



SECOND SESSION OF THE INTERGOVERNMENTAL FORUM ON FORESTS MONDAY, 24 AUGUST 1998

The second session of the Intergovernmental Forum on Forests (IFF-2) began on Monday, 24 August. Delegates heard opening statements and adopted the agenda and organization of work in a morning Plenary and met in two Working Groups in the afternoon.

OPENING PLENARY

Co-Chair Bagher Asadi (Iran) officially opened the second session of the IFF. He called for political will to build consensus and make substantial progress in implementing the IPF's proposals for action.

Kenneth Ruffing, on behalf of Nitin Desai, Under-Secretary General for Economic and Social Affairs, stressed that further consensus-building on forest issues requires mutual trust and cooperation. He noted that, despite countries' differing priorities, there is now a common commitment to sustainable forest management (SFM) as a principle to guide policy. He highlighted the need to reflect forests' diverse economic, ecological and social functions in SFM principles and criteria and indicators (C&I) for assessing sustainability. He said the success of the IFF process requires translating the IPF's proposals into action, recognizing and incorporating the diversity of forest concerns and ensuring timely and adequate financial contributions to the IFF Trust Fund.

Co-Chair Ilkka Ristamäki (Finland) introduced the members of the Bureau: Co-Chairs Bagher Asadi (Iran) and Ilkka Ristamäki (Finland) and Vice-Chairs Charles Essonghe (Gabon), Yevgeny Kuzmichev (Russian Federation) and Amelia Torres (Peru). PERU announced that Bibiana Vargas (Colombia) would be the acting Vice-Chair representing the Latin American and Caribbean Group in 1998.

Jag Maini, Executive Secretary of the IFF Secretariat, provided an update on the status of the IFF Trust Fund and introduced the proposed programme of work. He said Categories I(a), II(b), II(c) and II(e) would be discussed in a substantive manner using Reports of the Secretary-General and background documents to facilitate discussions. Delegates will conduct background discussions on the other Categories, facilitated by Notes from the Secretariat and information notes.

The Plenary adopted the provisional agenda (E/CN.17/IFF/1998/1) and the floor was opened for general statements. INDONESIA, on behalf of the G-77/CHINA, underscored the strategic

importance of forests, especially for agriculture, carbon sinks, genetic biodiversity and eco-tourism. He said low forest cover countries (LFCCs) often depend on other countries for forest goods and recommended that this be considered when discussing, *inter alia*, trade and environment. He said the Asian financial crisis had affected the region's progress towards SFM and called for IFF efforts to alleviate the situation. He called on the WTO to stop proliferation of trade barriers and stressed the importance of market transparency and market access for timber products.

AUSTRIA, on behalf of the EU, called for action at national, regional and global levels and a cross-sectoral, holistic approach to implementation of the IPF action proposals. He called on the IFF process to produce a comprehensive list of proposals for action, a common understanding on means for implementation and a consensus on possible elements of and initiation of negotiations on international arrangements and mechanisms, such as a legally-binding agreement. SWITZERLAND called for a comprehensive and holistic approach and, with respect to Category III, hoped for consensus on an instrument by the end of the IFF process. COSTA RICA highlighted regional cooperation between Central American countries on, *inter alia*, environmental matters and sustainable development and active public participation. The US stressed the importance of the terms of reference from IFF-1 to guide IFF discussions. She also stressed consideration of all elements, in particular Category III, noting the conflicting views on the issue of international arrangements and mechanisms.

The CBD SECRETARIAT recalled CBD COP decision IV/7 regarding the programme of work on forest biodiversity and expressed hope that it could contribute to work underway in other organizations, including the IFF. IRAN stressed the needs and requirements of developing countries, in particular LFCCs, and called on the international community to focus efforts on low forest cover, giving particular attention to economic, cultural and social aspects. VENEZUELA urged the establishment of a fund to provide new and additional resources and the transfer of environmentally sound technologies. NORWAY said initiation of negotiations on a legally-binding instrument should be based on broad consensus and any new arrangements should be developed in accordance with existing agreements. NEW ZEALAND called for closer examination of the mutually supportive roles of trade and environment and stressed the need to tackle subsidies. NEPAL highlighted the need for capacity development and political will. CUBA stressed the importance of understanding the IFF's relationship to the CBD and issues such as intellectual property rights.

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COLOMBIA highlighted the need to attend to the development needs of forest dwellers and recognize countries' differing goals when formulating recommendations.

The DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA called for cooperation between the IFF and the Framework Convention on Climate Change (FCCC) and the CBD. INDIA stressed the need to maintain forests as a source of biodiversity and called on the IFF to address problems specific to developing countries. GABON expressed hope that consensus would be reached on an international instrument on forests. He underscored problems faced by LFCCs in Africa.

WORKING GROUP 1

Working Group 1 (WG1), chaired by Bagher Asadi (Iran), discussed Category I(a) (promoting and facilitating implementation of the IPF proposals for action). David Harcharik, Chair of the Interagency Task Force on Forests, outlined the Report of the Secretary-General on this issue (E/CN.17/IFF/1998/2).

