

UNFF12 HIGHLIGHTS: THURSDAY, 4 MAY 2017

UNFF12 convened for its penultimate day on Thursday, 4 May 2017, at UN Headquarters in New York. In the morning, delegates discussed the preparation of input for the 2018 session of the HLPF, including intersessional activities and substantive input to its thematic focus. Delegates then turned to a discussion on enhancing cooperation, coordination and engagement on forest-related issues across and beyond the UN system. In the afternoon, delegates addressed means of implementation (MOI).

Informal discussions on the omnibus resolution took place during lunch and into the evening.

IMPLEMENTATION OF THE STRATEGIC PLAN PREPARATION OF PROVISION OF INPUT TO 2018

HLPF: UNFF12 Chair Peter Besseau opened the morning session. Thomas Gass, Assistant Secretary-General, DESA, highlighted the HLPF 2018's theme, "transformation towards sustainable and resilient societies," noting that the set of SDGs to be reviewed are directly linked to forests. He emphasized that the Forum can contribute to improving information on the nexus between forests and other goals.

IRAN and SWITZERLAND asked for clarification regarding the feedback mechanism from the HLPF to the UNFF on inputs made. Gass responded that the feedback mechanism is not as yet conclusive, noting contributing bodies may ask specific questions to guide the feedback required.

BHUTAN and SWITZERLAND said they are carrying out their voluntary national reviews on implementation of the 2030 Agenda, which will feature progress in forest sector.

The EU said the Global Forest Expert Panel on Forests and Water provides an avenue for the Forum to contribute to the HLPF, as it connects SDG6 (Clean water and sanitation) and SDG15 (Life on land). She also recommended that the CPF-planned conference in 2018 on actions to achieve SDG15.2 (Promote implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally) and UNSPF target 1.1 (Forest area is increased by 3% worldwide) include Global Forest Goal 3 (Increase significantly the area of protected forests worldwide and other areas of sustainably managed forests, as well as the proportion of forest products from sustainably managed forests).

GERMANY said the UNFF's contribution to the HLPF should emphasize that forests are essential to life on earth, and signal the need to address pressures from unsustainable practices in other sectors. The AFRICAN GROUP called for more action to increase community resilience, including policies and institutional

arrangements. MALAYSIA urged the international community to prioritize imports from countries with sustainable forest products as a way to support developing countries.

CHINA provided suggestions for inputs to the HLPF, including: identifying gaps in implementing SFM; enhancing cooperation between CPF Members; and encouraging Member States' participation. IUFRO urged for providing opportunities to share technical knowledge during UNFF13 and the 2018 session of the HLPF. FAO underscored that of the HLPF provides an opportunity to gain a better understanding of sectors impacting forestry. NEW ZEALAND stated the HLPF can demonstrate forests' role in sustainable development.

In closing, Gass urged Member States and experts to remain engaged and continue promoting the role of forestry in the 2030 Agenda.

MEANS OF IMPLEMENTATION

UNFF Director Manoel Sobral Filho introduced this agenda item (E/CN.18/2017/4), highlighting: the Green Climate Fund (GCF) has approved US\$140 million for six forest-related projects; the Global Environment Facility's sixth replenishment cycle (GEF-6) has confirmed US\$711 million for 43 projects under its SFM programme; and the Global Forest Financing Facilitation Network (GFFFN) has helped eight countries access forest financing to date.

Gustavo Fonseca, GEF, moderated the ensuing panel discussion.

Penny Davies, Ford Foundation, outlined the work of the Climate and Land Use Alliance that provides "nimble and flexible" finance from private philanthropic funds, which, she said, usually takes no more than three months to disburse. She lamented the Alliance's difficulty in funding the forest sector because of uncertainties caused by insecure land tenure and conflict. She said the Ford Foundation is looking to fund governments that, *inter alia*: provide clear tenure systems; "name and shame" illegal forest management; and promote SFM subnationally.

Werner Kornexl, World Bank, highlighted several realities of, and barriers to, forest finance. He underscored that finance ministries have to be able to demonstrate forests' impact in monetary terms, citing the Three Gorge Hydropower project's saving of US\$40 million a year, due to forests reducing erosion and silt build-up. He called for advancing, *inter alia*: national-level credit systems that work for SMEs; green bonds; and appropriate fiscal transfer mechanisms.

Ivan Tomaselli, STCP Engineering Project Ltd., discussed private sector investment, reporting that SFM requires US\$150 billion annually, which should be supported by expertise and technology to ensure competitive production of forest goods. Private sector investment, Tomaselli underscored, depends on several factors, including forest policy, availability of forest resources, market access and transaction costs. He added that institutional investments

through equity funds, pension funds, insurance companies and “large fortunes” are a growing area of forest investment, managed by timberland investment management organizations.

Moderator Fonseca said the GEF-6 has seen 89% of total funding go to SFM-incentive programmes. He noted GEF-7 will involve greater cooperation with CPF organizations and the GFFFN.

BHUTAN said national actions and initiatives are also key in SFM and outlined his country’s ‘Bhutan for life initiative,’ a collaboration with WWF to provide sustained finances for protected areas. The EU underscored the need for the GFFFN to be effective, accountable and transparent.

MEXICO urged for more private sector funding. The AFRICAN GROUP called on the GEF to continue assisting developing countries. SOUTH AFRICA queried what proportion of future GEF funding will be directed towards the African continent. SENEGAL noted that forest financing allowed his country to make progress in SFM.

