

UNFF8 HIGHLIGHTS: MONDAY, 20 APRIL 2009

On Monday, 20 April, the eighth session of the United Nations Forum on Forests (UNFF8) opened at UN Headquarters in New York. In a morning plenary session, delegates heard opening statements and addressed organizational matters, progress towards sustainable forest management (SFM), and enhanced cooperation. In the afternoon, a panel discussion was held on the financial crisis and SFM, and plenary addressed means of implementation.

PLENARY

ORGANIZATIONAL MATTERS: Opening the meeting, Sha Zukang, Under-Secretary-General for Economic and Social Affairs (ECOSOC), described SFM as a dynamic and evolving concept, and noted the economic importance of the world's forests and their role as the "lungs of the planet." He said that the adoption of the Forest Instrument signaled a new era and offered a chance to turn political commitment into action.

Delegates elected Boen Purnama (Indonesia) as UNFF8 chair, and Arvid Ozols (Latvia), Abdellah Benmellouk (Morocco), Modesto Fernández (Cuba) and Glen Kile (Australia) as co-chairs. Delegates agreed that Working Group I (Forests in a Changing Environment) would be co-chaired by Ozols and Benmellouk, and that Working Group II (Means of Implementation) would be co-chaired by Fernández and Kile.

Chair Purnama encouraged the adoption of realistic objectives for this session and highlighted the significance of the Forest Instrument as the first global agreement on SFM addressing all types of forests. He emphasized that finance is a central pillar of SFM, and described UNFF8 as the "last mile of a marathon."

Jan Heino, Chair of the Collaborative Partnership on Forests (CPF), highlighted CPF member activities in support of SFM. He said that combating climate change, desertification and land degradation will not be possible without SFM, and that SFM will not be achieved without means of implementation.

PROGRESS TOWARDS SFM: Jan McAlpine, UNFF Director, reported on progress towards achieving the four Global Objectives on Forests and implementing the Forest Instrument (E/CN.18/2009/2). She said the Instrument supports addressing forest cover loss through national forest programmes, but noted that further work is needed to address forest degradation. She stressed that serious gaps remain in both financing SFM and information on forest finance. On reviews at future UNFF sessions, she emphasized the need for enhanced indicators related to the Global Objectives, streamlined reporting, and synergies with other assessments.

ENHANCED COOPERATION: Heino presented on the CPF Framework 2008 and 2009 (E/CN.18/2009/12). He highlighted new CPF joint initiatives, including: financing for SFM, forests and climate change, and forest degradation; establishing the first Global Forest Expert Panel on adaptation of forests to climate change; and organizing the Forest Days at the thirteenth and fourteenth Conference of the Parties to the UN Framework Convention on Climate Change (UNFCCC). He noted ongoing collaboration on, *inter alia*: the Sourcebook on Funding for SFM; capacity building for SFM monitoring, assessment and reporting; and streamlining of forest-related reporting.

OPENING STATEMENTS: Sudan, for G77/CHINA, supported by Malaysia for the ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN), INDONESIA, INDIA, CHILE, BRAZIL and others, called for the establishment of a global forest fund to provide new and additional funding resources for developing countries.

ASEAN recalled the ASEAN forest expert group's support for implementation of the proposals for action of the Intergovernmental Panel on Forests and the Intergovernmental Forum on Forests. BRAZIL pointed to the Amazon Fund and the National Plan on Climate Change as tools supporting SFM in Brazil. INDONESIA noted the establishment of the Forest-11 Group of leaders of tropical rainforest countries and expressed regret that the lack of agreement on means of implementation at UNFF7 has meant lost opportunities for national implementation of the Forest Instrument.

The Czech Republic, for the EU, stressed that UNFF8 should give policy guidance by clarifying and communicating SFM's contributions to internationally agreed development goals, as well as contributing to the integration of environmental aspects into the forest policy dialogue and SFM at all levels. He highlighted the importance of good governance, forest law enforcement and securing land tenure rights for the effective use of financial resources.

Papua New Guinea, for PACIFIC ISLAND COUNTRIES, noted the uniqueness of their forest circumstances and called for the consideration of the islands of the Pacific as a separate regional group. CROATIA brought attention to the International Year of Forests 2011 as a means to increase global action and raise awareness on the value of forests, and highlighted national SFM activities and financing, including a green tax on publicly used forest services. ANGOLA noted the current financial crisis poses a challenge to meeting SFM and development goals, and described SFM as a crucial tool to mitigate climate change.

SURINAME said that countries with high forest cover and low rates of deforestation deserve support and compensation for their role in climate stabilization. NEPAL emphasized that global

warming poses a threat to water resources and biodiversity, especially in the Himalayas, and highlighted Nepal's success in community-based forest management and reforestation of degraded land.

COLOMBIA urged delegates to complete discussions on means of implementation, in particular on funding, technology transfer and capacity building.

CHINA noted national efforts to incorporate combating illegal logging in SFM policy. With the US, he stressed that political will is necessary to realize the four Global Objectives on Forests and implementing the Forest Instrument. The US highlighted work by the private sector, non-governmental organizations, communities and governments to decrease deforestation and called for these efforts to focus on clarifying the drivers of deforestation.

