



**SUMMARY OF THE COUNTRY-LED  
INITIATIVE IN SUPPORT OF THE UNITED  
NATIONS FORUM ON FORESTS ON  
THE FUTURE OF THE INTERNATIONAL  
ARRANGEMENT ON FORESTS:  
25-28 JANUARY 2005**

Over 200 experts, representing governments, intergovernmental and nongovernmental organizations, gathered in Zapopan-Guadalajara, Mexico to participate in a country-led initiative (CLI) in support of the United Nations Forum on Forests (UNFF) on the future of the international arrangement on forests (IAF) from 25-28 January 2005. The purpose of the CLI was twofold: to elaborate the critical elements that countries would like to see included in a future IAF; and to provide an informal contribution that will help provide a basis for the decision concerning the future of the IAF that will be taken at UNFF-5. During the meeting, participants considered five specific aspects of a future IAF: objectives and functions; modalities; options for financing; identification of the international and domestic roles and contributions of the potential components of the IAF; and the challenge ahead. In the end, the participants, all of whom were speaking in their personal capacities, produced a final report that will be submitted to the United Nations. The final report is not a consensus report, but simply captures the broad range of personal opinions that were expressed during the four-day meeting.

**A BRIEF HISTORY OF THE UNFF**

The United Nations Forum on Forests was established by the UN Economic and Social Council (ECOSOC) in October 2000 as a subsidiary body to ECOSOC with the main objective of promoting the management, conservation and sustainable development of all types of forests. The UNFF succeeded a five-year period (1995-2000) of forest policy dialogue facilitated by the Intergovernmental Panel on Forests (IPF) and the Intergovernmental Forum on Forests (IFF). The principal functions of UNFF are to: facilitate implementation of forest-related agreements and foster a common understanding on sustainable forest management (SFM); provide for continued policy development and dialogue among governments,

international organizations and major groups, as identified in Agenda 21, as well as to address forest-related issues and emerging areas of concern; enhance cooperation, as well as policy and programme coordination on forest-related issues; foster international cooperation and monitor, assess and report on progress; and strengthen political commitment to the management, conservation and sustainable development of all types of forests.

ECOSOC also directed that, within five years, the UNFF was "to consider with a view to recommending to ECOSOC, and through it to the General Assembly, the parameters of a mandate for developing a legal framework on all types of forests."

The IPF/IFF processes produced 270 proposals for action towards SFM, known collectively as the IPF/IFF Proposals for Action. These proposals are the basis for the UNFF Multi-Year Programme of Work (MYPOW) and Plan of Action, various themes of which are discussed at annual UNFF sessions. Country- and organization-led initiatives also contribute to the development of UNFF themes.

**UNFF ORGANIZATIONAL SESSION:** The UNFF organizational session and informal consultations on the MYPOW took place from 12-16 February 2001, at UN headquarters in New York. Delegates agreed that the UNFF Secretariat would be located in New York, addressed progress towards the establishment of the Collaborative Partnership on Forests (CPF) – a partnership of 14 major forest-related international organizations, institutions and convention secretariats – and discussed the duration of Bureau members' terms.

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**UNFF-1:** The first session of UNFF took place from 11-23 June 2001, at UN headquarters in New York. Delegates adopted decisions on UNFF's MYPOW, a plan of action for the implementation of the IPF/IFF Proposals for Action, and UNFF's work with the CPF. They also recommended the establishment of three *ad hoc* expert groups to provide technical advice to UNFF on: approaches and mechanisms for monitoring, assessment and reporting (AHEG-MAR); finance and transfer of environmentally sound technologies (AHEG-FINTEST); and consideration with a view to recommending the parameters of a mandate for developing a legal framework on all types of forests (AHEG-PARAM).

**UNFF-2:** UNFF-2 took place from 4-15 March 2002, at UN headquarters in New York. Delegates adopted a Ministerial Declaration and Message to the World Summit on Sustainable Development (WSSD) and decisions on: combating deforestation and forest degradation; forest conservation and protection of unique types of forests and fragile ecosystems; rehabilitation and conservation strategies for countries with low forest cover; rehabilitation and restoration of degraded lands and the promotion of natural and planted forests; concepts, terminology and definitions; specific criteria for the review of the effectiveness of the IAF; proposed revisions to the medium-term plan for 2002-2005; and other matters. Delegates discussed the terms of reference for all three *ad hoc* expert groups and decided to carry forward these discussions to UNFF-3.

**UNFF-3:** UNFF-3 met in Geneva, Switzerland, from 26 May - 6 June 2003. UNFF-3 adopted resolutions focusing on: enhanced cooperation and policy and programme coordination; forest health and productivity; economic aspects of forests; maintaining forest cover to meet present and future needs; the UNFF Trust Fund; and strengthening the Secretariat. UNFF-3 also finalized the terms of reference for the three *ad hoc* expert groups, including AHEG-PARAM, a task that had been carried forward from UNFF-2. A decision on the voluntary reporting format was also adopted.

