



Earth Negotiations Bulletin

A Reporting Service for Environment and Development Negotiations

Vol. 13 No. 33 Published by the International Institute for Sustainable Development (IISD) Friday, 21 February 1997

IPF-4 HIGHLIGHTS THURSDAY, 20 FEBRUARY 1997

Working Group II discussed conclusions under programme elements II, Financial assistance and technology transfer, and IV, Trade and environment. Delegates negotiated programme elements V.1, International organizations and multilateral institutions and instruments, and V.2, Appropriate legal mechanisms, in Plenary.

WORKING GROUP II

Delegates exchanged views on conclusions to form a non-negotiated text reflecting areas of convergence and divergence.

FINANCIAL ASSISTANCE AND TECHNOLOGY

TRANSFER: On a gap in resources, the US proposed language that "existing resources are insufficient to achieve SFM." The G-77/CHINA preferred retaining Forest Principles language. The US deleted a reference to resource gaps and added text on greater financial investments and improving absorptive capacities.

On new and additional resources and international public finance, JAPAN proposed replacing references to "new and additional" with "adequate" resources. CHINA and BRAZIL disagreed. The EU added "external support through ODA and" provision of new and additional resources, and with the US, replaced "promote" with "ensure" predictability and continuity of financial resources. The US preferred the replacement of "new and additional" with the language proposed by the EU or JAPAN.

On financing for SFM, ZIMBABWE noted that not all countries have the capacity to generate revenue from the forest sector. The US deleted the reference to SFM at the global level and inserted an exception for countries with low forest cover, but the EU objected.

On uneven distribution of private investment, the US stipulated that investment "in sustainably managed forests" may be encouraged by voluntary codes of conduct and deleted codes "for SFM." The PHILIPPINES objected.

On ODA for forest-related activities, IRAN added a reference to ODA's importance in countries with low forest cover. MALAYSIA added that financial commitments should be aimed at, "where appropriate," protection of representative forest ecosystems.

On technological innovations, the US stated that "dissemination" is critical. On North-South cooperation, the G-77/CHINA recommended replacing "considerable potential" with "a need for strengthening." NORWAY emphasized indigenous and traditional technologies. The G-77/CHINA called for use of Agenda 21 language on technology transfer and the US emphasized "as mutually agreed."

On developed country responsibilities, ZIMBABWE and the EU reformulated language to "conservation of biological diversity and

sustainable use of biological resources." The US deleted "equitable sharing of" technologies "and financial resources." On prioritization, many countries noted that "priority in technology transfer and capacity-building" had already been established. The EU added restoration "of natural forest ecosystems."

TRADE AND ENVIRONMENT: On forest products and services, MALAYSIA proposed adding voluntary codes of conduct "for SFM" and noted nomenclature group agreement on "forest products and other forest goods and services." Discussion on the relationship between trade and SFM and on a forest products trade agreement was deferred. On trade in non-wood products and services, SWITZERLAND deleted language on the WTO and removed bracketed text on the need for trade measures to achieve environmental objectives in special circumstances. On market access, the US deleted language on trade-related measures' consistency with the Forest Principles and multilateral trade laws and added "trade measures may provide an effective and appropriate means of addressing environmental concerns, including long-term SFM objectives." The EU added "provided they are consistent with international rules and obligations" to the US proposal, but the US objected. The PHILIPPINES proposed alternative language from the CSD on trade measures. The EU deleted the language on trade-related measures. Delegates agreed that full-cost internalization "may" contribute to SFM.

PLENARY

Delegates debated amendments to the Secretariat's draft on programme element V.

INTERNATIONAL ORGANIZATIONS AND MULTILATERAL INSTITUTIONS AND INSTRUMENTS:

The EU amended the action proposal on the Inter-Agency Task Force on Forests (IATF) with language calling on "appropriate international institutions and organizations involved to continue their work under the chairmanship of FAO." The G-77/CHINA added "focusing on the proposals for action recommended by the IPF" and that the IATF "further undertake coordination and explore means" for collaboration and action. The US added "in a transparent and participatory manner." JAPAN, with CANADA, highlighted a potential role for CIFOR in the IATF to coordinate scientific research.

