



## UNFF10 HIGHLIGHTS FRIDAY, 12 APRIL 2013

UNFF10 continued on Friday, 12 April. Working Group I (WG I) met throughout the day, discussing forests and economic development in the morning, and assessment of progress made on the implementation of the Forest Instrument and towards the achievement of the four GOFs, regional and subregional inputs, and enhanced cooperation on policy and programme coordination, including the provision of further guidance to the CPF, in the afternoon. Working Group II (WG II) discussed MoI on SFM in the morning, and emerging issues in the afternoon. A stocktaking plenary took place in the evening to review progress.

### WORKING GROUPS

**WG I: Forests and Economic Development:** On Friday morning, UNFF10 Vice-Chair and WG I Co-Chair Shulamit Davidovich (Israel) presented the agenda based on the Report of the Secretary-General on Forests and Economic Development and Conclusions and Recommendations for Addressing Key Challenges of Forests and Economic Development (E/CN.18/2013/4 and E/CN.18/2013/5). Participants discussed issues including: forest products and services; national forest programmes and other sectoral policies; reduction of the risks and impacts of disasters; and the benefits of forests and trees to urban communities.

SWITZERLAND, with the PHILIPPINES, called for a legally-binding instrument for forests. BRAZIL proposed deleting references to “natural resource accounting,” saying it requires further clarification.

The EU called for better reflecting forests’ value in national accounting and recognizing forests’ role in climate change resilience and mitigation. SWITZERLAND highlighted that PES is not a “one size fits all” solution.

DOMINICA noted challenges in engaging companies in PES without increasing consumer costs. COLOMBIA discussed implementing green accounting through the World Bank’s five-year global partnership on Wealth Accounting and Valuation of Ecosystem Services.

The US called for emphasizing landscape approaches to SFM, including land use and tenure issues. GRENADA called for increased funding and capacity building for landscape approaches. BRAZIL, MALAYSIA, INDONESIA and ARGENTINA stressed that the term “landscape approach” is not agreed language and should be replaced with “different approaches available.”

CHINA, TUNISIA, SENEGAL, MALAYSIA, MAURITIUS, BURKINA FASO, the DOMINICAN REPUBLIC, GHANA, KENYA, LESOTHO and UGANDA called for building capacity

for assessing forests’ multiple benefits. INDONESIA called for strengthening language on technology transfer and information sharing.

BRAZIL suggested replacing “as a means of instituting effective land-use systems” with “to advance the implementation of SFM.” PALESTINE urged considering differences in countries and forest attributes when promoting SFM.

BRAZIL noted the need to have a progress report from AHEG2 to better inform the decision on the facilitative process. BOLIVIA urged that the Rio+20 outcomes be integrated into the draft decision.

MALAYSIA called for partnerships with economic organizations to enhance funding for forest programmes, and with LESOTHO, requested support for data collection and analysis especially for developing countries.

**Assessment of Progress Made, Regional and Subregional Cooperation, and Enhanced Cooperation:** In the afternoon UNFF10 Vice-Chair and WG I Co-Chair Anna Masinja (Zambia), invited delegates to discuss the agenda items on: assessment of progress made; regional and subregional cooperation; and enhanced cooperation.

On **assessment of progress made**, the EU, reporting on negotiations for a legally-binding agreement on forests in Europe, called for strengthening LFCCs’ and SIDS’ capacity to implement the Forest Instrument. Indonesia, for the G-77/CHINA, underscored that inadequate funds hinder reporting. JAPAN highlighted support from their government to build capacity for the implementation.

MEXICO called for continued technical support and harmonization of the country reporting methodology. SWITZERLAND opposed convening a technical expert group to address reporting methodology, and with the US and NEW ZEALAND, questioned the use of the term “facilitative process” for the IAF review. BRAZIL urged early completion of the reporting methodology and COLOMBIA proposed a deadline of December 2013 to complete the methodology.

BOLIVIA called for creating a “unique reporting instrument for UN conventions” that is aligned to the Forest Instrument. The US, with NEW ZEALAND, supported streamlining and integrating Forest Instrument reporting with other reporting processes. ARGENTINA noted that despite submitting a report, none of the measures they used were reflected in the assessment.

MALAYSIA noted that the adoption of the Forest Instrument has reinforced national efforts in SFM and proposed that membership of the expert group should include all Member States and that the group be provided with a clear mandate and source of funding.

On **regional and subregional cooperation**, The REPUBLIC OF CONGO urged that the Central African Forests Commission initiatives be cited as successful examples of regional



cooperation. TURKEY shared success in strengthening regional and subregional cooperation, stating that reporting remains a challenge.

On **enhanced cooperation**, the G-77/CHINA said South-South cooperation is not an alternative to North-South cooperation and called for a global forest fund to tap existing, new and additional funding. CHINA, noting the dependence of local communities in developing countries on forest resources, called for increased ODA. SOUTH AFRICA called on the UNFF to work with regional and subregional groups such as the Southern African Development Community to promote implementation of the Forest Instrument.

**WG II: MoI:** On Friday morning, UNFF10 Vice-Chair and WG II Co-Chair Srećko Juričić (Croatia), opened the discussion on MoI. Jan Heino (Finland), AHEG2 Co-Chair, highlighted the main issues emerging from the intersectoral meetings: fostering cross-sectoral collaboration; increasing private sector involvement; and ensuring continued national efforts in forest financing.

