration the diversity of different regions in terms of geographic, biological, economic, cultural and social factors before compatibility is attempted. She suggested that the Panel draw from the Helsinki,

Montreal, ITTO and Amazonian processes. SWEDEN supported the development and implementation of national criteria and indicators, noting that they serve as tools for efficient national forest management and could be used to measure the progress of countries against one another. Criteria and indicators should be an important basis for policy decisions and that quality indicators are as important as quantity indicators. The more precise and specific the criteria and indicators are, the more effective they will be.

CANADA stated that criteria and indicators must reflect the entire range of forest values. He reiterated the need for national and international criteria and indicators as expressed in Agenda 21 and the Forest Principles. Canada also offered to share its national experience in drafting its criteria and indicators and noted the need to proceed to implementation.

The UNITED KINGDOM agreed that it is important for countries already involved in the drafting and implementation of criteria and indicators to share their experiences and suggested that areas where problems exist should be identified and highlighted. Countries not yet involved should be encouraged to participate. Great care would be needed if harmonization was attempted, noting that many delegates have not expressed a desire for harmonization.

UGANDA said the discussion of criteria and indicators should begin by comparing the methodologies of countries that have already drafted or implemented them. He expressed a preference for compatibility and/or harmonization of methodologies, factoring in the need for site specificity. He also addressed the need to involve countries that are not yet participating.

JAPAN stressed the need to test and implement those criteria and indicators already developed and follow through with an assessment. It would be best to develop criteria and indicators at regional, subregional or local levels. He expressed Japan's desire to organize and host an international seminar devoted to the discussion of criteria and indicator implementation, taking into consideration the work already completed by other relevant bodies.

NEW ZEALAND restated the importance of countries sharing their experiences related to the implementation of criteria and indicators. She suggested that the upcoming FAO conference may be a good place to begin a dialogue on this issue. SWITZERLAND stated the need for transparent sharing of information without trying to converge all initiatives. He suggested that UN agencies such as UNEP and FAO contribute to the process.

FRANCE stated that it is important to publish a status report on criteria and indicators as expeditiously as possible. It is not realistic to try and develop a global system given the diversity of factors.

The PHILIPPINES, on behalf of the G-77 and China, stressed that any workshops or expert meetings must conform with the mandate of the CSD and should not be on unapproved topics.

GABON re-emphasized the need to address national and regional diversity when considering criteria and indicators. The Panel should examine the methodologies of implementing criteria and indicators in different biological and geographic contexts.

MEXICO agreed that testing and implementing existing criteria and indicators is essential and that all intersessional expert meetings and seminars comply with the CSD. He added that progress is especially needed in tropical and semi-arid regions.

FINLAND made a brief announcement regarding its proposed intersessional seminar on the development of criteria and indicators. The main topics intended for discussion are the sharing of experiences, examining the progress made in different regions, and facilitating the engagement of regions and countries not yet involved. The seminar will be fully open and transparent. All interested countries are invited to participate, as are all IGOs and NGOs. He expressed the desire to form a small contact group to begin work soon. A draft agenda concerning the seminar will be introduced at the second session.

INDONESIA stated that the Panel should stress the implementation of criteria and indicators rather than drafting, as there are too many concepts that require testing.

PORTUGAL indicated a desire to assist Finland with its proposed international seminar on criteria and indicators. He stated that the development of international criteria and indicators will be difficult to accomplish given the wide array of biological, social, economic and geological conditions. Criteria and indicators should not be used as a means of judging national forest policies.

**CO-CHAIR'S SUMMARY:** In the discussion on Item III, several delegations said that the assessment of forests should be done on a global level and not be confined to any narrow geographic region. Both qualitative and quantitative aspects must be taken into account. Seminars during the intersessional period must be considered a part of the work of the Panel, not independent activities in themselves. Concern was expressed that the experts' meetings be open to all, participation of developing countries must be facilitated, and subject matters should not be restricted to a particular issue, but consider related issues.

With regard to criteria and indicators, the Co-Chair noted that Finland will convene a small group meeting consisting of representatives from developing and developed countries, the Secretariat and IGOs to prepare a draft paper regarding topics to be discussed at its seminar on criteria and indicators and will be presented at the second session of the IPF. Delegates agreed that indicators cannot consist of a single applicable set, but must be specific to each region, subregion and possibly the micro-level. Many delegates said that any attempt to prepare a set that applies globally would not be a rewarding exercise. The various ongoing initiatives have developed criteria and indicators and many developing countries stressed the applicability of these indicators in the field. Delegates also stressed that hard scientific data is needed for indicators and suggested that in addition to obtaining qualitative data, the quantitative aspect must be examined.

#### **ITEM IV — TRADE IN FOREST PRODUCTS**

AUSTRALIA said the Panel must consider the work of other fora, such as the WTO. He said there is a growing need for a labeling and certification process. Several schemes are under development and, for certification and labeling to contribute to sustainable forest management, it will need wide international support. An assessment of the status of current schemes is essential and he proposed hosting an international conference to discuss labeling issues, tentatively in early 1996.

MALAYSIA said that this was the "most contentious" issue confronting the IPF and added that sustainability for trade should be approached in the most holistic fashion, rather than solely on tropical forests. The complexity of the issue is only beginning to be appreciated and the Secretariat should provide a paper on unilateral bans that have been instituted by local authorities and national governments and offer recommendations on how these bans and restrictive measures could be lifted.

