



HIGHLIGHTS FROM IFF-3 FRIDAY, MAY 7 1999

On day five of IFF-3, delegates met in an afternoon Plenary session to continue substantive discussion of international arrangements and mechanisms to promote the management, conservation and sustainable development of all types of forests. In the morning, WG1 met to review the Co-Chairs' Reports on forest research, underlying causes, TFRK, and forest conservation and protected areas. Contact groups on trade and environment and ESTs continued deliberations. WG2 convened briefly to hear reports on the work of the contact groups and to discuss its programme of work. Over the weekend, several delegates participated in an excursion to an experimental plot for forest ecosystem research and urban forests.

PLENARY

Reporting on the progress of WG2, Co-Chair Ristamäki said the group completed substantive discussions on valuation, economic instruments, future supply and demand, financial resources and rehabilitation. He also reported that contact groups on trade and environment and ESTs were continuing negotiations to produce clean texts. Co-Chair Asadi reported that WG1 held substantive discussion on underlying causes, TFRK, forest conservation and protected areas, forest research, monitoring implementation and progress, and forest-related work of international and regional organizations and under existing instruments. In consideration of what format the report of the IFF proposals would take, several delegates expressed the need to avoid duplication of the IPF proposals for action. Several countries, including AUSTRALIA, CANADA, INDONESIA, NEW ZEALAND, CHINA and BRAZIL, supported inclusion of a statement reaffirming commitment to the implementation of the IPF proposals in the report.

Delegates returned to substantive discussion on international arrangements and mechanisms and reviewed the Co-Chairs' Report incorporating the previous day's discussion. The GLOBAL FOREST POLICY PROJECT expressed concern that the report lacked reference to existing agreements dealing with forests. DEUTSCHE NATURASCHUTZ RING expressed concern about the lack of participation of major groups.

The EU supported the Secretariat's further analysis of possible options for arrangements and mechanisms. JAPAN sought reference to C&I and recycled wood products. The US and BRAZIL said their proposal to include biodiversity had not been incorporated. The US requested reference to participation of major groups and to environmental services provided by forests.

CHINA, supported by INDONESIA, protested that its previous proposal to add forest principles was not included, and stressed common but differentiated responsibilities. The RUSSIAN FEDERATION called for reference to the work done and progress achieved during the first CRCI meeting. She also said the proposed reference to analysis should mention methodology and new proposed approaches. BRAZIL supported by INDONESIA said the proposed Secretariat's analysis should not determine advantages and disadvantages of various options for arrangements and mechanisms. Responding to concerns over the exclusion of references to biodiversity, Jag Maini reminded delegates that protection of biodiversity is referred to in every C&I process. On the exclusion of participation as an element, he noted that the IPF agreed that the development of NFPs must be a participatory process.

WORKING GROUP 1

In discussion of the Co-Chairs' Report on forest research, CANADA offered new proposals, based on the ICRIS recommendations, calling for efforts to strengthen forest research in priority areas relevant to SFM with active participation of all stakeholders and for inclusion of forest research as one of the elements of any future international arrangement or mechanism. CANADA proposed calling on countries to use NFPs to guide forest research priorities and to improve research linkages with the CBD, FCCC and UNEP. JAPAN requested reference to IUFRO and CIFOR in a proposal calling for following up on the ICRIS recommendations. The EU, with BRAZIL, expressed support for text on new ways to mobilize funding for research. The EU said reference to a global forest information service should not be included without first considering existing mechanisms. CANADA and AUSTRALIA supported, and BRAZIL opposed, reference to endorsing a global forest information system within the proposals for action.

On development assistance for building national research capacity, AUSTRALIA proposed text ensuring that development assistance strengthen national capacity, replacing text allocating increased assistance funds to strengthen forest research. INDONESIA proposed valuing research into C&I. NAMIBIA called on governments to place high priority on forest research.

In discussion on the revised Co-Chairs' Report on forest conservation and protected areas, AUSTRALIA added two proposals calling upon countries to: establish adequate and comprehensive reserve systems; and develop and implement mechanisms to formally recognize and support forest protected areas under the stewardship of private forest owners or indigenous and/or local communities. He also proposed text urging countries, international financial institutions and donors to improve cross-coordina-

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tion and coordination with policies and programmes that affect forest conservation, and to address cross-sectoral policies, structural adjustment packages and perverse incentives to ensure they are consistent with forest conservation objectives. BRAZIL requested that the conclusions of the Brazil-US Experts' Meeting on Protected Forest Areas be included. ECUADOR requested specific reference to IUCN in relation to defining protected areas. SWITZERLAND, supported by TURKEY, proposed text recognizing IUCN's work on protected areas.