The EU highlighted regional programmes to encourage implementation of the proposals and underscored its commitment to their implementation. He stressed the importance of a participatory approach and cross-sectoral planning. Supported by the US, AUSTRALIA and CANADA, he also called for more international funding to implement the proposals. JAPAN expressed support for keeping national forest plans (NFPs) as a core element in implementation of the IPF action proposals. He said countries should be encouraged to develop C&I, and the ITTO and FAO should provide consultation services to this end.

GERMANY highlighted the International Cooperative Programme's assessment and monitoring of airborne pollution on forests and presented results from the Six-Country Initiative and International Expert Consultation held in July 1998 in Baden-Baden. He said the Initiative demonstrated the importance of country-specific situations and national forest policy, and cultivating "ownership" of the proposals at the national level is a precondition for implementation. Supported by the EU, SWITZERLAND, the US, AUSTRALIA and CANADA, he also encouraged incorporation of the Initiative's outcomes in the discussion. Several countries noted duplication and overlap between the IPF action proposals and those in the Secretary-General's Report on this topic.

PORTUGAL presented information on the Third Ministerial Conference on the Protection of Forests in Europe, co-sponsored by Austria and Portugal in June, which produced resolutions on implementation nationally and internationally. The US recommended using the Baden-Baden conclusions as a basis for discussion on, *inter alia*, assessment of the IPF proposals, participatory assessment of proposal implementation and national focal points on implementation. She stressed the need for information exchange on implementation in the IFF. AUSTRALIA supported effective mechanisms for proposal implementation, noting Australia's preliminary assessment of the proposals' relevance and prioritization. He recommended consideration of: reporting requirements; dryland and forest valuation methods; and ongoing policy dialogue on implementation. ZIMBABWE noted conclusions reached at the 15th Commonwealth Congress, hosted by Zimbabwe, including the need to establish effective partnerships. He recommended focusing on implementation of the IPF proposals rather than preparing new ones, producing action rather than studies, and supporting implementation. CANADA recommended that proposals be feasible, action-oriented and geared toward national circumstances. She noted that the IFF's mandate ends in 2000 and recommended a permanent mechanism, such as a legally-binding instrument.

WORKING GROUP 2

Working Group 2, chaired by Ilkka Ristamäki (Finland), considered matters left pending on trade and environment (Category II(b)). Amha Bin Buang (ITTO) introduced the Secretary-General's Report on this issue (E/CN.17/IFF/1998/3).

The EU stressed the need for a holistic approach to SFM, noting that trade and environment should be mutually supportive. She underscored that certification and labelling (C&L) should not be barriers to trade. She called for market access for forest products through the removal of trade barriers, cooperation between the IFF and the WTO and policy measures in keeping with WTO rules. She encouraged further discussion of illegal logging and called for improved information in this regard. She also called for closer cooperation with CITES and synergies with other relevant international bodies.

The US expressed concern that the document went beyond the specified terms of reference for the subject area and did not capture the mutually supportive roles of trade and environment. She highlighted the contentious nature of C&L and questioned the attention given it in the document. She welcomed more specific proposals for action on coordination between international institutions. She supported work on case studies and exchange of information on experiences with certification programmes but warned against using certification as a proxy for market transparency. She called for eliminating tariff and non-tariff trade barriers and opening markets to allow for fair competition.

NEW ZEALAND stated that deforestation has little to do with trade. He said the trade discussion should be more closely related to environmental concerns and stressed the need to make trade-related measures consistent with WTO rules. He expressed difficulty with calls for increased international aid and a multilateral agreement covering all forests. GREENPEACE INTERNATIONAL noted contradictions between the trade and environment and financial resources documents and said the former does not tackle the complexity of the issues. He called for a special economic summit to address these issues in more detail, by, *inter alia*, scrutinizing the impact of WTO rules and volatile capital flows on SFM.

IN THE CORRIDORS

Those expecting intense discussions on a global forest convention at IFF-2 may be disappointed. Some participants and observers note that subtle shifts in stated positions may signal a weakening of consensus among countries that were allied in promoting a convention. One observer cited a growing recognition that preferences on the content of a potential convention differ greatly among those who support the concept. Others stressed finding an appropriate niche and mechanism, whether binding or not, for working towards the end goal of SFM. Meanwhile, with most developing countries still expressing hesitation and a looming deadline of 2000 for reaching consensus to begin negotiations, some observed that a process of education and bargaining on a convention may be beginning at the regional level, through processes such as the Canada-Costa Rica initiative. Some say that if incentives were provided, support might begin to consolidate, although others are more skeptical.

THINGS TO LOOK FOR TODAY

WORKING GROUPS: WG1 will meet in Salle XX in morning and afternoon sessions to discuss Category I(a) (promoting and facilitating implementation). WG2 will meet in Salle XIX in morning and afternoon sessions to discuss Categories II(b) (trade and environment) and II(c) (technology transfer).