AUSTRALIA added that the IATF "should support ongoing intergovernmental dialogue." Issues left pending were: "by identifying agencies for each action" (G-77/CHINA); "institutional comparative advantages" (EU and US); and the move to delete all subparagraphs listing actions.

In the proposal that calls for action by countries, delegates inserted amendments: to support regional organizations' work (US); "to support activities related to the conservation,

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Deborah Davenport <ddavenp@emory.edu>, Nabih Megateli <nmegateli@igc.apc.org>, Kira Schmidt <kiras@iisd.org> and Steve Wise <swise@igc.apc.org>. The Editor is Pamela Chasek, Ph.D. <pam@iisd.org> and the Managing Editor is Langston James Kimo Goree VI <kimo@iisd.org>. The sustaining donor of the *Bulletin* is the International Institute for Sustainable Development <reception@iisdpost.iisd.ca>. Specific funding for this volume is provided by the Canadian Forest Service. General support for the *Bulletin* for 1997 is provided by the Overseas Development Administration (ODA) of the United Kingdom, the Ministry of Foreign Affairs of Denmark and the Swiss Federal Office of the Environment. The authors can be contacted at their electronic mail addresses or at tel: +1-212-644-0204; fax: +1-212-644-0206. IISD can be contacted at 161 Portage Avenue East, 6th Floor, Winnipeg, Manitoba R3B 0Y4, Canada; tel: +1-204-958-7700; fax: +1-204-958-7710. The opinions expressed in *Earth Negotiations Bulletin* are those of the authors and do not necessarily reflect the views of IISD and other funders. Excerpts from the *Earth Negotiations Bulletin* may be used in other publications with appropriate citation. Electronic versions of the *Bulletin* are sent to e-mail distribution lists (ASCII and PDF format) and through the *Linkages* WWW-server at <http://www.iisd.ca/linkages/>. For further information on ways to access, support or contact the *Earth Negotiations Bulletin* send e-mail to <enb@iisd.org>.

management and sustainable development of all types of forests" (G-77/CHINA); and on accelerating UNCED follow-up and the implementation of IPF action proposals (EU and JAPAN). The US proposal "to eliminate waste and duplication, using available resources" efficiently was adopted.

After debating application of the final action proposal to countries or to international organizations, "international institutions in cooperation with countries" was agreed. Other language was agreed on, *inter alia*: support and implementation of IPF action proposals (AUSTRALIA); "voluntary" use of the diagnostic tool for underlying causes (G-77/CHINA); support for scientific research and new research centers (G-77/CHINA); and the needs of low forest cover countries (IRAN) and small island states (PAPUA NEW GUINEA). A G-77/CHINA proposal for an international fund for SFM was opposed by the EU, the US and JAPAN.

APPROPRIATE LEGAL ARRANGEMENTS AND MECHANISMS: Delegates discussed several conclusions describing the degree to which existing legal mechanisms and instruments address forests. The G-77/CHINA added strengthening coordination among international agencies and institutions to provide an holistic and balanced approach. Delegates agreed on EU language that no single multilateral instrument, body or organization has a mandate or capacity to address all forest-related issues. BRAZIL highlighted all types of forests.

On other international legally-binding instruments, the G-77/CHINA suggested changing "many" to "some" binding instruments and substituting "sustainability" for "sustainable development," noting that "existing instruments do not comprehensively cover all issues related to forestry." AUSTRALIA substituted "forests" for "forestry."

The US proposed an additional conclusion noting several regional and international initiatives to promote national implementation of SFM. Delegates agreed to text on holistically addressing forests at regional and national levels and noting several "regional and international initiatives and regional mechanisms."

On the conclusion noting there is no global forest instrument, the EU advocated replacing "mechanisms and arrangements" with "instrument" and inserting a list of issues. The G-77/CHINA and the US disagreed.