The EU called to delete text referring to wilderness areas and watershed functions in relation to overall planning for sustainable development. He added text referring to the need for definitions of, *inter alia*, SFM, primary old growth, frontier and virgin forests. On the value of unique forest types, he suggested deleting reference to the importance of low forest cover countries. The EU called for, and BRAZIL opposed, bracketing a paragraph referring to the provision of adequate staffing, funding and training to build capacity, and bracketing text in a further reference on financial support mechanisms. He called to delete reference to global and regional assessments in relation to assessing the current status of protected forest areas. The EU supported, and BRAZIL opposed, replacing reference to the maintenance of ecosystem services with environmental services. CANADA, supported by ECUADOR, preferred ecosystem integrity. The EU called for deletion of text on financing forest conservation. In relation to innovative mechanisms for financing forest conservation, the EU, with CANADA, suggested deleting reference to the Clean Development Mechanism (CDM) and Joint Implementation activities of the Kyoto Protocol. AUSTRALIA suggested text considering the use of the CDM. CANADA called for deleting reference to forests managed under SFM regimes.

On the revised Co-Chairs' Report on TFRK, NORWAY noted a need to be more specific and proposed language on the fair and equitable sharing of benefits arising from the use of such knowledge, innovations and practices, in accordance with Article 8(j) (rights of indigenous and local communities) and related CBD provisions. He added that governments should support the work of the *Ad Hoc* Working Group on Article 8 (j). ECUADOR stressed reference, in TFRK proposals, for participation of indigenous peoples. Regarding the Co-Chairs' report on underlying causes, COSTA RICA requested adding reference to the outcomes of the Joint-Initiative on Underlying Causes of Deforestation in the proposals. CHILE suggested a proposal encouraging countries to promote new forest resources through activities such as planting trees in farm areas.

CONTACT GROUPS

TRADE AND ENVIRONMENT: The contact group reached consensus on two conclusions relating to trade liberalization and certification and labeling. The group agreed to delete bracketed text referring to tariff escalation and trade-related subsidies and on government efforts aimed at reducing and eliminating tariffs. Alternative text was accepted stating that special attention should be given to trade restrictions which constrain market access, particularly of value-added products. After debating the inclusion of a reference to the WTO Agreement on Technical Barriers to Trade, compromise text was reached which states that the IFF will take note of the WTO's work with respect to certification and/or labeling schemes. The group discussed, but left bracketed, specific reference to products and services from sustainably managed forests in the context of increased market transparency and market

access of forest products and services. The group also retained brackets on a reference to forest biological resources in the conclusion regarding illegal trade in wood and non-wood forest products. The group decided to postpone a discussion of the proposals for action to allow for further consideration. One delegate emphasized that the proposals should reflect what was agreed upon in the conclusions and should bring added value to the IPF proposals.

TRANSFER OF ESTs: The group continued to debate the term forest biological resources. A few delegations opposed emphasizing this issue, noting it could delay resolution of the remaining bracketed text. During the day, an expert consultation subgroup convened and determined that opinions were divided between preferences for the terms "forest biological resources" and "forest resources." Several developing country delegations emphasized that the term "biological resources" is not new, noting its use in the CBD, and contended that the word "forest" adds specificity. A developed country said that terminology in the CBD is specific to that Convention. Another developed country underscored that the term forest resources is generally used and is understood to include biological resources. Delegates made several proposals for new text, including references to the CBD in footnotes, and agreed to continue discussion.

On mechanisms for EST transfer, delegations were divided over text urging better use of existing mechanisms. Developing countries felt that language indicating existing mechanisms would be too restrictive to meet specific country conditions and needs. Developed countries stressed that improving the effectiveness of existing mechanisms is more important than developing a new one. Delegates did not reach agreement and the text remained in brackets. Paragraphs on terminology, mechanisms and programme elements with links to the CBD, CSD and other international arrangements remain to be addressed.

IN THE CORRIDORS

Several delegates felt that the Chair of the contact group on trade and environment was underestimating the sensitivities of the issues and trying to force closure on text when consensus had not been reached. Some suggested there may be a hidden agenda behind this haste.

Tensions are growing over the numerous references to the CBD in the Co-Chairs' Reports. It would appear that some participants who favor a forest convention are not keen to see so many references to the CBD.

THINGS TO LOOK FOR TODAY

WG1: WG1 will convene in Salle XIX at 11:00 am to consider Co-Chairs' Reports including monitoring of implementation and forest-related work of international and regional organizations and under existing instruments.

WG2: WG2 will meet in Salle XX at 11:00 am to consider Co-Chairs' Reports on valuation, future supply and demand, economic instruments, financial resources and rehabilitation.

CONTACT GROUPS: The contact groups on trade environment and ESTs will meet at a time to be announced.