**UNFF AD HOC EXPERT GROUP ON MONITORING, ASSESSMENT AND REPORTING (AHEG-MAR):** The AHEG-MAR convened in Geneva, Switzerland, from 8-12 December 2003, to, *inter alia*: assess existing reporting requirements and monitoring and assessment procedures under relevant forest-related international conventions, processes, instruments and organizations; propose ways to monitor and assess progress based on voluntary reporting; and recommend ways to build capacity for monitoring, assessment and reporting. The AHEG-MAR recommended that UNFF: urge relevant organizations to identify areas of overlap in reporting and inconsistencies in reported information; invite relevant organizations and instruments, including the CPF, to prepare a document that overviews global progress toward SFM for consideration at UNFF-5; continue monitoring and assessing progress in the implementation of the IPF/IFF Proposals for Action until UNFF-5; and recommend more coherence and linkages between reports generated for domestic purposes and international reporting.

**UNFF AD HOC EXPERT GROUP ON FINANCE AND TRANSFER OF ENVIRONMENTALLY SOUND TECHNOLOGIES (AHEG-FINTEST):** The AHEG-FINTEST convened in Geneva, Switzerland, from 15-19 December 2003, to: assess the status of official development assistance for SFM; review the effectiveness of, and propose measures to improve, existing international SFM financing; explore ways to increase SFM financing; assess the role of private SFM financing; review and assess existing initiatives on the transfer of environmentally sound technologies (EST) and knowledge diffusion for SFM promotion. The AHEG-FINTEST recommended, *inter alia*, that: countries and CPF members facilitate the flow of information relating to EST by linking with information networks and strengthening cooperation with enterprises and public institutions using EST; countries include the promotion of private investment in national SFM financing strategies; and countries take measures to improve rent capture from forest management.

**UNFF-4:** UNFF-4 met in Geneva, Switzerland, from 3-14 May 2004. UNFF-4 adopted resolutions on: social and cultural aspects of forests; forest-related scientific knowledge; monitoring, assessment and reporting and criteria and indicators; finance and transfer of EST; and the review of the effectiveness of the IAF. Delegates were not able to complete and adopt resolutions on traditional forest-related knowledge and enhanced cooperation. A multi-stakeholder dialogue was held and delegates considered country experiences and lessons learned, with particular emphasis on a process to facilitate the review of the effectiveness of the IAF at UNFF-5.

**AD HOC EXPERT GROUP ON CONSIDERATION WITH A VIEW TO RECOMMENDING THE PARAMETERS OF A MANDATE FOR DEVELOPING A LEGAL FRAMEWORK ON ALL TYPES OF FORESTS:** The United Nations Forum on Forests *Ad Hoc* Expert Group on Consideration with a View to Recommending the Parameters of a Mandate for Developing a Legal Framework on All Types of Forests (AHEG-PARAM) met from 7-10 September 2004, at UN headquarters in New York. Comprising 68 experts, the Expert Group: assessed existing regional and international binding and non-binding instruments and processes relevant to forests; considered reports prepared by countries, members of the CPF on Forests and the UNFF Secretariat and considered the outcomes of previous UNFF sessions; considered other outcomes of the IAF; reviewed experiences of existing forest-related and other relevant organizations and agreements, focusing on complementarities, gaps and duplications; and adopted a report providing a range of options for the future framework to be forwarded to the fifth session of the UNFF (UNFF-5). At the AHEG-PARAM it was announced that a CLI in support of the UNFF would be held in Mexico.

## REPORT OF THE COUNTRY-LED INITIATIVE

During the country-led initiative (CLI), participants convened in Plenary and in two working groups. The working groups considered five specific aspects of a future international arrangement on forests (IAF): objectives and

functions; modalities; options for financing; identification of the international and domestic roles and contributions of the potential components of the IAF; and the challenge ahead. The following summary of the CLI reviews its proceedings chronologically.

*Editor's note: Each participant was speaking in her/his personal capacity and was not representing the views of her/his respective government or organization.*

## TUESDAY, 25 JANUARY

### OPENING PLENARY

**Opening Statements:** Francisco García (Mexico), Co-Chair of the Country-Led Initiative (CLI) Steering Group (SG), opened the session and thanked the Government of Mexico, other Mexican institutions, and the US for helping to organize the CLI. Arturo Zamora Jiménez, Municipal President of Zapopan, Jalisco, said that Jalisco is a world leader in conservation, noting the importance of existing natural forest reserves in the state. Jan McAlpine (US), Co-Chair of the CLI SG, said a theme that emerged at the UNFF AHEG-PARAM in September 2004 was a collective desire to improve the IAF, noting that the CLI is an opportunity to consider future directions on forests, including specific institutional modalities and financial resources to promote SFM for all types of forests.

Francisco Javier Ramírez Acuña, Constitutional Governor of the State of Jalisco, said Mexico set strategic goals four years ago to guide its work on forests and that he is interested in sharing Mexico's experiences on forests. He noted that Mexico is working with local forest producers to help them control their own resources.