In the action proposal on continuing the forest policy dialogue, MEXICO and the G-77/CHINA tabled similar language regarding the "balanced treatment of all types of forests" and the "principle of common but differentiated responsibilities" rather than "on the basis of shared and common responsibilities." NORWAY deleted the reference to "high-level" and AUSTRALIA inserted "which could include a high-level component." The G-77/CHINA, BRAZIL, VENEZUELA, COLOMBIA and the US objected to the EU proposal to move the paragraph to conclusions and to insert a new paragraph on continuing CSD and FAO fora and on an international legal instrument to address, *inter alia*: ecological issues; NFPs; C&I, inventory and valuation; TFRK; research; trade and environment; funding; technology transfer; and capacity-building. The G-77/CHINA, supported by INDIA and BRAZIL, inserted Rio language on State sovereignty and inalienable rights. COLOMBIA stressed transparency and participation. CANADA reiterated support for launching an INC and negotiations for an international forest convention. The G-77/CHINA, MEXICO, INDIA and CANADA rejected the US proposal to replace "all" with "international" forest-related issues. The Plenary agreed to negotiate a consensus only after the remaining text was reviewed.

Delegates debated the functions of a continuing forest policy dialogue. On identifying international priorities, PERU proposed including "national plans and programmes." ECUADOR included "other forest-related instruments and initiatives including those pertaining to indigenous and other forest-dependent peoples." CHINA added priorities on technology transfer, trade and capacity-building. On monitoring progress in implementing IPF

recommendations, the US added the need to review and report on progress and recommend further actions.

The US added "involvement" to dialogue and partnership with major groups. NORWAY inserted "forest owners," CHINA added "local communities and women" and CANADA included "forest-dependent people." PERU changed indigenous "peoples" to "people."

On a mechanism for considering a legally-binding instrument, the US said a such mechanism is premature. NORWAY recommended "preparing a basis for a decision on negotiation." TURKEY said the need for an instrument should be kept under review until further consensus is reached. AUSTRALIA proposed "considering the need for and possible elements of a legally-binding instrument." VENEZUELA, supported by BRAZIL, proposed a forum to consider the need for appropriate arrangements with scope, objectives and resources, including financial and technological obligations of developed and developing countries. COLOMBIA, BRAZIL and MALAYSIA specified an instrument "on all types of forests." MALAYSIA, supported by BRAZIL, referred to a possible agreement on forest products trade. BRAZIL added "and other possible arrangements" and proposed possibly extending the ITTA's Objective 2000 to all types of forests. The US took up a proposal by GREENPEACE INTERNATIONAL to "provide a mechanism to undertake further studies into the role of existing instruments and institutions in relation to SFM."

NORWAY called for measures to accelerate implementation in areas of IPF consensus. PERU, supported by BRAZIL, recommended new language on establishing a funding mechanism to support developing countries' efforts. BRAZIL added development of voluntary private sector codes of conduct on SFM. CANADA proposed reviewing the membership and functioning of the Task Force.

In the action proposal on goals and dates for a dialogue, the EU called for practical goals and concrete dates. CHINA recommended practical goals and time frame. NORWAY substituted "international" for "high-level." The US said the dialogue should report to the CSD at an appropriate time. COLOMBIA suggested deletion of the paragraph.

Regarding the means to carry out agreed functions, NORWAY said an *ad hoc* open-ended intersessional working group on forests should report to the CSD by 1998. CHINA proposed an intergovernmental forum under the CSD, which would recommend that the UN General Assembly start negotiations on a legally-binding instrument when conditions are ready. The EU and CANADA supported establishing an INC, the EU with a "focused and time-limited mandate," and CANADA for a convention finalized and opened for signature by 2000.

AUSTRALIA called for an *ad hoc* high-level intergovernmental forum under CSD supported by the IATF and required to report by 1998 regarding a legally-binding instrument and by 2000 on other work. INDIA proposed a "forum to achieve consensus," considering poverty eradication and food security. MALAYSIA suggested an intergovernmental forum under the CSD to recommend convening an INC on a legally-binding instrument or, as an alternative, simply establishing an INC.

The US backed an open-ended intergovernmental forum reporting in accordance with a CSD-adopted work programme. PERU said an open-ended forum should not necessarily report by 2000. VENEZUELA said a forum should build consensus regarding a legal instrument but a convention is premature.

THINGS TO LOOK FOR TODAY:

PLENARY: Look for the Secretariat's synthesis text on proposals for programme element V. Delegates are expected conclude negotiations on outstanding items, particularly on Multilateral institutions and instruments, Financial assistance, and Trade and environment in morning and afternoon sessions in Conference Room 1.