The REPUBLIC OF KOREA recalled Article 13(a) of the Forest Principles, and said that trade rules should be non-discriminatory and consistent. He added that free trade should be facilitated and should be consistent with the WTO framework. He supported Malaysia, noting that attempts to substitute wood with plastic and metal is not environmentally friendly.

COLOMBIA stated that the Panel should consider full-cost internalization regarding the cost of forest products and said that forests are the property of regional indigenous groups. He said that certain groups would like to restrict forest and wood products because they think that indigenous groups cannot place them on the market in the best way.

BRAZIL reiterated that the Secretariat's proposal in paragraph 13(i) for a discussion paper addressing trade in forest products is the greatest departure from the decisions of the CSD. He said that

the IPF should develop a clear idea of what measures could be taken at the international level to improve market access for forest products on a non-discriminatory basis and a better understanding of the factors that affect trade including subsidies, import/export controls, protectionist measures, and full-cost internalization.

GERMANY will hold a workshop on this issue in 1996, and added that this issue is of highest interest to all concerned.

The US stated that the Panel should draw heavily on the work already completed by other relevant bodies and suggested the production of a synthesis paper. The proposed paper should focus on national and international factors that can inhibit trade and evaluate methods of full-cost internalization. UNCTAD could provide assistance in this area. The Panel should refer to the ITTO for consideration of the costs and benefits of marketing schemes. The Panel should draw on the work of the WTO, UNCTAD and UNEP and not duplicate the work of these organizations. The WTO Trade and Environment Committee is the appropriate body to prepare the discussion paper proposed in paragraph 13(i).

The NETHERLANDS indicated that certification and labeling are important to stimulate conservation and merit discussion.

UGANDA stressed the need to consider issues related to the domestic trade in forest products in addition to international trade. Because of the contentious nature of the issue, it is particularly important to follow the CSD mandate. The work of other international bodies, such as the ITTO, should be referred to when addressing trade issues.

COSTA RICA would like to expand this area of work regarding the services provided by the forest, such as carbon absorption, and their relation to marketing. FRANCE said this issue is delicate and important and suggested that the IPF add consideration of the total internal cost for competition costs and for wood products.

BRAZIL said that the Panel should not go beyond the terms of reference and should not exceed internationally accepted regulation on certification. He added that expert meetings and conferences could fragment the process. The EUROPEAN COMMISSION stated that it gives high priority to free trade and to the work under Item IV. The IUCN expressed the need to recognize the negative impacts that multilateral corporations have on forests and suggested that the Panel establish a corporate code of conduct relating to activities that directly impact forests. The proposed code would be voluntary and should address the use of double standards employed by some countries that follow practices illegal in their home countries when conducting work abroad.

CANADA agreed that the discussion of trade should be approached in a holistic manner in accordance with the CSD mandate. He noted the need to refer to work already completed in this area and suggested that the Panel enlist the assistance of the WTO, ITTO and UNCTAD in evaluating this work. He also stated that a synthesis paper on trade would be quite useful and, given the importance of this issue to the private sector, industry and NGO participation should be encouraged.

JAPAN reiterated the need to address trade holistically and take into consideration work done elsewhere. While he welcomed the Australian initiative to host an expert meeting on labeling and certification, he added that the meeting should address whether such a certification scheme was practical or feasible prior to beginning a dialogue on product and labeling schemes for specific forest products.

MEXICO noted the need to recognize instances where discriminatory practices have been employed in relation to trade in forest products. He suggested a synthesis paper for this issue and that such a paper address cases where extraterritorial application of trade laws has occurred. He also agreed that it would be premature to establish certification and labeling schemes before clearly determining that they would be practical.

COLOMBIA emphasized the need to reach a common understanding of the basic issues related to trade before discussing

“sub-issues” such as certification and labeling. Sustainable development of forests is not currently possible in light of present wood pricing schemes. The implementation of any certification schemes should be voluntary. The Economic Commission for Latin America and the Caribbean may prove to be a valuable resource to the Panel as it has recently produced a report on environmental management with particular emphasis on forests.

FUNDACION DE PERU stated that discussion of trade in forest products must be undertaken in holistic manner and suggested that the Panel address the establishment of sustainable consumption patterns as a related issue.

The PHILIPPINES reiterated that the Secretariat’s report does not reflect the CSD’s decisions. Since trade is a sensitive issue, decisions already reached should not be altered. VENEZUELA reemphasized the need to utilize work already accomplished in order to avoid duplicity. The REPUBLIC OF KOREA agreed that it was premature to establish certification schemes without first understanding how they would affect trade. Certification schemes must be voluntary.

NORWAY stated that any policy formation related to the use of forest resources must undertake a long-term perspective given that results could not be expected for several decades. He noted that economic growth, social and recreational needs, and environmental factors should be taken into account in the development of international policies that respect regional differences.

The NETHERLANDS recommended that the Panel consider issues related to the timber industry in drafting trade policies. A recently produced ITTO report would be helpful in this regard.

**CO-CHAIR’S SUMMARY:** The Co-Chair noted the generally expressed view that this issue be considered in a holistic manner. The Panel should address the CSD’s mandate in its entirety while not going beyond it. There is a need to establish policies related to the use of forest products and sustainable forest management that follow a long-term perspective. There is also a need to examine trade policies that are currently not working, particularly with regard to the employment of discriminatory trade practices. There is a possible need to develop a code of conduct for industry, and fully evaluate previously completed and on-going work in order to avoid duplication of efforts. Any evaluation should look towards the potential for use of alternative schemes and restructuring present schemes. Certification should be approached by first considering existing national schemes which could serve as a guide for international ones, although it was not agreed that the establishment of international certification schemes would be part of the Panel’s work programme.