The US said her government is in the process of reviewing related policies and therefore reserves its position. NIGER asked what possibilities exist to increase private financing in forests while preserving customary rights. CAMEROON encouraged the GFFFN to continue its work in the Congo Basin. SAINT LUCIA noted his country is working with neighboring countries to access funds through the GFFFN.

CHINA invited the GEF to increase funding for forests in its next replenishment cycle. The SCIENTIFIC AND TECHNOLOGICAL COMMUNITY encouraged the GFFFN to more fully recognize the importance of funding for scientific research and innovation. GUINEA requested an update on their funding application to the GCF.

Closing remarks from the panelists included, *inter alia*: Davies urging governments to develop formal avenues for recognizing communities’ forest rights; Tomaselli emphasizing that governments can help “de-risk” forest investments by reducing corruption and increasing compliance; and UNFF Director Sobral expressing doubt on the global economy’s ability to compensate primary forests’ ecosystem services.

Moderator Fonseca concluded by reiterating, *inter alia*, that current circumstances mean plantation forests attract more investment than natural forests. UNFF12 Vice-Chair Zhimin closed the deliberations saying “we need to stick to the agreed-upon principles for MOI.”

ENHANCED COOPERATION, COORDINATION AND ENGAGEMENT ON FOREST-RELATED ISSUES

UNFF12 Chair Besseau introduced this agenda item (E/CN.18/2017/5). UNFF Director Sobral highlighted progress on the new communication and outreach strategy called for in the UNSPF, a notable part of which is on the International Day of Forests.

Several delegates outlined national activities to celebrate the International Day of Forests 2016 and 2017. COLOMBIA noted their use of social networks to explain that forest protection is a part of citizenship and civic duty. ECUADOR described their two-day educational events with more than 700 participants. NIGERIA noted events mobilizing rural communities, wood-based industries and local schools. UKRAINE outlined annual tree planting, work with schools and engagement with mass media. SRI LANKA highlighted the launch of their national REDD+ action plan and monitoring system. On future events, CHILE urged for focus on school children. CHILDREN AND YOUTH requested they be involved in earlier stages of organizing the annual event.

JAPAN encouraged Member States to use websites as platforms to publicize their activities. CHINA urged for national outreach activities on the UNSPF. MALAYSIA said they would involve

political leaders in upcoming celebrations to encourage citizens to conserve forests, and, with PAPUA NEW GUINEA, urged the Secretariat to provide promotional material to increase awareness. GHANA said his country carries out five-month-long celebrations aligned to the rainy, and thus tree planting season, coinciding with the International Day for Biological Diversity and World Environment Day.

AUSTRALIA celebrated social media’s potential to curate positive stories about sustainably managed forests. CANADA suggested intersessional activities include the use of online tools and platforms. SLOVAKIA lauded Forest Europe as an important regional focal point, welcoming improved collaboration between Forest Europe and UNFF.

ECONOMIC COOPERATION ORGANIZATION (ECO) highlighted the expert meeting on Enhancing Regional and Subregional Involvement in the Work of the IAF, held in September 2016, which was jointly organized with the UNFF Secretariat. SWITZERLAND raised concerns that some proposed actions from this meeting are not in line with the Forum’s mandate.

The EU said there is need for an effective communication and outreach strategy focused on communicating the importance of forests for achieving the SDGs.

The Scientific and Technical Community, on behalf of MAJOR GROUPS, urged the UNFF to involve Major Groups more effectively, adding that SDG7 (Affordable and clean energy) may provide incentives for renewed private sector interest in the UNFF.

KENYA highlighted the UNFF’s role in developing his country’s new national forest priorities and legislation. The GLOBAL FOREST COALITION suggested developing a roster of Major Group experts and facilitating networks on cross-cutting issues. He also urged the UNFF Secretariat to organize a Major Group-led Initiative before UNFF13, in lieu of multi-stakeholder advisory groups.

MOROCCO highlighted the outcomes of the 5th Mediterranean Forest Week held in March 2017, including a focus on restoration and the bolstering of multifaceted cooperation between regions.

The AFRICA FOREST FORUM recognized the need for enhanced participation of Major Groups in SFM, and called on CPF members to better coordinate activities at regional and subregional levels.

IN THE CORRIDORS

The penultimate day of the Forum opened with some delegates speculating on the week’s outcomes. Having taken part in a number of technical discussions, there was general acknowledgement that, on the majority of issues, delegates were, by and large, in agreement. Some, however, wondered whether the afternoon’s discussion on MOI for SFM would feature the “fireworks” and polarizing views that had been a key feature of this topic at past UNFF sessions. In the face of clear evidence from the panel that the GFFFN is helping to facilitate access to forest-related finance, the GEF has been key for SFM funding over the past two years and philanthropic funding in the sector is playing an increasingly important role, many delegates instead took the opportunity to query how to increase engagement with donors. And, given that there was private sector representation on the panel, many delegates were also heard being “cautiously optimistic” that private sector engagement in the forestry sector, and even in the Forum, would improve.

ENB SUMMARY AND ANALYSIS: The Earth Negotiations Bulletin summary and analysis of UNFF12 will be available on Monday, 8 May 2017, online at: <http://enb.iisd.org/forestry/unff12/>