Paulino Franco de Carvalho Neto (Brazil), AHEG2 Co-Chair, outlined recommendations, including: encouraging private sector investment; strengthening national data collection on forest financing; and recognizing opportunities for mobilizing new sources of forest finance.

Ghana, for the AFRICAN GROUP, CUBA, TURKEY, BOLIVIA, CHINA and SAUDI ARABIA, supported establishing a global forest fund. CANADA, NEW ZEALAND and the US opposed. The AFRICAN GROUP further urged creating regional funds, such as an African forest fund, with simplified access modalities.

SWITZERLAND expressed willingness to consider a global forest fund, but only within the framework of a legally-binding instrument containing commitments. The EU noted a lack of evidence of the need for a global forest fund.

CUBA highlighted that current financial mechanisms still present difficulties in accessing finance. JAPAN said a new fund will require administrative and operational costs, citing alternatives such as improving access to existing financial mechanisms. TURKEY highlighted that consolidating all financing sources can increase efficiency.

SAUDI ARABIA urged that the fund be based on the principle of common but differentiated responsibilities. BOLIVIA called for an integrated approach to forests across all relevant UN processes, including climate change and biodiversity.

Ghana, for the G-77/CHINA, with the US and INDONESIA, indicated that technology transfer and capacity building should be discussed, as these are also encompassed in MoI. The EU recommended that the UNFF Secretariat initiate discussions with the Organisation for Economic Co-operation and Development to strengthen forestry data.

CHINA, with the AFRICAN GROUP, suggested using a combination of mechanisms including a dedicated GEF focal area for SFM. The EU highlighted the importance of a wide variety of funding sources, including market-based approaches, effective use of trade and investment opportunities, and domestic financing. SENEGAL called for strengthening data collection mechanisms.

SWITZERLAND underlined the role of regional forestry organizations in forest financing, saying these organizations should work with the UNFF to address funding gaps. MOROCCO noted the need for a package of funding mechanisms, including through South-South, regional and inter-regional collaboration.

IRAN called for appropriate funding mechanisms for LFCCs. The EU noted that funding for this can be obtained through earmarked funding for drylands. TURKEY highlighted the role of carbon markets in providing financial opportunities for SFM.

**EMERGING ISSUES:** UNFF10 Vice-Chair and Working Group II Co-Chair Saiful Azam Martinus Abdulla (Malaysia), opened the afternoon session on emerging issues. The Secretariat

provided an overview of the relevant issues, reminding delegates of the theme for UNFF11 “Forests: progress, challenges and the way forward for the international arrangement on forests,” and highlighted some of the issues to be considered at UNFF11, including the review of the effectiveness of the IAF.

The G-77/CHINA, called for a specific SDG on forests. Noting that it is too early to discuss the specificities of the goal, he said it should be based on the Johannesburg Plan of Implementation and Agenda 21. He opposed including natural capital accounting and supported establishing an AHEG, which should meet twice before UNFF11. The EU noted that the concept of natural capital accounting is reflected in the Rio+20 outcome document, although not explicitly.

The US and JAPAN supported establishing an AHEG, with the US calling for holding two AHEG meetings, subject to availability of resources. Regarding the scope of the IAF review, the US suggested reviewing four elements: legal matters such as the Forest Instrument, options for a legally-binding instrument and UNFF resolutions; organizational matters such as the UNFF and its meetings; the UNFF Secretariat, the CPF, and their operation; and the facilitative process.

CUBA noted that the designs of the outcome should, *inter alia*, address financing for SFM, particularly for developing countries. ARGENTINA called for the AHEG to meet at a UN center so that developing countries can have ensured support.

JAPAN and the EU cautioned against prejudging the outcome of the post-2015 development agenda process. The EU highlighted the need to send a clear message on the importance of forests for sustainable development and poverty eradication for inclusion in the development agenda outcome.

The EU supported holding one AHEG meeting, and noting that other preparatory processes, such as CLIs and RLIs, must also receive appropriate consideration. BRAZIL supported holding UNFF11, as well as two AHEG meetings, in New York. BOLIVIA said the agenda and scope of the AHEG should include a call for views and submissions from Member States to be compiled by the Secretariat.

MALAYSIA urged CPF members to participate in the AHEG. Co-Chair Abdulla informed delegates that the zero draft will be tabled at the next session, convening on Monday, 15 April.

## PLENARY

In the afternoon, delegates convened in a short stocktaking plenary, where UNFF10 Chair Carranza provided an overview of the week’s work. He noted that the Ministers and other high-level participants had provided guidance during the Ministerial Segment on the issues to be addressed. He observed that lively discussion in plenary and Working Groups has informed the content of the initial draft decisions, which will be distributed prior to the Working Groups reconvening on Monday.

## IN THE CORRIDORS

As the first half of UNFF10 drew to a close, there were conflicting views concerning the progress of the week. Some participants noted that although UNFF10 got off to a slow start, it seemed most parties had come ready with constructive input to inform the discussions and reach a timely compromise on the key issues of MoI for SFM and forests for economic development. According to one delegate, this spirit was evident in some donor countries’ positions indicated by their willingness to address a possible global forest fund as a long-term goal, or as a component of a legally-binding forest agreement.

Others, however, expressed concern that this does not apply to all delegations. One participant could be heard commenting that some parties had arrived at UNFF10 with their positions so entrenched that the negotiations could end up being stalled. Some even went as far as to say that views within regional coordination meetings were so disparate that little progress could be made on substantive issues. But only time will tell.