#### **ITEM V — REVIEW OF INTERNATIONAL ORGANIZATIONS AND MULTILATERAL INSTITUTIONS AND MECHANISMS**

The Co-Chair opened the floor to comments on Item V, recommending that given the impracticability of discussing item V.2, relating to the development of other instruments, that comments be limited to issue V.1.

SWITZERLAND announced a joint proposal with Peru to organize and host a working group to study work conducted by international organizations, multilateral institutions, and under existing legal instruments. The proposed working group would be comprised of twelve members, including two independent experts from each of the five UN regions as well as two experts from the NGO community to be selected among themselves. The group’s function would be to provide an objective review of all forest-related work, activities and legal documents while identifying areas of gaps and overlap. She noted that the process should be as transparent as is practical. A contact group for the proposed working group had already been formed and that copies of the proposal were available for review.

CANADA expressed the need for the compilation of previous work to be transparent and independent of international agencies and organizations, but was supportive of the Swiss-Peruvian proposal. AUSTRALIA also supported the joint proposal.

The JAPAN TROPICAL FOREST NETWORK stated that the Panel could not fully address the issue of sustainable forest management without considering issues related to climate change and the role of consumption patterns. In response to the Swiss-Peruvian proposal, ECUADOR stated that the working group would probably not be the only one of its kind and that any such group must be transparent and participatory.

FINLAND stated that the proposal could provide useful information and requested time for further study. The US said that work should be undertaken in an objective manner and focus on ongoing processes related to forests, including comparative strengths and advantages. MEXICO reminded delegates of the transparency that all levels of this process should have in order to be successful. He added that the mandate should be confined to an overall view and any other substantive consideration will be addressed within this view.

**CO-CHAIR'S SUMMARY:** The Co-Chair noted that delegates accept that the mandate demands a thorough overview and evaluation of work in all institutions that bear on forests. Delegates want a transparent participatory process. While delegates supported the establishment of an expert group, they insisted that such a group work in close cooperation with the Panel. Delegates agree that Item V.2 should be discussed when the work is far advanced, with comments at the third and fourth sessions.

### **THURSDAY, 14 SEPTEMBER 1995**

While the Secretariat compiled the views on the programme of work for the draft report on Thursday morning, the Panel discussed Agenda Item 4, dates and venues of future meetings.

#### **AGENDA ITEM 4 — DATES AND VENUES OF FUTURE MEETINGS**

The Co-Chair noted that when the Panel was created, four sessions were envisaged. The first and fourth sessions should be in New York. The proposed dates for the second session are 11-15 March 1996, in Geneva. The dates and venue for the third session and the dates for the fourth session have not been fixed.

The US said that the calendar for 1996 is crowded and proposed that the third session be in Geneva in October in light of the proposed dates of the Finnish expert meeting. SWITZERLAND stated that it would contribute to developing country participation for the Geneva meeting. SPAIN, on behalf of the EU, supported the US regarding dates. Regarding the duration of the next Panel session, it will be important to consider the budgetary implications of extending the meetings. He said that the third session may require two weeks because the questions will be more complex. He suggested that the third session should be in October in 1996.

The PHILIPPINES approved the dates and venue of the second session, but preferred that the third session take place before the third week of September to precede the General Assembly.

PORTUGAL expressed the need to address desertification and offered to host a meeting of experts on this issue in 1996. He stated that any such meeting would be in full conformance with Item I.4 and anticipated that it would involve a review of national strategies related to desertification.

#### **AGENDA ITEM 1 - ELECTION OF OFFICERS**

In the afternoon, the Co-Chair directed the Panel to return to consideration of Agenda Item 1, the election of officers, and stated that it was the Panel's general view that its Bureau be composed of five members, two Co-Chairs and three Vice Chairs, with one of the Vice Chairs serving as rapporteur. He invited nominations from

the three regional groups not yet represented. He acknowledged that some groups would not be in a position to respond until Friday, and would return to the item at that time if necessary.

The African Group nominated Mr. Juste Boussienguet, the administrator of Forestry and the Environment from Gabon, as Vice Chair. On Friday, the Eastern European Group nominated Mr. Anatoliy Pisarenko, the Deputy Chief of the Federal Forestry Service of Russia, as Vice Chair. The Vice Chair from the Latin American and Caribbean Group has not yet been nominated.

The Secretariat then distributed the draft report of the session and the meeting was adjourned.

### **FRIDAY, 15 SEPTEMBER 1995**

On Friday morning, Co-Chair Krishna returned to remaining unfinished business.

#### **AGENDA ITEM 4 - DATES AND VENUES OF FUTURE MEETINGS**

The Secretariat reported that Conference Services had approved the dates of 11-22 March 1996 in Geneva. The cost for the proposed one-week extension of the meetings will be reported to the General Assembly. The Chair suggested that the Panel should recommend to ECOSOC that it approve a one-week extension.

The PHILIPPINES, on behalf of the G-77 and China, stated that Geneva was an acceptable venue and submitted a request that provision be made for the travel of two representatives for the meetings outside New York. The Co-Chair stated that it had been agreed that the travel expenses of one representative for each country would be supplied, but noted the request.

