

UNFF10 HIGHLIGHTS: TUESDAY, 16 APRIL 2013

UNFF10 continued on Tuesday, 16 April. In the morning, plenary addressed the Forum Trust Fund and heard a briefing on budgetary and legal matters. In the morning and afternoon, the Working Groups continued their readings of the zero drafts of their decision text. WGI completed its first reading of text on: assessment of progress made on the implementation of the Forest Instrument and towards the achievement of the four GOFs; regional and subregional inputs; forests and economic development; and enhanced cooperation and policy and programme coordination. WGII completed the first reading of text on emerging issues and MoI. Under WGII, informal consultations on issues relating to the AHEG and global forest fund, continued into the evening.

PLENARY

FORUM TRUST FUND: UNFF10 Chair Mario Ruales Carranza introduced this agenda item. UNFF Director Jan McAlpine presented an overview of the Note by the Secretariat on the UN Trust Funds to Support the UNFF (E/CN.18/2013/13). She listed the voluntary contributions received from Member States to the Trust Fund in the biennium 2011-2012, outlining how the funds were spent. UNFF Director McAlpine described the Secretariat's staffing situation as "precarious" due to budget shortfalls and called for enhanced contributions from Member States.

Ivan Koulov, DESA, outlined, *inter alia*, the costs of holding meetings in New York, Nairobi and Vienna, including UN staff travel, conference services and supporting the attendance of developing country experts. He concluded that meeting costs will likely be US\$100,000 cheaper in New York than in Vienna, and US\$150,000 cheaper than Nairobi.

Stadler Trengove, UN Office of Legal Affairs, explained the meaning of an open-ended AHEG, saying membership would be open to all States and Major Groups. He noted that it is up to the UNFF to decide on the AHEG's modalities and mandates. Regarding options for independent expert reviews of UN entities, he presented possible options, including: the Joint Independent Unit; the Board of Auditors; and the Independent Audit Advisory Committee.

In the subsequent discussions, delegates commented on issues, including: the cost of meeting in New York versus Nairobi; the Programme Budget Implication (PBI) of tasks expected to be assigned to the Secretariat in UNFF10 resolutions; the need to formally reflect funds spent by countries on CLIs; the need to indicate clear priorities for the Secretariat's work over the next biennium; the meaning

of "intergovernmental" in the context of an AHEG; the legal implications of commissioning an independent review of the IAF; and the call for additional contributions to the Trust Fund, and the need to balance available financial resources with expectations of work.

Responding to comments, Koulov explained that the extra cost of conference services, including translation for meetings held outside of New York, exceeded savings from the lower flight costs and daily subsistence allowance for Nairobi. He clarified that PBIs are not presented to Subsidiary Bodies.

Trengove explained the significance of "intergovernmental" indicating that Major Groups are welcome, but cannot vote or challenge rulings.

WORKING GROUP I

On mobilizing resources for forests and economic development (OP2), Indonesia, for the G-77/CHINA, proposed adding text (OP2 *bis-ter*) on strengthening collaboration, cooperation, and regional and subregional processes. Ireland, for the EU, and SWITZERLAND raised concern with the balance between national and donor community funding sources, and proposed (OP2 *quart*) highlighting forests in a green economy.

On enhancing cooperation (OP3), the G-77/CHINA added "North-South" and "triangular cooperation," and several delegates proposed expanding database and knowledge networks.

On the CPF assisting countries in assessing non-market values of forest products and services (OP4), the EU provided alternative text on measuring the economic value of non-wood services (OP4 alt). SWITZERLAND underscored assistance for gathering robust data and sharing lessons. The G-77/CHINA suggested additional text on developing non-market based approaches.

On CPF member assistance in harmonizing ongoing initiatives on forest valuation (OP5), the EU and the US noted valuation is not sufficiently developed to allow harmonization.

On collaboration with the CPF on criteria and indicators for SFM and ways of addressing information and data gaps (OP6a), the EU said such collaboration should include other UN bodies. The G-77/CHINA provided additional text to this effect (OP6a *bis*).

On building partnerships with financial institutions (OP6b), the EU, with SWITZERLAND, said the scope of the mandate was too large for the UNFF Secretariat.

On implementing and reporting on the Forest Instrument and achieving the four GOFs (OP7), the EU suggested acknowledging progress. The G-77/CHINA called for supporting capacity building, technology transfer and financial resources to enhance efforts.



On reporting to UNFF11 (OP8), SWITZERLAND called for clearly contextualizing the IAF review process. On donor support for implementation and reporting efforts (OP9), the EU and SWITZERLAND remarked on ongoing discussions on MoI in WGII.

On opportunities for the UNFF Secretariat to incorporate the Forest Instrument in the work programmes of the CPF organizations (OP10d), SWITZERLAND, supported by the EU and the US, called for deleting the text, reserving this responsibility for Member States or the CPF.

On encouraging inputs to the UNFF from organizations, processes and Major Groups (OP11), the EU suggested deleting the request for donor countries and CPF organizations to support these efforts.

On inviting CPF collaboration in streamlining reporting (OP12a), the EU supported broadening the scope to promote consistency. The G-77/CHINA bracketed the paragraph pending informal consultations.