Pekka Patosaari, Coordinator and Head of the UNFF Secretariat, encouraged participants to use the CLI as an opportunity to expand on progress made at the AHEG-PARAM and the expectations, goals and ambitions for the future IAF. He hoped the CLI would help facilitate decisions at UNFF-5 on: the MYPOW and Plan of Action, which includes progress made toward SFM at the national, regional and global levels; the review of the effectiveness of the IAF, specifically the UNFF supported by the CPF; and the consideration of the parameters of a mandate for developing a legal framework on all types of forests. Patosaari indicated that UNFF could work to address priorities such as building adequate capacity and financial incentives and implementing NFPs and linking forest management to Poverty Reduction Strategies. He called for more holistic thinking on the interaction and linkages between people and natural resources, and highlighted that the UNFF is well suited for intergovernmental deliberations and policy development on a range of forest issues.

Alberto Cardenas Jimenez, Secretary of Environment and Natural Resources for Mexico, emphasized the importance of international collaboration in the face of natural disasters, and the role that the world's forests can play in addressing climate change. He noted that Mexico is intent on following the blueprint for its forests as defined by its national plan, which considers forests and water matters of national security. He emphasized

that the sustainable development of forests will require greater international political engagement over the long-term and that the IAF should act as an information clearinghouse and provide resources in the form of a World Forest Fund.

CLI-SG Co-Chair García said that the working groups would meet on Tuesday, Wednesday and Thursday and that Plenary would reconvene on Friday afternoon to discuss the outcome of the working groups. He noted that over the course of the week each of the two working groups would discuss: objectives and functions for the future IAF; identification of the international and domestic roles and contributions of potential components of the IAF; modalities of a future IAF; the description of options for financing the IAF; and future challenges. He also said that he and McAlpine (US) would chair the two working groups and that Hooegeven (The Netherlands) would be the rapporteur for Working Group 1 and Mauricio Limón Aguirre (Mexico) would be the rapporteur for Working Group 2.

**Report of the AHEG-PARAM:** Andrea Albán Durán (Colombia), Co-Chair of the AHEG-PARAM, reported on the outcome of the AHEG-PARAM, noting that some AHEG-PARAM experts indicated that, without a central voice for forests within the UN system, there would be a danger of fragmentation and lack of coherence on forest work and that financial limitations and other implementation obstacles continued to impede the implementation of the IPF/IFF proposals for action (PfAs). She also said that the experts recommended considering goals and objectives of the future IAF before considering modalities.

Tim Rollinson (UK), Co-Chair of the AHEG-PARAM, noted that the AHEG-PARAM final report represented significant progress in the consideration of the future of the IAF, contained a diversity of views, recommended that UNFF build upon the work of the AHEG-PARAM, and said that much work remains to be done. He then said the primary aim of the CLI-IAF was to facilitate ministerial decision-making at UNFF-5. Rollinson concluded by emphasizing the need to move from dialogue to action and develop a limited number of objectives to guide the work of the IAF.

**Nomination of CLI Co-Chairs:** Noting the need to build on the work of the AHEG-PARAM, CLI-SG Co-Chair McAlpine (US) nominated, and participants accepted, Rollinson (UK) and Albán Durán (Colombia) as CLI Co-Chairs. She then invited Rollinson and Albán Durán to comment on their respective visions for the CLI.

CLI Co-Chair Rollinson re-emphasized the need to build on the work of the AHEG-PARAM and said the CLI was not a negotiation, but a discussion meant to facilitate decision-making at UNFF-5. He also said that the final CLI Co-Chair's report would capture all the issues raised during the CLI.

CLI Co-Chair Albán Durán said that the work of the CLI would be clustered into two thematic areas, one addressing the issue of objectives and the other modalities.

**Introduction of Background Paper:** Jagmohan Maini, Senior Advisor, presented a background discussion paper on the future IAF. He depicted the current state of the world's forests

and the new political realities the IAF faces, including a shift in priorities toward socio-economic issues, and suggested the need to re-frame the importance of forests within this new context. He stressed that the IAF is not simply inter-governmental, noting that the CPF and major groups play a key role in implementation. Maini said that some of the greatest threats to forests come from other sectors, highlighting the need for proactive intersectoral collaboration, which would be facilitated by the establishment of a high-level institution.

Maini then articulated four possible overarching strategic objectives for the future IAF: protecting and maintaining global forest cover; securing high-level political support and funding; reversing deforestation and degradation; and establishing partnerships with external constituencies.

In terms of organizational structure, he proposed that the future IAF include a high-level, authoritative forest policy forum open to all governments with the capacity to influence other processes and secure strong political commitment. He suggested that the IAF should contribute to the social agenda on a cross-sectoral basis, and should liaise with multilateral environmental agreements (MEAs), financial institutions and major groups, and proposed that the IAF could be a non-legally binding instrument (non-LBI), a legally binding framework convention, or a convention with binding commitments. Maini concluded by underscoring the need to highlight implementation progress in order to attract more funding and political priority.

#### WORKING GROUP 1

**Objectives and Functions of the Future IAF:** Working Group One (WG1) Chair Garcia opened WGI by inviting participants to discuss the objectives and function for the future of the IAF.

Several participants, including Jeanne Pierre Arend (Luxembourg), Peter O'Donohue (US), Matthias Schwoerer (Germany), Lu De (China), Franz Perrez (Switzerland), Tony Bartlett (Australia), Claudio Ricardo Gutierrez (Argentina), Pham Minh Thoa (Vietnam) and Alberto Garcia (Costa Rica), said the new IAF should contain only a few specific objectives.