SPAIN, on behalf of the EU, said that the question of duration of the meeting should be discussed later in the meeting, and took note of the G-77 statement. The EU said the meetings should be extended to two weeks if necessary, but a definite decision should not be taken at this meeting. The PHILIPPINES replied that a definite extension was needed. JAPAN expressed strong reservations regarding an extension, noting that the Panel should finish its work in the allotted time.

SWITZERLAND, supported by CANADA and AUSTRALIA, favored the extension of the meeting and will supply a substantive contribution to facilitate the participation of forest experts from developing countries. SPAIN proposed leaving the decision to the discretion of the Co-Chairs once the specific agenda for the meeting is determined and added that the proposals for the third session should be clarified before taking a decision. The US agreed with Japan that one week may be sufficient for the second session, particularly if two working groups were to meet separately. Mindful of the workload for the third session, he proposed that the second session last for one week and the third for two weeks.

The PHILIPPINES opposed the US position and re-emphasized the need to extend Panel sessions, stating that five days was not enough for either the second or the third session. JAPAN suggested the Panel not make a definite decision regarding duration at this time and that the Co-Chairs discuss the issue and provide the Panel with its recommendations soon after the close of this session. This suggestion was accepted.

#### **AGENDA ITEM 6 - ADOPTION OF THE REPORT OF THE PANEL ON ITS FIRST SESSION**

The Co-Chair then invited comments on Agenda Item 6, adoption of the report of the Panel at its first session, noting that the report had been divided into two sections; the first addresses procedural matters in document E/CN.17/IPF/1995/L.2, and the second reflects the Panel's discussion in document E/CN.17/IPF/1995/L.2/Add.1. Document E/CN.17/IPF/1995/L.2 was reviewed by the Panel and accepted as amended. The Panel considered Document E/CN.17/IPF/1995/L.2/Add.1, and



paragraphs 1-8 were reviewed and adopted with minor editorial changes.

**Paragraph 9** notes that certain issues should be dealt with in depth at particular future sessions and contains a table specifying the schedule. CANADA stressed the need for better consistency between the report and the CSD mandate. He stated that the report should be able to stand alone and suggested key words be included in the table describing the proposed distribution of programme elements. SPAIN, on behalf of the EU, suggested that "other planned activities" be added to the chapeau, stating the reference to "intergovernmental processes" was too restrictive. He also stated that Item II, on financial assistance and technology transfer, should undergo substantive discussion at the third session.

The US stated that undue emphasis was being placed on Item II and thought that other elements merit higher priority. He proposed that "some further discussion" be undertaken at the third session for Items II as well as III, which deals with scientific research and the development of criteria and indicators.

In reference to Item V.1 in paragraph 9, concerning the preparation of a report on international organizations and multilateral institutions and instruments, SWITZERLAND stated that a joint report from the Swiss-Peruvian working group will be given at the second session. She also stressed the flexibility of the working group and indicated that three representatives from each regional group could be included instead of two.

The PHILIPPINES opposed the EU proposal and stated that while the proposed intersessional activities may contribute to the Panel's work, they should not be recognized as part of the work programme as mandated by the CSD. She also opposed the US proposal that Item II on financial assistance and technology transfer be restricted to "further discussion" at the third session, given the cross-cutting nature of the issues. She proposed that Item II undergo "substantive discussion" at the third session.

The US disagreed with the G-77, noting that several issues are cross-cutting, but expressed willingness to accept the proposed language. The PHILIPPINES stated that the planned activities may not be considered an official part of the work of the Panel. The activities must be addressed, but she disagreed with the EU formulation. It was agreed the chapeau to paragraph 9 would not use either formulation and note instead that certain issues should be dealt with in depth at particular future sessions.

**Paragraph 10** notes the establishment of a collaborative inter-agency mechanism comprising the organizations most directly concerned with forest issues and **paragraph 11** requests the Secretary-General, through inter-agency arrangements, to prepare in-depth progress reports making use of the body of knowledge already existing in the international community. Many delegates made comments referring to both paragraphs together.

The PHILIPPINES, on behalf of the G-77 and China, requested a definition of "inter-agency" mechanism. The Secretariat referred to paragraph 30 of document E/CN.17/IPF/1995/2, noting that the Inter-Agency Commission on Sustainable Development (IACSD) expressed strong support for the work of the Panel, and added that contact organizations and an inter-agency task force had been formed.

The US, supported by NEW ZEALAND, expressed uncertainty on this issue and added that it is the role of the Panel to appoint agencies. He suggested that paragraph 10, as proposed, should be deleted and replaced by paragraph 19, which notes and encourages support from international organizations. SPAIN, on behalf of the EU, proposed including a direct reference to the international agencies mentioned in paragraph 30.

Regarding paragraph 11, the PHILIPPINES said the reference to the results of ongoing and envisaged meetings and activities should be deleted. SPAIN said that the reference is to meetings and activities and not initiatives by specific countries, but accepted the amendment. Debate on this issue required formation of a contact

group, which was initiated by the US. The US later stated that progress had been made on paragraphs 10 and 11, concerning inter-agency cooperation and contributions. He said that amendments proposed by a contact group had broad approval.