INDIA noted that key elements of the Forest Instrument have been enshrined in Indian forest policy. He called for the strengthening of existing international arrangements and identifying priority areas for action. CHAD stressed the link between deforestation, poverty and social upheaval, and asked that member States recognize African priorities during the course of negotiations. PAKISTAN noted the vulnerability of low forest cover countries in the face of climate change.

IRAN called for the development of attainable short, medium and long-term goals. CUBA called for increased capacity building, education and technology transfer for successful SFM implementation, and emphasized the need for ongoing commitment for developing country assistance. ARGENTINA, outlining recent advancements in forest policies, stressed its commitment and that of other developing countries to implementation, and called for greater international assistance.

JAPAN emphasized systematic sharing of information on implementation of the Forest Instrument, the inclusion of SFM within reducing emissions from deforestation and forest degradation, and with NEW ZEALAND, the need to improve the use of existing financial resources. CHILE highlighted recent developments in its forest policies. AUSTRALIA noted its strong stance on combating illegal logging through capacity building, forest certification, and restricting the importation of illegally harvested timber.

SOUTH AFRICA said that SFM can contribute to addressing desertification and poverty, and called for additional resources in support of SFM. The DOMINICAN REPUBLIC reported on a bi-national reforestation programme developed in conjunction with Haiti, and emphasized that SFM requires good governance. NEW ZEALAND expressed support for the objectives of the Forest Instrument, but noted that SFM had yet to be clearly defined at the global level.

INDIGENOUS PEOPLE expressed concern about solutions to climate change that infringe on the rights of indigenous peoples and requested that the UN Declaration on the Rights of Indigenous Peoples be considered in the implementation of the Forest Instrument.

MEANS OF IMPLEMENTATION: McAlpine, in introducing the report of the Secretary-General on finance and other means of implementation for SFM (E/CN.18/2009/9), said the bottom line is to start implementation immediately after UNFF8, be realistic, and adopt a step-wise approach.

The EU said that information on available sources of funding is not always easy to find. Noting that funding is a joint endeavor of developed and developing countries, he stated that countries have committed to mobilize funding by complementing national and international, and private and public sources.

INDONESIA called for: maintaining political will during the financial crisis; realistic and pragmatic new financial mechanisms; and strengthening current financial mechanisms.

The US stressed that the Forum is not the organization to devise new funding mechanisms, but rather an arena to discuss and share experiences, with the CPF possibly having a facilitative role. JAPAN supported a facilitative mechanism for future financing. NORWAY called for a portfolio approach for financing SFM, noting that attracting funding from the private sector will be a challenge.

PANEL DISCUSSION ON THE FINANCIAL CRISIS AND SFM

Warren Evans, Director, Environment Department of the World Bank, highlighted the Bank's efforts to assist the poorest and most vulnerable countries during the crisis. He lamented the negative consequences the crisis will have on the world's forests as countries are driven to pursue short-term investments, but said that the international community is well positioned to respond to this. He called for UNFF to convey to the UNFCCC that a future climate agreement needs to address forests, and noted that the potential funding to come through a climate deal will substantially exceed any amount raised from other sources.

Emmanuel Ze Meka, Executive Director, International Tropical Timber Organization, reported that reduced timber demand and unemployment increase pressures such as illegal logging and subsistence use on tropical forests, and predicted a decrease in financing flows from official development assistance and revenues from timber exports and carbon markets. He explained that investment in non-timber forest products and environmental services can reduce the impact of the crisis, and suggested financial stimulus measures for tropical forest economies.

Russ Mittermeier, President, Conservation International, said biodiversity hotspots and high biodiversity wilderness areas host the highest cultural diversity on Earth. He mentioned the critical importance of indigenous peoples as partners in any conservation initiative and highlighted tools for financing SFM, including protected areas, trust funds, ecotourism, and payments for environmental services. He said the climate change regime is a great opportunity for SFM financing, and urged UNFF8 to prioritize recommending to UNFCCC that high forest cover countries with historically low rates of deforestation be included in the post-Kyoto agreement.

In the ensuing discussion, delegates raised questions on: public financing of payments for environmental services; the need for continuous flows of funding; and strategies for approaching the private sector for funding.

IN THE CORRIDORS

At the outset of UNFF8, talk in the corridors was dominated by speculations whether the Forum would – 17 years after the Forest Principles were agreed at the Rio Earth Summit – reach an agreement on financing for SFM. Several delegates, recalling constructive discussions during two country-led initiatives and informal consultations, said that “prospects have never been better.” Others cautioned that while these intersessional discussions may have increased mutual understanding, the divergence between donor and recipient countries remains largely unchanged. While in plenary recipient countries reiterated their preference for a global forest fund, seasoned participants pointed out that some of these countries, inspired by recent successful collaboration with donors, may be warming up to also discussing a facilitative mechanism.

One delegate highlighted the need to prevent discussions on finance, particularly on tapping into climate funding and carbon markets, from crowding out discussions on other issues such as biodiversity and desertification. However, the afternoon session on the impact of the financial crisis underscored the need to address this issue, and contributed to an overall mood in the room that financing will remain the key concern throughout this session.