



UNFF-5 HIGHLIGHTS: TUESDAY, 24 MAY 2005

On Tuesday, delegates met in two working groups, a contact group, and an informal session. In the morning session, Working Group I (WGI) met to discuss preambular text in the Chair's draft decision on the future international arrangement on forests (IAF), and Working Group II (WGII) met briefly to discuss the draft ministerial declaration. Delegates also convened in a WGII contact group to discuss language on finance. In the afternoon, delegates made statements on core elements of a future IAF during an informal session.

WORKING GROUP I

The EU, AUSTRALIA, SWITZERLAND and CANADA called for consolidating preambular paragraphs on multilateral environmental agreements and international development goals. IRAN, SYRIA and GHANA, for the AFRICA GROUP, opposed streamlining the text and instead called for a balanced text reflecting the concerns of developing countries, including low forest cover countries. The EU cautioned against focusing on special groups of countries. BANGLADESH, supported by AFGHANISTAN and INDONESIA, proposed recognizing the resource constraints of the least developed countries.

BRAZIL, supported by COLOMBIA and CUBA, emphasized national sovereignty and common but differentiated responsibilities. The EU, IRAN, CANADA, SWITZERLAND and NORWAY opposed singling out specific principles from the Rio Declaration.

On deforestation and forest degradation, the US, CHILE and CHINA offered a reference to illegal logging while BRAZIL favored "illegal trade."

On lack of resources, CANADA, with IRAN, AUSTRALIA, and MALAYSIA, proposed reference to lack of "adequate" resources. The EU and the US, opposed by the AFRICA GROUP, NIGERIA, ARGENTINA, INDONESIA and COSTA RICA, suggested removing the paragraph.

SWITZERLAND added a paragraph on strengthening national forest governance.

The US suggested deleting a reference to ECOSOC Resolution 2000/35, and supported text on the Collaborative Partnership on Forests (CPF) "at the center of the IAF." The RUSSIAN FEDERATION and IRAN, opposed by the EU and NIGERIA, supported the validity of the Resolution and, supported by CHINA and NIGERIA, opposed reference to the centrality of the CPF.

SWITZERLAND proposed simplified text reaffirming the Resolution, noting the continued importance of the IAF. The US noted "the significant role of the CPF," and, supported by the EU, SWITZERLAND and the AFRICA GROUP, but opposed by NIGERIA, suggested deleting the RUSSIAN FEDERATION's proposal on UNFF as "the" high level body on forests.

The US, supported by BRAZIL and opposed by the EU, suggested deleting text recalling the Forum's mandate to consider parameters for developing a legal mandate on all types of forests.

WORKING GROUP II

In the morning, WGII discussed the draft ministerial declaration. The US suggested the development of a fallback strategy in the event that agreement on a ministerial declaration is not achieved.

MAURITANIA, with the EU and MOROCCO, on behalf of the AFRICA GROUP, stressed the dangers facing forests, including population growth and clearing forests for agriculture.

INDONESIA emphasized national sovereignty and local conditions. The US specified global goals and voluntary regional and national targets as the ministerial declaration's primary message and called for reference to major groups.

The EU suggested adding text on, *inter alia*: making the IAF dynamic; combating desertification; and providing social benefits and cultural values. He stressed policy "coordination" rather than "harmonization."

ARGENTINA and BRAZIL stressed reference to prior agreements and principles. AUSTRALIA proposed "inviting" countries, "as appropriate, taking into account national circumstances, to mobilize" new and additional financial resources for SFM.

CANADA called for reference to the debate on a legally-binding instrument (LBI).

CONTACT GROUP

The US, supported by the EU, MEXICO, NORWAY and AUSTRALIA, reiterated her desire to delete text that would limit the call for political commitment to developed countries, suggesting that this excludes many activities and undermines solidarity. The AFRICA GROUP, supported by INDONESIA, agreed with changing the text to "in particular developed countries." The EU suggested that the emphasis on developed countries could appear as a sub-point.

INDONESIA suggested a reference to increasing the IAF's effectiveness. VENEZUELA, opposed by the EU and the US, suggested text on taking into account national and regional differences.

The US proposed emphasizing a strengthened IAF, and the EU suggested adding reference to national forest programmes (NFPs).

After the AFRICA GROUP questioned the need to include developed countries' involvement in poverty reduction strategic papers (PRSPs), the US suggested that donors are an important component of PRSPs. ARGENTINA argued that social as well as economic development needs to be addressed. CANADA proposed the inclusion of PRSPs "where appropriate." INDONESIA, opposed by the EU, expressed concern on linking official development assistance (ODA) to NFPs. ARGENTINA proposed the addition of



“providing new and additional financial resources for SFM needs in developing countries.”

On reversing forest-related ODA decline, CAMBODIA specified this could be done “through local government and other means.” The US noted some ODA is not declining and advocated increasing ODA specifically for forests. With the EU and CANADA, she favored preambular over operational language on ODA.

On increasing voluntary contributions, the US, opposed by MEXICO and the EU, specified “to the UNFF-bis trust fund.” INDONESIA, supported by the AFRICA GROUP and the US, suggested inviting “donor” countries and “other countries in a position to do so.”

On making effective use of existing resources, CUBA called for urging “developed countries to fulfill their commitments already agreed on ODA,” and for a separate paragraph on the Global Forest Fund (GFF). AUSTRALIA supported reference to more effective use of existing resources. MEXICO preferred “existing and new” resources and, with the AFRICA GROUP, favored reference to “public” resources only.