SPAIN supported the contact group's suggestions, but said it was improper to delete the portion of paragraph 11 dealing with consideration of results of ongoing and envisaged meetings and activities because it may be necessary to refer to the results of future meetings. The Panel agreed that both paragraphs will specifically refer to the international organizations that will comprise the mechanism and provide resources and technical expertise, including the FAO, UNEP, UNDP, the World Bank, ITTO and the Secretariat of the Biodiversity Convention. The reference to results of ongoing and envisaged meetings was deleted. Paragraphs 10 and 11 were adopted as amended.

**Paragraph 12** notes that the Panel stressed the need to confine its deliberations within its terms of reference, as determined by the CSD. BRAZIL stated that "stressed" should be replaced with "reiterated." The PHILIPPINES, on behalf of the G-77 and China, agreed, noting that "stressed" implied approval by the Panel and added that the terms of reference were not subject to approval. The paragraph was accepted, as amended.

**Paragraph 13** refers to the "various and ongoing planned activities organized by Governments and organizations to assist the work of the Panel," and notes that while these activities can provide valuable input, the Panel will make all decisions on policy recommendations to be presented to the CSD. **Paragraph 14** states that the Panel stressed that all countries and organizations planning or proposing meetings and expert consultations should ensure that they are transparent, participatory and representative in nature.

SPAIN, on behalf of the EU, stressed the need to see references made in this text to the various planned activities and added that paragraph 13, as drafted, is acceptable. He reiterated concern with paragraph 9. The PHILIPPINES said that paragraph 13 should state the Panel "took note of," rather than "welcomed" the various ongoing and planned activities organized, that the activities should be added as an annex to the report, and that a reference should be added, which notes that although the results of these activities could provide a valuable expert input, the decision to be presented for consideration will rest with the Panel itself. On paragraph 14, she inserted a reference that the meetings be "open-ended."

On paragraph 14, SPAIN replied that "takes note of" is tantamount to discouraging contributions, but agreed with portions of the G-77 proposal. In paragraph 13, AUSTRALIA stated the need for any such activities to be in conformance with the mandate of the CSD and not in excess of it. He also noted that bodies formed under any of the planned activities should be flexible, particularly with regard to their working relationship with the Panel.

The PHILIPPINES stressed the necessity for organizers of all additional activities to consult with the Panel and cautioned against organizers considering only those topics that they felt warranted discussion. The US proposed that organizers consult with the Panel Co-Chairs, Secretariat and Bureau when planning intersessional activities. The Philippines accepted the US proposal and paragraph 13 was amended to reflect this change.

CHINA agreed that the Panel should acknowledge, but not give too much reverence, to the additional activities proposed because they were not provided for in the CSD mandate. He suggested that the Panel "welcomed" such activities and "took note" of the specific initiatives appearing in Annex A, which was accepted. IRAN suggested the Panel devote more time addressing issues concerning developing countries with low forest cover as many are rich in biodiversity and could be considered Natural Heritage sites. He eluded that an expert meeting on this issue may be warranted. Both paragraphs were adopted as amended.

**Paragraph 15** states that the Panel reconfirmed the need for broad and active involvement and contributions of the private

sector, major groups and NGOs in the preparatory work for, and deliberations at, future sessions. The paragraph was accepted with amendments, including a clarification that "major groups" includes the private sector and NGOs.

**Paragraph 16** contains the preparatory work on the programme elements within the five categories in its programme of work.

**Item I.1** refers to the preparation of a report on all types of forests. The PHILIPPINES recommended that the proposed report not address the actions required under conventions. In addition, she proposed that the second paragraph, which acknowledges Germany's proposal to convene a workshop on the promotion of national forest and land-use programmes be deleted, as well as all subsequent paragraphs announcing similar planned activities, and that all proposals should be placed in an annex.

SPAIN supported the Philippines' proposal, but stated that a deletion of all references to proposed experts' meetings would risk losing some dimensions of the debate on specific issues. The US suggested that the Panel's preparatory work should also focus on improved coordination and implementation of forest management programmes at the national level as well as bilateral and multilateral forest-related planning activities. The IUCN proposed that the report on cross-sectoral linkages incorporate a reference to participatory forest management approaches at the national and field levels. Item I.1 was accepted with the amendments proposed by the Philippines, Spain, the US and the IUCN.

**Item I.2** refers to consideration of an array of contributing factors, many of which are cross-sectoral. The PHILIPPINES proposed placing a reference to an initiative by Norway into an annex, and suggested a reference to the difficulties in implementing sustainable forest management. NORWAY said the intersessional meeting is referenced in two places in the document, and stated a preference for retaining it in this paragraph. Item I.2 was accepted, with the meeting reference moved to an annex.

**Item I.3** states that preparations should take full benefit of the Conference of the Parties of the Biodiversity Convention. The PHILIPPINES said the paragraph should include a reference to "include specific suggestions" and should also refer to the terms of reference regarding "ways and means for the effective use of traditional forest-related knowledge." CANADA said the paragraph was incomplete and the US said the language taken from the terms of reference must be the exact language. She wished to import the whole language on this issue agreed upon at the CSD meeting and added if the Secretariat was given discretion on the final text, that she retained the right to inspect any changes in language. The paragraph was accepted, as amended.

**Item I.4** refers to a report on afforestation and reforestation and mentions the Convention to Combat Desertification. SPAIN proposed adding a new paragraph, in brackets, referring to the proposal by Portugal to sponsor an expert meeting on afforestation, reforestation and restoration of forest systems.

The PHILIPPINES said preparation would include a report that includes the restoration of forests, and a cross-reference to the terms of reference mentioning "countries with fragile ecosystems" as well as those affected by desertification and drought. The amendments proposed by Spain and the Philippines were accepted.