On targets, several participants, including Ingwald Gschwandtl (Austria), Perrez (Switzerland), Denyse Rousseau (Canada), Jose Maria Solano Lopez (Spain), Abdellah Benmellouk (Morocco), Bartlett (Australia), Schwoerer (Germany) and Guterrez (Argentina), supported the inclusion of targets in the new IAF to attract high-level political attention, while respecting country priorities and sovereignty.

On the Millennium Development Goals (MDGs), some participants, such as Neria Andin (Philippines), Gschwandtl (Austria), Michel Bonnane (Central African Republic), Rousseau (Canada), Heidi Garberg (Norway), Bartlett (Australia), Perrez (Switzerland), Hadil da Rocha Vianna (Brazil) and Markku Aho (Finland), noted that forest issues should be linked to the MDGs.

Arend (Luxembourg) said that the future IAF should: secure high-level political commitment for SFM; affirm the contribution of SFM to the sustainable development agenda; and increase the visibility of forest work at all levels. He said

that strategic objectives under the new arrangement should be widely understandable and should address forests' contribution to sustainable development.

Gschwandtl (Austria) said the objectives of the new IAF should link forests and people and participants should be cautious in securing political commitment because of their potentially negative effects on implementation. He also recommended that targets under the future IAF need to be concrete, such as percentage reductions of deforestation.

O'Donohue (US) said participants need to agree on a few specific goals relating to: forest health, productivity and biodiversity; long-term social and economic benefits of forests; and increased financing and improved governance and cooperation. He noted that cross-cutting objectives could guide work under the IAF and, as commented by Rousseau (Canada), IAF-associated targets should be set by individual countries.

Mostafa Jafari (Low Forest Cover Countries Secretariat, LFCC) noted that plantations improve forest cover and should be considered for inclusion in objectives.

Da Rocha Vianna (Brazil) said strengthening the policy function of the IAF is fundamental to achieving SFM, and underscored the need for capacity building in developing countries. He indicated there should not be measurable goals on forest management, but that the IAF should strengthen domestic implementation. He also said that the CLI report should make reference to "illegal trade" instead of "illegal logging."

Perrez (Switzerland) indicated the need for political commitment at the global level, which could be secured by linking forests to the MDGs. He suggested this could be done by establishing a few concrete actions and targets, and facilitating a better exchange of lessons learned.

Aho (Finland) noted the importance of linking at least one overarching IAF objective to the MDGs, particularly that which aims to halve poverty reduction by 2015, and said that in the absence of this link it might be difficult to address reforestation and forest degradation. He also noted the need to involve communities and forest owners to empower local producers of forest products and services that promote SFM.

Rousseau (Canada) noted that a target related to the MDGs could be designed at the international level, since there are regional initiatives that contribute to attaining the MDGs, and that participants need to think about how to increase the role of major groups and how to strengthen country reporting.

Lopez (Spain) indicated that a target related to reducing deforestation might attract more political attention, but that participants need to identify quantifiable objectives to achieve targets. Schwoerer (Germany) called for a few substantial, functional objectives by establishing an overall goal on deforestation and reforestation. He also noted that targets should be emphasized at the national level, and highlighted the challenges of linking national targets with global objectives involving financial mechanisms, compliance and monitoring.

Noting the need for follow-up on implementation, Benmellouk (Morocco) indicated the need to specify targets and indices with respect to the use of forests. Heitor Matallo (UN Convention to

Combat Desertification, CCD) said that preventing deforestation and increasing reforestation incurs different costs, which should be addressed separately under the new IAF. He also noted the importance of synergy with other international instruments, such as the CCD and MDGs.

Garberg (Norway) said it is urgent to link societal and environmental objectives under the new IAF to raise political support for forests. Noting that the global forest community faces a political problem, rather than a technical one, Alberto Salas (World Conservation Union) drew attention to a strategy designed by Central American forest ministers to facilitate dialogue with respect to their forests, indicating that one of their goals is to reduce deforestation by 25 percent.

Yuji Imaizumi (Japan) noted that many of UNFF's objectives and functions are still relevant, but that it is not easy to raise political commitment to the forest agenda without demonstrating successful forest activities to politicians. De (China) said that a balance needs to be reached, *inter alia*, between sovereign rights and the management of global resources and between social and environmental contributions of forests. He also noted the need to promote the presence of multi-stakeholder groups and to identify specific objectives, but added that targets should be approached with caution as they may hinder progress made on forests.

Bartlett (Australia), supported by Perrez (Switzerland), said three overarching objectives should be included in the IAF: improving the distribution of benefits derived from forests; increasing the total area of sustainably managed forests; and reducing deforestation. He also outlined nine functions to be included in the IAF, including mainstreaming the forest agenda and forest processes and continuing the policy dialogue. He also noted that, if targets were set, they would need to be achievable and focus on overarching objectives.

Gutierrez (Argentina) said that proposed objectives need to be adapted to regional and local conditions and ecosystems and could specifically address the preservation, degradation and restoration of all types of forests. He also said that the functions to achieve these objectives could be financial, political and scientific in nature.

