



## UNFF-3 HIGHLIGHTS: MONDAY, 2 JUNE 2003

On Monday, delegates discussed progress in implementation relating to maintaining forest cover (MFC) and, in the afternoon, resumed discussion on economic aspects of forests (EAF) before engaging in a substantive discussion on reporting format. In the evening, delegates met informally to discuss decisions relating to the Trust Fund. Delegates also met all day to negotiate the terms of reference for the *ad hoc* expert groups.

### MAINTAINING FOREST COVER

Pekka Patosaari, UNFF Secretariat Coordinator and Head, introduced a report on MFC to meet present and future needs (E/CN.18/2003/8). He outlined progress achieved and highlighted future challenges, including the lack of sufficient data and information and the need to strengthen capacity and enhance intersectoral cooperation and linkages.

MOROCCO, on behalf of the G-77/China, supported by ARGENTINA, INDIA, IRAN and SAUDI ARABIA, emphasized the linkages of MFC with EAF, forest health and productivity (FHP), protected areas and other elements of the UNFF programme. He underlined the need for immediate action, adding that the proposed measures will require financial resources, environmental technologies, capacity building and better conditions for international trade. He underscored that cross-sectoral impacts are both national and international, and, with SWITZERLAND, stressed the importance of international cooperation.

GREECE, on behalf of the EU and acceding countries, stressed the importance of: secure land tenure and property rights; the value of criteria and indicators (C&I) as tools for sustainable forest management (SFM); the contribution of planted forests to poverty eradication and biodiversity preservation; and, with SWITZERLAND, timber plantations, and ensuring their environmental and social viability. FIJI, on behalf of the Pacific Islands Forum Group, stressed the importance of non-timber forest services, such as fuel, medicine and soil and water protection, and called for the development of partnerships to address the problem of the region's limited financial and human resources.

CONGO said the report insufficiently assesses the implementation of national strategies and legislation, noted that difficulties in policy implementation are due to a lack of human and financial resources, and called for funding for land-use projects and protected areas. NEW ZEALAND stressed the need for long-term investments in policy development and legislation, and private sector involvement. He also noted the outcomes of a recent workshop on planted forests held in New Zealand.

TOGO called for the appropriate means and capacity building to enable forest- and biodiversity-related data collection in developing countries, and, with SWITZERLAND, stressed that international support may be necessary for specific actions. INDONESIA described its cross-sectoral efforts aimed at MFC, including restoration activities and a moratorium on forest conversion. CHINA

underlined the need for a comprehensive approach to restoring forest cover. The UK described its work on SFM, highlighting, *inter alia*, its active participation in the Global Partnership on Forest Landscape Restoration.

COLOMBIA underscored the need to integrate forest and biodiversity strategies, guarantee civil society participation in the management of protected areas, recognize the intellectual property rights of local communities, and collect reliable information on forest cover. TURKEY stressed the importance of non-economic services and functions of forests and the challenges of overcoming poverty among forest-dependent and forest-dwelling communities. The US recommended that countries take a more active role in information gathering and long-term timber market forecasting. MALAYSIA highlighted the urgent need for: free trade and a supportive economic climate; financial resources to help developing countries achieve SFM; and the internalization of environmental costs of forest goods and services. He recommended reaching an agreement on the concept of optimal forest cover and that the Collaborative Partnership on Forests (CPF) develop relevant methodologies.

CANADA supported the need for national forest programmes (NFPs) and other national strategies relevant to forests, and welcomed suggestions relating to: C&I; international assistance; and global and regional studies by the Food and Agriculture Organization (FAO) and the Economic Commission for Europe. SWITZERLAND presented its history of SFM and stressed the importance of national action. IRAN outlined its NFP, noting participation by the private sector and other stakeholders. INDIA supported the efforts of the UNFF and the CPF to develop a database on wood and non-wood resources. ARGENTINA described its social forestry programme, incorporating initiatives aimed at reducing poverty. The REPUBLIC OF KOREA underlined the need to incorporate cross-sectoral considerations and strengthen mechanisms for coordination among forest and related sectors. MEXICO described its NFP based on a sectoral approach and emphasized the role of regional assistance in providing information-sharing mechanisms.

LESOTHO described past impediments in its effort to maintain forest cover and made a formal request to establish a regional partnership. POLAND distinguished between MFC and maintaining forest quality, and stressed the need for proper forest management to enhance FHP. EGYPT pointed out its achievements in MFC through irrigation and desert reclamation, acknowledging the role of the private sector.

ECUADOR said MFC hinges on the ability to provide livelihoods for forest-dependent communities, and urged that financial resources be channeled into NFPs. SAUDI ARABIA outlined its achievements in afforestation and establishing protected areas. The LOW FOREST COVER COUNTRIES (LFCC) Secretariat stressed the need to enhance capacity building, share national and regional experiences, and control population growth as a means of MFC. He proposed that FAO carry out regional outlook studies.



## ECONOMIC ASPECTS OF FORESTS

In the afternoon, delegates resumed their discussion on EAF. CUBA asked for an improved balance between public and private sector involvement in achieving SFM, stressed the need for improved technology transfer, and, with CHINA, urged donor countries to fulfill their aid commitments. Switzerland said that, while it is committed to increasing development assistance, aid recipients should pursue SFM.

COLOMBIA called for cross-sectoral cooperation and more investments to ensure the economic competitiveness of SFM. CHINA said the forestry sector needs an advanced industrial structure combined with adequate environmental and social impact assessments. TOGO stressed the adverse effects of forest legislation that ignores the social and economic value of forests. ITALY underlined the importance of integrating EAF into conservation measures aimed at promoting FHP.