**Item I.5** refers to a report on specific needs of countries with low forest cover. The PHILIPPINES suggested adding a provision for livestock grazing. The US proposed that language from the CSD mandate relating to the contents of the summary report on this issue be incorporated into the text. He also suggested that the last sentence, concerning reforestation, be reinserted into Item I.4, which deals entirely with reforestation and afforestation. UGANDA supported the US position with the stipulation that the reference to "unique types of forest" be changed to "all types of forests." Item I.5 was accepted as amended.

**Item II** refers to international cooperation in financial assistance and technology transfer. The US said this element was no more

important than the others, and sought to reverse the order of references to mobilization and enhancing efficiency. The PHILIPPINES proposed a revision of the paragraph, which states that preparations on these issues would influence all other programme elements and includes language from the terms of reference. Delegates disagreed on language that stated the deliberations would have to span three substantive sessions, and the reference was deleted. It was agreed that references to mobilization of financial resources and improving efficiency would remain in the order presented. DENMARK, supported by Spain, announced that it would co-sponsor a workshop with UNDP and the World Bank on additional financial resources. He suggested that the workshop be held during the summer of 1996, between the second and third sessions of the Panel and welcomed comments on his proposal. Item II was accepted as amended.

**Item III.1** refers to a report reviewing approaches toward qualitative and quantitative assessment of all types of forests and a report presenting the status of current approaches for valuing the multiple benefits of forests. The PHILIPPINES proposed that III.1 be revised to call for preparation of a report on ways to promote the further development of methodologies for properly valuing the multiple benefits derived from forests in the form of goods and services and, subsequently, to consider their inclusion in the systems of national accounts, drawing upon work that has been already undertaken by the UN and other relevant organizations. The US suggested acknowledging the contribution of the FAO forest assessment and highlighting the need for standardized data on tropical and non-tropical forests. The item was accepted, with these amendments.

**Item III.2** refers to a review of experience of the different national initiatives underway on criteria and indicators, and an examination of the progress in implementing these initiatives in the field. The PHILIPPINES proposed that this item require a report which includes: a review of national experiences in the development and implementation of criteria and indicators; exploration of ways and means of facilitating the engagement of regions and countries not yet involved in developing criteria and indicators; and an examination of the need to promote comparability between criteria and indicators for all types of forests and the appropriateness of convergence among international initiatives and their applicability in this regard. She also stated that work under this topic should take into account specific regional and subregional conditions of forest and the diversity of economic, social and cultural environments.

JAPAN stated that the last sentence should be amended to reflect that its proposed seminar will be on the demonstration of sustainable forest management with the use of criteria and indicators. FINLAND remarked that its proposed seminar on criteria and indicators will be held from 19-23 August 1996. The US proposed an amendment relating to the consideration of criteria and indicators at the national level and stated that a comparison of criteria and indicators for all types of forests was not approved at the CSD meeting and will come before the Panel at a later date. CANADA, supported by MALAYSIA, cautioned the Panel about deleting valuable statements that were made and expressed concern that the report will merely be a reiteration of the final outcome of the CSD meeting in April. The item was accepted as amended.

**Item IV** refers to trade and environment issues and calls for reports on prevailing market mechanisms, product certification and labeling, and sustainable forest management. The PHILIPPINES proposed a new paragraph that adds the term "integrated" to the manner of the Panel's approach and specifies that trade and environment are "mutually" supportive. The reports would be prepared in order to identify opportunities and recommend measures for improving market access for forest products on a non-discriminatory basis and consider factors that may distort trade in forest products and affect their value, including pricing, import/export controls, subsidies and the need to remove bans and

boycotts inconsistent with the rules of the multilateral trading system. The reports would include an assessment on the development of methodologies to advance the full valuation, including replacement and environmental costs, of forest goods and services with a view to promoting full-cost internalization. Reports must also take into consideration the interest of all the particularities of different countries and ensure full transparency and participation regarding certification and labeling.

MALAYSIA proposed a reference to include wood substitutes in the assessments, which was accepted. THE COMITE NACIONAL PRO DEFENSA DE LA FAUNA Y FLORA, supported by the GLOBAL FOREST POLICY PROJECT, reminded the Panel of the suggestion made to establish a voluntary code of conduct for the forest industry. He encouraged its inclusion in Item IV. The US, supported by SPAIN and CANADA, suggested that the report proposed under Item IV draw on the work of the ITTO and UNCTAD, in particular. SPAIN stated that Item IV should include a reference to the promotion of sustainable development, as mandated by the CSD, and stressed that assessment reports should review bodies of knowledge from all relevant sectors, particularly in relation to the issue of certification. The PHILIPPINES stated that the delegates were not in a position to prescribe agencies for consultation on specific issues because the CSD has already made these determinations and they should not be altered. The Co-Chair reminded the Philippines that the Panel's role is to build on the CSD's mandate in a consultative capacity.

JAPAN emphasized the need for the Panel to draw upon the work of all relevant bodies in producing its reports. He stated that acknowledging potential contributors at his time would provide a basis for their cooperation. The PHILIPPINES objected to the reference to the promotion of sustainable development. This position was accepted. INDIA said that the issue of internalization of the environmental costs of wood substitutes such as plastics and aluminum should be addressed.