Patrick Nkusi (Kenya) argued that a strengthened IAF would raise public awareness about forests and, in turn, lead to more SFM financing. He said the IAF could explore the linkages between poverty reduction and environmental protection.

Alain Chaudron (France) said, *inter alia*, that to be credible objectives must be understood outside the forest community and be measurable. David Cassells (World Bank) stressed the importance of linking forest management to poverty reduction and to the protection and restoration of environmental services and values. He also identified the need for better communicating global goals to local interests.

Thoa (Vietnam) stressed the need for an objective that focuses on forest dependent people and said that a small group of experts should compile a set of general objectives and measurable targets. Bashir Wani (Pakistan) said the objectives of the IAF should be easily implemented and voluntary, and should focus

on reducing deforestation, lessening the impact on natural forests and facilitating human development.

Garcia (Costa Rica) proposed objectives on the multiple and sustainable use of forests and on forest dependent people. Tono Krusic (Croatia) proposed that the United Nations declare a World Forest Day to promote the idea that forests are important to humankind.

Anniina Kostilainen (Youth and Children) said that stakeholder ownership of SFM should be enhanced through true participation. Marcial Arias (Indigenous Peoples) said one of the IAF objectives should be to involve indigenous peoples and local communities in forest management.

Mary Coulombe (Business and Industry) reinforced the need for a strategic goal relating to the use of forests and emphasized that the IAF needs to provide inspiring and motivating leadership. Elena Polyakova (Belarus) highlighted that linking poverty and climate change to forest work is essential for raising the profile of forests on the international agenda.

## WORKING GROUP 2

**Objectives and Functions of the Future IAF:** Working Group Two (WG2) Chair McAlpine (US) encouraged all participants to contribute to the discussion, emphasized the importance of building on the work of the AHEG-PARAM, and said that the present discussion should focus on what the IAF should be and why. She then outlined the history of the IAF, noting that the IAF includes the UNFF, the CPF, the UNFF Secretariat and major groups.

Several participants addressed the issue of raising the political profile of forests. Peter Mayer (IUFRO) offered that this could be achieved by making forest-related scientific knowledge more relevant to policy makers. David Rhodes (New Zealand) said that strong political will can only be achieved through resolving UNFF's "identity crisis," which will require that the IAF have a strong coordinating role, legally binding or not. Carl de Schepper (Belgium) and Manuel Rodriguez Becara (Columbia) both suggested that UNFF has yet to demonstrate the type of progress that would attract political will, and that as a "forum" it was not designed to be an implementing body. Eunju Ahn (Republic of Korea) suggested that the low political engagement was linked to the fragmentation of policy efforts. Oleg Shamanov (Russian Federation) argued that political commitment exists, but needs to be strengthened, suggesting that this could be done through resolutions passed at high-level sessions of ECOSOC and other UN bodies. Modesto Fernández (Cuba) stressed that the UNFF is already a high-level forum, and proposed that this be leveraged. He also said that a legally binding instrument (LBI) must take into consideration national interests. Hosny El-Lakany (FAO) stressed the importance of convening a high-level forum and establishing greater links with the forest sector. Lamin Bojang (Gambia) said the future IAF should involve rural communities in forest management and the identification of non-timber forest values.

Richard Fuckner (Youth and Children) stressed that major groups can play a role in implementing the IAF and facilitating

cross-sectoral cooperation, providing they are given adequate support. Andrey Laletin (Environmental Nongovernmental Organizations) said that UNFF had failed, emphasized the importance of not repeating mistakes, and said the major groups need to be more involved in decision-making.

Catherine Karr-Colque (US) emphasized the need for a small number of clearly articulated objectives, and said these should be linked to other agreements like the Millennium Declaration. El-Lakany (FAO) emphasised that while the forest agenda should be relevant to societal priorities, the forest community should avoid chasing the “agenda of the day.” Ahn (Republic of Korea) agreed, and cautioned against linking the forest agenda to poverty reduction, since doing so might fail to capture certain forest values if large portions of forest are left unused. Frank Wolff (Luxembourg) said that the IAF should target immediate threats to forests, while addressing longer-term goals like poverty reduction. He also emphasised the need to distinguish between objectives and targets.

Aziyah Mohamed (Malaysia) said that the IAF should be strong, fair, charitable and resourceful and that the CPF could be strengthened to coordinate implementation.

Ralph Roberts (Canada), supported by Karr-Colque (US) and Shamanov (Russian Federation), identified that nongovernmental organizations (NGOs) play a critical role in creating the public agenda, stressed the need for a common understanding on terminology, and suggested condensing the four overarching strategic objectives found in Maini’s background paper into one goal statement, “to promote the management, conservation and sustainable development of all types of forests, maximizing the contribution of forests to societal agenda, and to secure strong political commitment to this end.”

Maria de Conceição Ferrera (Portugal) suggested that the IAF could work more effectively to “sell” forests to the donor community by using a poverty-oriented, cross-sectoral approach. She also stated the need to synthesize work under existing MEAs.

Fernández (Cuba) emphasized that we need a strong mechanism to coordinate the many actors involved in the IAF and reduce fragmentation of efforts. Luis Ernesto Barrera (Guatemala) emphasised the need for a strong IAF to ensure that agencies are not pre-occupied with competing for limited funding, and to provide support for such agencies to convey the importance of forests in development to financial institutions.