Stressing the multiple benefits of forests, JAPAN called for a market-based approach to SFM and said that trade liberalization should accompany sound environmental and social policies.

FINLAND outlined its private-public partnership that optimizes forests for timber production, wood energy and carbon removal. MALAYSIA called for: improving information collection and dissemination; studying the social and economic impacts of non-wood substitutes for timber; and, with ARGENTINA, called for collaboration in full cost internalization; and the removal of trade barriers. ECUADOR called upon UNFF-3 to help prevent international interference with domestic environmental policy and support strengthening environmental institutions. SOUTH AFRICA underscored the importance of participatory decision making and called for concrete proposals for ensuring the equitable global distribution of forest benefits.

NORWAY emphasized the benefits of SFM for poverty alleviation; recommended giving priority to SFM in forest-related development assistance and, with ARGENTINA, called for combating illegal logging. AUSTRALIA stressed the challenge of achieving a balance between protection and production, encouraged the removal of sovereign investment risks, and, with CANADA and CHILE, urged countries not to recreate the IPP/IFF proposals for action. ARGENTINA emphasized the link between forests and climate change. CANADA noted its progress, and called attention to indigenous peoples' participation, in forest certification. The UK highlighted, *inter alia*, ongoing research to estimate the value of non-timber forest services and recalled a memorandum of understanding with Indonesia to combat illegal logging.

SWITZERLAND stressed the need for cross-sectoral approaches, market incentives for SFM and consumer awareness programmes. The US highlighted the need for improved monitoring, assessment and reporting (MAR) regarding forest economics, and stressed the role of partnerships in combating illegal logging and attracting SFM financing. CONGO underscored the need for market transparency and forest value assessments, and called for awareness and education programmes.

CHILE stressed the role of governments in creating favorable conditions for SFM investment and supporting small- and medium-sized enterprises and indigenous peoples in value-added production. He also noted that certification should not be a trade barrier. TURKEY stressed the importance of its forest sector in generating employment.

## REPORTING FORMAT

UNFF Coordinator and Head Patosaari presented a format and guidelines for voluntary reporting to UNFF-3, highlighting the Secretariat's intention to produce a structured yet flexible format for reporting progress in implementation, including lessons learned and challenges encountered.

GREECE, on behalf of the EU and acceding countries, stressed the need to, *inter alia*: translate IPP/IFF proposals for action into national languages; discuss the reasons for the limited reporting to UNFF-3; and prepare reporting guidelines for UNFF-4 based upon

those suggested for UNFF-3. Noting the limited number of submitted reports, SWITZERLAND recommended streamlining the reporting format and harmonizing it with those formats of closely-related processes. JAPAN noted the increase in the number of reports since UNFF-2, and welcomed the establishment of a relevant expert group.

The US stressed the flexibility and the voluntary nature of the reports, and acknowledged concerns on their length. BRAZIL, with SENEGAL and the US, expressed concern over the reporting burden resulting from a new format and stressed the need to emphasize the benefits of reporting for developing countries. CONGO noted the difficulties it faced in reporting and asked that specific assessment of natural resources be included. The LFCC Secretariat called for the inclusion of biological zones in reporting.

## AD HOC EXPERT GROUPS

Delegates continued deliberating on the terms of reference for the parameters *ad hoc* expert group in informal informals. Discussion revolved around the preparatory work of the expert group, yet no agreement was reached.

## TRUST FUND

Delegates informally discussed draft resolutions requesting the UN Economic and Social Council (ECOSOC) to authorize the UNFF Secretariat to use the trust fund to support daily subsistence allowances (DSA) of developing country participants at UNFF sessions. Participants expressed general support for both resolutions, but some questioned the necessity of asking for ECOSOC authorization. The Secretariat explained that the General Assembly resolution prohibiting support for DSA pertains only to regular budgets, and not trust funds. A major country requested that the scope of the resolutions be enlarged to include DSA support for meetings of the *ad hoc* expert groups, and asked for clarification on whether the support is for DSA only, or for travel as well. One regional group requested additional time for consultation, and asked for clarification on the terms of reference of the trust fund. Several delegates said the resolution text should make clear that it pertains only to the trust fund. Two participants proposed the creation of a separate trust fund to support travel and DSA only. The informal consultation was suspended, pending the outcome of the consultations on the *ad hoc* expert groups and the additional information requested.

## IN THE CORRIDORS

The subdued mood of UNFF-3's first week soured slightly after the results of Monday's informal consultations on the *ad hoc* expert groups became known. While the details of the closed discussions on the *ad hoc* expert groups remain unclear, some delegates feel that the proposal currently on offer is far from the anticipated compromise, suggesting that discussion on this issue will continue well into UNFF-3's second week. One delegate said that UNFF's reputation is riding on the issue of the *ad hoc* expert groups, noting that a second failure to establish the groups could bode poorly for UNFF.

## THINGS TO LOOK FOR TODAY

**PLENARY:** Before breaking out into contact and working groups, delegates will meet at 10:00 am in Salle XVIII to finish discussing reporting formats.

**CONTACT GROUP:** Immediately following Plenary, delegates will meet in Salle XXII to commence work on a decision on enhanced cooperation and policy and programme cooperation. Delegates will then reconvene in informal consultations from 6:00 - 9:00 pm in Salle XXVII to continue their work on this issue.

**WORKING GROUP 1:** Immediately following Plenary, delegates will meet in Salle XVIII to work on decisions relating to FHP, and from 3:00 pm - 6:00 pm to work on decisions regarding EAF.

**WORKING GROUP 2:** Delegates will meet from 3:00 pm - 6:00 pm to work on decisions relating to MFC.