**Item V** refers to international organizations and multilateral institutions and instruments, including appropriate legal mechanisms. Item V.1 calls for the preparation of a report presenting an overview and succinct description of existing institutions and instruments and Item V.2 states that the deliberation of this item on options for future action will be based on a step-by-step consensus building process and will be a major item for consideration at the fourth session of the Panel.

The PHILIPPINES stated that the Panel's report analyzing the work of international institutions should not seek to identify the comparative advantages of various instruments, those in need of enhancement or areas of gaps and overlaps as called for in the report. CANADA stated that the report's objectives referred to by the Philippines would greatly benefit the Panel's work and were within the CSD mandate. The Co-Chair noted that Item V will be an item for substantive discussion at the Panel's fourth session. Item V was adopted as amended.

**Paragraph 17** states that the Panel agreed on the need to divide the agenda items between two in-session working groups, each chaired by one of the Co-Chairs. The US suggested the paragraph reflect that specific arrangements will be determined by the Panel at its second session. The PHILIPPINES, supported by CANADA and INDIA, acknowledged the Panel's general agreement to divide the work between two in-session working groups at the two substantive sessions and noted that the division of work would best be determined now. SPAIN stated that the Co-Chairs were in the best position to propose the specific arrangements for the division of work. CHINA recommended that the text of paragraph 17 be amended to reflect that no more than two in-session working groups be established. Paragraph 17 was adopted with this amendment.

**Paragraph 18** deals with the duration and venue of future sessions, and the Co-Chair recognized that consensus had not been reached on this issue. He recommended the paragraph be amended

to reflect that the second session will be held in Geneva for up to two weeks between 11-22 March 1996, and indicated that no decision had been reached on the dates of the third session.

JAPAN said it was agreed that the Co-Chairs were to make this determination in consultation with the Secretariat and report back to the Panel. The Co-Chair replied that a decision on this issue should not be delayed and that the two Co-Chairs would report back to the Panel promptly after this session. SPAIN, supported by the PHILIPPINES, suggested that it would also be beneficial to set tentative dates for the third session as well. The Co-Chair stated that the third session would most likely be held in September 1996, but did not offer a venue. SPAIN and the PHILIPPINES pressed for a venue and CHINA suggested that the third session be held in New York because it would be easier for developing nations to attend given that their missions are based there. SPAIN indicated that a meeting in New York at this time would conflict with the upcoming General Assembly meeting and that Geneva would be appropriate because developing countries also have missions there. Consensus was not achieved on the duration and venue for the third session, and paragraph 18 was amended to reflect that the third session of the IPF would be held in Europe in early September 1996, for a duration of up to two weeks.

**Paragraph 19** notes that the Panel welcomed the active response of a number of organizations of the United Nations system and ITTO in supporting the needs of the Panel and the establishment of its Secretariat. The paragraph was adopted.

The report of the meeting, as amended, was formally adopted at 1:15 am.

## A BRIEF ANALYSIS OF THE IPF

At the first session of the CSD Intergovernmental Panel on Forests, delegates elected officers, attempted to set the dates and venues for the upcoming meetings and adopted the elements for the programme of work. Tremendous strides made in the dialogue on sustainable forest management over the past three years and notable advances in the degree of trust between developed and developing countries laid the groundwork for the formation of the Panel at the third session of the CSD. Nonetheless, many of the problems that have plagued intergovernmental dialogues on forests in the past resurfaced during this session and serve to foreshadow the conflicts that the Panel will likely encounter as it moves into substantive discussion of the issues.

Several of the issues that have typically divided Northern and Southern countries again proved difficult. Members of the G-77 were resistant to any proposal that could foreseeably lead to a loss of national control over forests and forest products. Some developing country delegates voiced strong opinions on the subject of criteria and indicators, noting that most indicators had been developed by Northern countries and that indicators should vary according to regional, national and even micro-level factors. Developing countries also opposed suggestions that the proposed intersectoral workshops should constitute an official part of the Panel process, arguing they could only be corollary and insisting that all meetings be open-ended. Some observers characterize these reactions as well-founded skepticism in light of past workshops, where developing countries were notably absent and their priority issues were not addressed.

Northern countries also demonstrated that they still have a number of serious concerns about the work of the Panel, despite their initiation of workshops and provision of funds for developing country participation. Several developed countries hesitated at extending the length of the second and third sessions of the Panel, requested specific references to the agencies for Panel consultations and inputs, and insisted that any mentions of the CSD mandate include the entire terms of reference.

The element of the work programme devoted to trade and environment issues related to forest products proved particularly

contentious. Developing countries appeared more willing to expound upon the mandate regarding financial assistance and technology transfer. A proposed discussion paper on trade in forest products provoked strong opinions against unilateral bans and restrictive measures, and supportive statements for facilitating free trade. Most statements, particularly on certification and labeling, reveal that recent reports on the death of national sovereignty have been greatly exaggerated.

The eleventh hour charge to redraft the report of the meeting provides the most powerful evidence that many strongly held opinions are still lurking beneath the surface. During the seemingly endless Friday night session, some delegates began voicing new opinions, rather than reviewing the statements they had made during the previous four days. Both developed and developing countries remarked that opposing proposals exceeded or altered the Panel's mandate and, as a result, many delegates selectively reinterpreted proposals and appeared more interested in ensuring that the report strictly conformed with the specific mandate of the CSD rather than making room to consider anything new.