Rebecca Parzer-Gloudemans (The Netherlands) suggested that UNFF must link its cause to higher priority issues, and suggested that funding might increase if policy makers find out that it is cost effective to address high-priority issues through forests. Mohamed Abdi (Somalia) suggested that many developing countries do not understand the potential benefits of forests with regard to poverty reduction and that this could be demonstrated through case studies. He also pointed out that other institutions suffered the same lack of acceptance before becoming mainstreamed, and that we should learn from them.

WG2 Chair McAlpine commented that the donor community does not see forests as a priority when compared to poverty reduction. Gatas AKL (Lebanon) suggested that this could be addressed by educating the donor community on the importance of forests in reducing poverty. Barbara Ruis (UNEP) highlighted the need for the IAF to pay more attention to public relations and to convey to the public in simple terms a small number of legally binding principles. Bernard De Galember (Business and Industry) suggested the relevance of the IAF would need to be clearly conveyed to the public.

Gustavo Ainchil (Argentina) suggested that the distinction between how the future IAF should be structured and how it should be implemented is artificial, and that the focus should be more holistic. Iwan Krolis (Suriname) concurred with Rhodes (New Zealand) about being clear on goals before worrying about how to coordinate such efforts and that consensus has not been achieved on this.

### **WEDNESDAY, 26 JANUARY**

#### **WORKING GROUP 1**

**Modalities of the Future IAF:** Maini, Special Advisor, explained that his background paper proposes a structure for the future IAF, noting that the building blocks of a new IAF are a global-level institution with high-level authority, such as the UNFF, the CPF, and a compact Secretariat, in addition to regional- and country-led initiatives. He added that member states have to mobilize the financial resources needed for the new IAF.

On the CPF, several participants, including Imaizumi (Japan), Chaudron (France), Garcia (Costa Rica), and Schwoerer (Germany), called for a strengthened CPF.

Others, including Bartlett (Australia), Tiina Vahanen (FAO), Nkusi (Kenya), Kostilainen (Youth and Children), Ruth Mubiru (Women), Fernando Montes de Oca (IUFRO), and Aho (Finland), called for further engagement of stakeholders under the new IAF.

Aho (Finland) drew attention to the issue of finance and technology transfer, and recommended that CPF members work together to establish an information clearinghouse on ESTs and utilize existing mechanisms that engage in technology transfer, such as FAO’s National Forest Programme Facility (NFP Facility) and the World Bank’s Program on Forests (PROFOR).

Gutierrez (Argentina) indicated the need to move forests higher on the political agenda and, supported by Schwoerer (Germany), said members could set voluntary goals and targets under the new IAF, with each country setting their own targets based on domestic conditions. He also noted the need to develop appropriate monitoring and evaluation and information sharing.

Bonnane (Central African Republic) highlighted its synergies with the Conference of Ministers for the Forests of Central Africa (COMIFAC) to monitor forests in the Congo Basin in support of the IPF/IFF PfAs.

Mark Zimsky (Global Environment Facility, GEF) said the GEF operates under guidance it receives from the CBD to guide programmes on forest ecosystems, and pointed out that

significant funds are already allocated for SFM through projects devoted to sustainable land use and biodiversity. Drawing attention to implementation, Imaizumi (Japan) noted the need to establish a two-way information flow, indicating that sub-national governments have an important role to play in this regard. He also said, supported by Chaudron (France), that the role and utilization of the existing CPF and its members needs to be strengthened, and that monitoring, assessing and reporting could be improved through the role of regional actions or country-led initiatives.

Fernando Montes de Oca (IUFRO) noted his concern about securing political agreement by linking it to implementation of the new IAF, and proposed establishing at UNFF-5 a science panel similar to the IPCC in order to generate political interest.

Chaudron (France) said it is necessary to orient positions in a policy framework with prepositions that lend to the creation of action plans. He also said implementation needs to be in line with reality and a clearer country reporting mandate is required. Vahanen (FAO) said that the NFP Facility is meant to facilitate the implementation of the IFF/IPF PfAs and is focused on poverty reduction. She noted that the NFP Facility also engages stakeholders at the national level, and that the updated CPF Sourcebook on Funding for SFM will be available at UNFF-5.

Schworer (Germany) emphasized that the role of domestic actors is to implement global goals by developing national-level targets and action plans. He also emphasized the need for concerted action through institutions, such as a strengthened CPF, regional partnerships or, in the event of an LBI, regional protocols.

Bartlett (Australia) said the role of international organizations is, *inter alia*, to prioritize issues, facilitate cooperation through the CPF or other processes like the MDGs, facilitate implementation through partnerships, and promote discussion on lessons learned, particularly on a regional basis. He also noted the need to facilitate trade, while restricting the trade of illegal forest products. On the role of domestic actors, Bartlett underscored, *inter alia*, the need for all stakeholders to benefit from SFM, the need to link forest policy with other sectors, and the need to safeguard the rights of indigenous peoples.