On strengthening the UNFF Secretariat's effectiveness to engage Major Groups (OP13a), the G-77/CHINA suggested reference to relevant stakeholders, including indigenous peoples and local communities.

SWITZERLAND suggested that the CPF, rather than the UNFF Secretariat, be charged with fostering synergies among forest-related activities and programmes to promote SFM (OP13b).

On developing communication tools on the contribution of forests' importance to urban communities (OP13c), the EU suggested that the UNFF Secretariat collaborate with the CPF and FAO, with the US saying this is a task for Member States.

On promoting inclusion of forests in the post-2015 development agenda (OP13d), the EU suggested waiting for the outcome of the discussion on emerging issues in WGII.

On encouraging and organizing the International Day of Forests (OP14), the G-77/CHINA suggested noting the contribution of forests to protecting the integrity of Mother Earth. The EU proposed (OP14 alt) noting UN General Assembly resolution A/RES/67/200 and thereby removing the need to define the UNFF Secretariat's role in facilitating the celebration (OP15).

WGI Co-Chair Masinja closed the first reading of the zero draft, reiterating that all proposals on text must be sent to the Secretariat by 7pm on Tuesday. She said the second reading of the draft resolution would commence on Wednesday morning.

WORKING GROUP II

MoI: On actions at all levels (MoI OP3), the US and the EU suggested strengthening transfer of ESTs "on mutually agreed terms and conditions" and the EU proposed inviting Member States and stakeholders to use market-based approaches to develop and promote production and consumption of forest products from sustainably-managed forests, harvested according to domestic legislation, as a way to mobilize additional resources and increase tax revenues for governments.

SWITZERLAND, with the US, cautioned against deleting text on data collection (MoI OP4d alt), saying that if Member States ask for more financial and other assistance, there should be sufficient data to establish baselines on forest resources. The EU proposed including text on harnessing the potential of the private sector to finance SFM (MoI OP4f).

On text inviting the GEF to consider establishing a new focal area on forests in GEF-6 (MoI OP7), SWITZERLAND, supported by the EU and the US, urged retaining the notion of "inviting the GEF to consider." Ghana, for the G-77/CHINA,

favoured "calling upon the GEF to establish a dedicated new focal area for SFM." SWITZERLAND, opposed by SAUDI ARABIA, underlined that establishing such a window should only take place once a legally-binding instrument has been established.

On financing for SFM, the EU proposed (MoI OP10 *bis-quat*) encouraging: the FAO to further develop its work; the private sector to consider improving information on the scale of private investments; and the UNFF Secretariat to improve data sources on public financing. The G-77/CHINA proposed (MoI OP11 alt) calling on developed countries and conventions to increase their contributions to SFM.

The G-77/CHINA, with CUBA, SOUTH AFRICA, CAMEROON, SAUDI ARABIA, GABON, CHINA, GUATEMALA, TURKEY and ECUADOR, favored language calling on UNFF10 to establish a global forest fund (MoI OP12). The EU, the US, SWITZERLAND, JAPAN, CANADA, NEW ZEALAND and NORWAY urged retaining original language calling for consideration of establishing a voluntary global forest fund. NEW ZEALAND cautioned that the discussions so far have not demonstrated the need for a global forest fund.

EMERGING ISSUES: SWITZERLAND requested an additional preambular paragraph (EI PP0) recalling the ECOSOC decision in which the UNFF decided that the IAF's effectiveness will be reviewed in 2015. On emphasizing the interconnections of the post-2015 development agenda, Rio+20 follow-up and UNFF11 themes (EI PP4), the EU called for coordinating with the discussions of similar paragraphs under WGI. He proposed (EI PP4 *bis-ter*) recognizing the need for broader measures of progress to complement Gross Domestic Product in order to better inform policy decisions, and noting that MDG indicator 7-1 (the proportion of land area covered by forests) has continued to evolve negatively at the global level. MOROCCO suggested noting the work on forest financing undertaken by the UN Secretary-General's High-Level Advisory Group on Climate Change Financing.

The Co-Chairs proposed, and delegates agreed, to undertake informal consultations, co-facilitated by South Africa and New Zealand, on the paragraphs relating to the AHEG (EI OP3-8 and MoI OP12). The informal consultations started immediately and delegates will commence the second reading of the draft resolution on Wednesday morning.

IN THE CORRIDORS

As the seventh day of UNFF10 convened, the first readings of the draft decisions continued. Many delegates expressed exasperation at the long and tedious nature of the coordination meetings and informal consultations taking place, which were seen to be hampering progress. Rifts within negotiating blocs and regional groups were exposed as countries that normally saw eye-to-eye began to take opposing positions. Even though concessions were made to reflect ideologies in the negotiating text, there was still disparity on some substantial issues. The spirit of mutual support seemed to evolve towards breaking out into smaller factions on specific issues, rather than remaining in existing negotiating blocs.

WGII on MoI tried to resolve these rifts by establishing an informal consultation group to address issues on the global forest fund and the process for undertaking the 2015 review of the IAF. However, some delegates felt that capacity building and support for technology transfer were still being undermined. One frustrated delegate could be heard saying "if education is expensive, then let's try ignorance instead."