The Panel appears to be making some successful strides in uncharted territory, such as active NGO involvement. Other innovations, such as increased intersessional activity and inter-agency involvement, seem to have reawakened the longstanding distrust between Northern and Southern countries. This first session required the Panel to chart its future course, however, based on the disparity of views displayed and the disagreement on several key issues, including the direction the Panel will take, it appears as though the Panel faces a rocky road ahead in producing its policy recommendations for the CSD.

## THINGS TO LOOK FOR DURING THE INTERSESSIONAL PERIOD

### SEMINARS/WORKSHOPS/EXPERT GROUP

**MEETINGS:** A number of governments and organizations have announced plans to host various seminars, workshops and expert group meetings related to the work of the Panel. The following is a preliminary list of such meetings

- Implementing the Forest Principles: Promotion of National Forest and Land Use Programmes. Germany will sponsor this seminar, with a tentative date of June 1996. For more information, contact the German Federal Ministry for Economic Cooperation and Development; Tel: +49-228 535 3752; Fax: +49-228 535 3755.
- Intergovernmental Seminar of Experts on Criteria and Indicators for Sustainable Forest Management. Finland will sponsor this seminar to be held 19-23 August 1996 in Helsinki. For more information, contact the Ministry of Agriculture and Forestry of Finland; Tel: +358-0-1602405; Fax: +358-0-1602400.
- Conference on Certification and Labeling of Sustainably Produced Forest Products. Australia will sponsor this conference, which is tentatively scheduled for the first half of 1996. For more information, contact the Australian Mission to the UN, Tel: +1-212-836-4100; Fax: +1-212-836-4110.
- Study on the Work of International Organizations and Multilateral Institutions in the Forest Sector. Switzerland and Peru will co-sponsor the work of this group, tentatively scheduled to meet between November 1995 and September 1996. For more information, contact either the Swiss Observer Mission to the UN, Tel: +1-212-421-1480; Fax: +1-212-751-2104; or the Mission of Peru to the UN, Tel: +1-212-687-3336; Fax: +1-212-972-6975.
- Certification of Forest Products and Trade. Germany will sponsor this meeting, which may take place in August 1996.
- Intersessional Meeting on Forest Valuation. France will sponsor this meeting. The date and venue are yet to be determined.

- Long Term Supply and Demand of Forest Products. Norway will sponsor this initiative, although the details are yet to be determined.
- Seminar on Demonstration of Sustainable Forest Management with the Use of Criteria and Indicators. Japan is considering sponsoring this seminar, although the dates and venue have not been determined.
- Expert meeting on afforestation, reforestation and restoration of degraded forest systems. Portugal proposed co-sponsoring this meeting with a North African country. The dates and venue are yet to be determined.
- Workshop/study on financial mechanisms. Denmark announced it will co-sponsor this workshop with UNDP and a country from the South, in cooperation with the World Bank. The workshop may be held in the summer of 1996.

**SEVENTH MEETING OF THE MONTREAL PROCESS GROUP:** The Montreal Process Group on the conservation and sustainable management of temperate and boreal forests will hold its seventh meeting in Auckland, New Zealand, from 30 October - 4 November 1995.

**WORLD COMMISSION ON FORESTS AND SUSTAINABLE DEVELOPMENT:** The WCFS was established by the InterAction Council of former Heads of State and Governments in 1994 and held its first meeting in June 1995. The Commissioners agreed to give high priority to identifying target areas for policy and institutional reform that are of crucial importance to sustainable management and conservation of global forests. As a starting point, the Commission established three Working Panels to cover the topics of: sustainable, equitable use and management of forests; trade and the environment; and financial mechanisms, international agreements and the role of international institutions. The Commission is in the process of establishing an independent Science Council and a Policy Advisory Group and plans to hold regional public hearings. For more information, contact Dr. Kilaparti Ramakrishna, Woods Hole Research Center; Tel: +1-508-540-9900; Fax: +1-508-540-9700; E-mail: krwhrc@mcimail.com.

**FOREST STEWARDSHIP COUNCIL:** The FSC was founded in 1993 by representatives of environmental organizations, the timber trade, the forestry profession, indigenous peoples' organizations, community forestry groups and forest product certification organizations from 25 countries. The FSC, which is headquartered in Oaxaca, Mexico, has begun to tackle its primary responsibility of accrediting certifiers of forest products. Its main task in the coming years is to ensure that accredited certifiers operate to the highest possible standards of integrity and technical competence, and that certification is based on forest management standards that are in accordance with the FSC's principles and criteria, as well as with locally developed forest management standards. For more information, contact, Timothy Synnott, Executive Director, Forest Stewardship Council, Tel: +52-951-46905; Fax: +52-951-62110; E-mail: FSC@laneta.apc.org.

**CONVENTION ON BIOLOGICAL DIVERSITY:** The second meeting of the Conference of the Parties for the Convention on Biological Diversity will take place in Jakarta, Indonesia, from 6-17 November 1995.

**INTERNATIONAL TROPICAL TIMBER ORGANIZATION:** The International Tropical Timber Council will hold its next meeting in Yokohama, Japan, from 8-16 November 1995.

**FAO CONFERENCE:** The 28th session of the FAO Conference will take place in Rome from 13-30 November 1995.

**SECOND SESSION OF THE INTERGOVERNMENTAL PANEL ON FORESTS:** The second session of the IPF is tentatively scheduled for up to two weeks between 11-22 March 1996, in Geneva. For information, contact the CSD Secretariat.