Nkusi (Kenya) noted the need for community participation at the domestic level, and said that international-level financing for forests was diminishing. De (China) underscored, *inter alia*, the importance of domestic law enforcement in protecting forests and stressed the need for international cooperation to strengthen capacity building and promote information exchange. Rousseau (Canada) said that the IAF could be strengthened by linking it to the social agenda and that countries have a role to play in making this link when providing guidance to CPF members and other international organizations.

Benmellouk (Morocco) stressed the importance of adapting the IAF to domestic conditions and eliminating red tape in accessing development assistance. Perez (Switzerland) said the future IAF should play a stronger role in facilitating international discussion, and emphasized the importance of regional cooperation and information sharing.

Kostilainen (Children and Youth) stressed the need to strengthen the involvement of major groups in decision making in the future IAF. Matallo (CCD) cautioned against a potential conflict that might result if the IAF becomes a consultative mechanism with an implementation function.

Da Rocha Vianna (Brazil) said authority should be retained in the IAF and forest issues should not migrate to other international organizations, and stressed that national implementation plans should be driven by domestic concerns. He also said the CPF should enhance intersectoral cooperation on the exchange of experience. Jean Claude Rabemanantsoa (Madagascar) said the engagement of governments in the future IAF could be financed through a dedicated fund.

Mubiru (Women) said the future IAF has a role to play in improving the participation of rural women in forest policy decision making and proposed that the new structure include an institutional space and financing to help the major groups fulfill their responsibilities. Jafari (LFCC) noted the usefulness of the IFF/IPF PfA, expressed his belief that the major groups could help cover national- and regional-level initiatives, and called for further consideration of LFCCs under the new IAF.

Pham Minh Thoa (Vietnam) encouraged developing country governments to press for action toward SFM and said multilateral organizations need to facilitate financial assistance to support capacity building initiatives and promote sustainable livelihoods. Supporting da Rocha Vianna (Brazil), she said major groups could provide policy assessment at the local level to provide feedback to policymakers.

Alberto Garcia (Costa Rica) expressed the importance of overcoming obstacles to implementation, noting implementation difficulties within a national development process, and supported continuing a multilateral collaborative partnership. He also said Costa Rica would be hosting a CLI in San Jose in March 2005 on innovative SFM financing.

Audomaro Alba Padilla (Mexico), supported by de Oca (IUFRO), encouraged the improvement of existing multilateral institutions, noting that FAO's technical and scientific expertise can facilitate implementation. Arias (Indigenous Peoples) said traditional knowledge could be jeopardized if effective indigenous peoples' participation does not occur at all levels. Arias indicated that indigenous knowledge is important to take into account, and hoped that a CPF representative could attend the upcoming Permanent Forum on Indigenous Issues in May 2005. De Oca (IUFRO) said the future IAF must establish mechanisms that encourage formal representation of the major groups, and suggested that a world fund be created to help implementation.

Edwin Oliva (Guatemala) called for all countries to designate budgetary resources for forests instead of waiting for resources from abroad. O'Donohue (US) said the role of the future IAF should be to facilitate, coordinate and catalyze domestic-level initiatives, and suggested that a non-hierarchical, informal structure should be considered for the future IAF. He indicated the future IAF should: emphasize forest health, productivity, and biodiversity; promote the long-term social and economic benefits

of forests; and facilitate and mobilize increased financing and improved governance and cooperation to promote country priorities for SFM.

Cassells (World Bank) said the Bank is supportive of UNFF and that countries must set their own priorities to participate effectively. Kasulu Seya Makonga (DRC) said an international fund was needed to implement regional programmes, including in the Congo Basin.

**Options for Financing the IAF:** WG1 Chair García asked delegates to respond to the Maini background paper on the design of an authoritative, high-level policy forum that can influence other fora, secure high-level political commitment, gain support from other forest-relevant constituencies, and become equal partners in cross-sectoral enterprises.

Gschwandtl (Austria), supported by Schwoerer (Germany) and Bonnaneé (Central African Republic), said political support could be obtained to address issues in the appropriate form and manner, in particular by using the MDGs, and to set up an arrangement on the appropriate status for the new IAF.

Bartlett (Australia) said that to refocus the IAF, priority objectives should be established, including: achieving greater participation, especially from the G-77/China; conveying the message about multilateral outcomes to practitioners; using regional processes to enhance the UNFF agenda; and extending forest certification initiatives, especially on tropical forests.

Benmellouk (Morocco) said a strategy is needed for the preservation of forests. Perez (Switzerland) said that instead of increasing political visibility, the biggest challenge is to increase continuity to bring together conflicting issue areas into the substance of the agreement, and that the existing arrangement needs to be changed.

Schwoerer (Germany) added to Gschwandtl's (Austria) proposal by encouraging a more effective and efficient mechanism under the IAF that would link global and national actions with national-level targets. Bonnaneé (Central African Republic) said local populations need to benefit from the exploitation of forests.

Aho (Finland) said that any future IAF would work through the CPF, and the policy forum should have an internationally recognized legal identity to provide guidance and information from other international forest bodies. He also noted the need to ensure compliance and monitoring according to countries' national circumstances and to empower the forest constituencies to perform their tasks and obligations in a participatory manner. Andin (The Philippines) indicated that linking forests to the MDGs is key, that the CPF should design a strategy for alleviating poverty, and that it is time to reassess the political agenda on forests.