Regarding land tenure, the EU proposed “reviewing” instead of “removing” tenure restrictions, and CANADA proposed “securing long-term tenure rights and removing regulatory restrictions.” The AFRICA GROUP, supported by MEXICO, noted that reference to tenure rights should be discussed by WGI. The US, supported by AUSTRALIA, suggested moving the language on long-term tenure rights to a later paragraph on enabling environments. SWITZERLAND proposed moving this language to later paragraphs on securing sustainable financing.

On creating a trust fund for forests, SWITZERLAND, supported by the US and NORWAY, proposed combining ideas for finance using new structures at the global level, specifically through the FAO’s NFP Facility, to support national actions to implement SFM, and PROFOR, to fund collaborative work among CPF members at the global and regional levels.

On the Global Environment Facility (GEF), the US, with SWITZERLAND and AUSTRALIA and opposed by the AFRICA GROUP, proposed adding a new paragraph to “invite the GEF Council to explore ways to give greater consideration to SFM within the relevant GEF operational programmes, including by utilizing the full range of forest-related international organizations, such as FAO and the International Tropical Timber Organization, as implementing and executing agencies where appropriate.”

CANADA proposed inserting text on “involvement of and investment by local” communities and forest users in SFM to create an enabling environment.

INDIA and VENEZUELA opposed a sub-paragraph on developing innovative mechanisms for generating revenue through payments for forest environmental services. The EU, opposed by VENEZUELA and INDIA but supported by MEXICO, suggested taking into account national conditions. MEXICO and SWITZERLAND opposed a suggestion by CANADA to include reference to poor communities.

The AFRICA GROUP opposed SWITZERLAND’s suggestion for “further” developing rather than developing “innovative” mechanisms. The US noted that revenue should be generated from users of forest environmental services, with payment to those who maintain them. MEXICO, supported by the US, opposed an AFRICA GROUP suggestion, supported by CANADA, on developing mechanisms “on the national, regional, inter-regional and international levels.” The discussion was halted pending consultation within the AFRICA GROUP.

INFORMAL GROUP ON THE CHAIR’S TEXT

Chair Denys Gauer (France) suspended text deliberations and invited delegates to state their positions on the “bottom-line package” they would accept for the future IAF.

JAPAN identified an LBI as the best but not a feasible option, and called for a non-binding instrument. IRAN expressed opposition to quantifiable national goals and willingness to further consider the LBI option. INDONESIA called for stronger means of implementation and voluntary national targets.

SWITZERLAND opposed any form of continuation of the *status quo*, supported global quantifiable goals, and called for adopting terms of reference for developing either an LBI or a code of practice, with discussion on means of implementation contingent on the content of a future instrument. The EU supported global quantifiable targets and stronger language on means of implementation, and called for a negotiating process on the content instead of the legal nature of a stronger international instrument. Considering the low prospects for a legal framework in the near future, CUBA emphasized the importance of addressing means of implementation.

The AFRICA GROUP stressed realistic goals, and urged flexibility among countries on means of implementation. Acknowledging the lack of agreement on a legal framework, he urged countries to draw up national codes for SFM on a voluntary basis.

ARGENTINA called for strategic goals, timeframes and a voluntary framework.

NIGERIA, supported by the AFRICA GROUP, suggested solidifying means of implementation through the GEF or GFF. CANADA, supported by AUSTRALIA but opposed by BRAZIL, proposed a voluntary code and review process at the national level, and stressed that means cannot be separated from commitments.

BRAZIL opposed any discussion of an LBI, stressed the importance of UNFF, and expressed willingness to report on national programs in support of global objectives, adding that these actions are limited by availability of new and additional resources. COSTA RICA, with the DOMINICAN REPUBLIC, EL SALVADOR and GUATEMALA, supported keeping the LBI option open and deemed the voluntary code an acceptable compromise.

NEW ZEALAND and AUSTRALIA called for a strengthened IAF and CPF. AUSTRALIA called for capacity for national governments to develop national policies consistent with international dialogue, a voluntary seed fund, and developing a possible voluntary code in the next two years.

The US emphasized the importance of the CPF in obtaining financing for SFM, called for national-level targets that contribute to achieving global goals, and agreed to discuss the elements of a code or international understanding on forests to strengthen the IAF.

NORWAY, supported by the REPUBLIC OF KOREA, indicated support for measurable targets, an LBI with non-binding options, a global forum with a focused agenda, and a strong regional component.

SYRIA supported a stronger CPF, realistic targets and means of implementation.

INDIA stressed means of implementation, capacity building and a regional component. THAILAND supported flexible national objectives that match country priorities.

PERU called for a strengthened IAF, but noted that global targets are inappropriate. MEXICO stated that quantifiable objectives are needed to attract funding. VENEZUELA stressed that heterogeneity among nations needs to be recognized.

CHINA supported a strengthened IAF with realistic goals and adequate funding. COLOMBIA, supported by PERU, stressed the creation of a forest-specific GEF operational programme.

IN THE CORRIDORS

As the day drew to a close, many delegates expressed satisfaction with the decision to jump-start the process by foregoing detailed text deliberations in favor of an open discussion of bottom-line positions. Some said the vigorous exchange of substantive views revealed possible agreement around a code. Others disagreed, noting lonely but strong opponents of the word “code” and the idea of establishing a task force to develop a code. While these issues are at the heart of the debate on the future IAF, delegates seemed more preoccupied with the arrival of ministers tomorrow, especially due to the lack of consensus on the contents of a ministerial declaration.