**Institutional Status of the Future IAF:** WG1 Chair García presented four proposed options for future components of an IAF: discontinuing the current IAF; establishing a non-legally binding instrument such as an enriched and stronger version of the current IAF; creating an LBI such as a framework convention which may establish overarching principles and general objectives and makes provision for subsequent protocols

subsidiary to the convention; and creating an LBI such as a stand alone convention open to participation by all or a large number of states that impose binding commitments, accountability and may involve previously agreed sanctions.

Some participants, such as da Rocha Viarra (Brazil), Polyakora (Belarus), Wani (Pakistan) and O'Donohue (US), supported a non-LBI, while Wolter (Luxembourg), Solano Lopez (Spain), Coulombe (Business and Industry), De (China), Perrez (Switzerland), Imaizumi (Japan), Gschwandtl (Austria), Rosseau (Canada), Aho (Finland), Thoa (Vietnam), Anna Chileshe-Masinja (Zambia), Franco Cozza (Italy), Schwoerer (Germany) and Garberg (Norway) supported an LBI for a new IAF.

Jorge Illueca (UNFF Secretariat) noted that other options should be considered, such as the development of international technical guidelines based on the Rio Forest Principles and the PFA. Matallo (CCD) explained its experience with the failed world action plan against desertification and the subsequent establishment of the CCD, which he hoped participants would take into account when designing the new IAF.

Brazil said it is time to focus on implementation and, supported by Kasulu Seya Makonga (DRC), UNFF should be maintained as the body for global forest work. He noted his support for a non-LBI under the future IAF.

Polyakova (Belarus) said a non-LBI would allow participants to create a framework on forest issues and an LBI would not offer political advantages because many countries would not be able to fulfill their obligations. Frank Wolter (Luxembourg) said an LBI would eliminate the problem of lack of political attention to forests because the objectives under a new agreement could: foster national governance and commitments; lead to better coordination to translate global commitments into national policy; and encourage financing and technology transfer through the CPF.

Lopez (Spain), supported by Coulombe (Business and Industry) and Perez (Switzerland), said that the only way to strengthen the forest forum is to have an LBI, such as a framework convention, that a non-LBI would be impossible to strengthen, and that additional protocols could be included under an LBI.

Coulombe (Business and Industry) noted the need for stronger communications among participants, and called for concrete action under the new IAF. Imaizumi (Japan) highlighted the need to monitor the effectiveness of global targets and for a simplified structure at the global and international level. Saying that Japan is in favor of an LBI, he acknowledged that the LBI would be ineffective if it lacks global support.

Gschwandtl (Austria) indicated support for an LBI, saying that a framework convention would be better than a stand alone convention because it could take into account the different realities of countries and the complexity of the forest issue. Rousseau (Canada) called attention to the possibility of establishing a protocol under an existing instrument, and said that an LBI would involve a higher degree of obligation from countries.



Wani (Pakistan) said a non-LBI with a stronger emphasis on regional cooperation and coordination is the best way forward, and that an LBI would lead to polarization of member states. Aho (Finland) said three key issues that need to be addressed under the new arrangement are the legal identity of the future arrangement, compliance on implementing commitments, and empowerment of stakeholders through genuine participation in the process. He said for this to be effective on the ground a legal framework is required.

Carole Saint-Laurent (World Conservation Union) noted that linking forest work to the MDGs might require linking the IAF to other parts of the UN system, and called for appropriate stakeholder and major group engagement. Bartlett (Australia), supported by Jacqui Caine (New Zealand), said that if the current IAF is to be continued, it needs to be simplified summarizing key PfAs, there is no guarantee an LBI would generate more commitment, and it may not be realistic to believe a common binding convention could be established in the timeframe available before UNFF-5.

Caine (New Zealand) encouraged the strengthening of regional processes using targets. Fernando Montes de Oca (IUFRO) called for the need to clearly establish the rights and obligations of member states and all stakeholders in a quantitative manner, especially if the new IAF is to promote the implementation of forest policy at regional and international levels.

Thoa (Vietnam) said he preferred a framework convention, so that forest work could be more precise with the flexibility to be adaptive to new situations, but would also consider establishing a protocol under an existing convention. Chileshe-Masinja (Zambia) supported a framework convention, and stressed the need to address poverty reduction and consideration of cultural issues in LDCs.

Chaudron (France) indicated the leading problem in constructing the new IAF is implementation, and its associated costs. Cozza (Italy) noted that the stand alone convention could be the best option, since it would be based on shared objectives.

Schworer (Germany) said that an LBI, including the use of protocols, would help obtain higher political commitment. Cassells (World Bank) suggested that: participants focus on issues of cost-effectiveness; shared experiences under the IAF have been catalytic; there is little possibility of expanding the GEF portfolio; and the linkages of the current arrangement to implementation could be stronger.

O'Donohue (US) said he preferred strengthening the existing IAF, since a variety of LBIs already address similar issues and since the diversity of national forest types are not conducive to a global approach. He also said he was open to considering an LBI in the future. Garberg (Norway) said she preferred either a framework convention or a standalone convention, but that she is willing to consider all the options at UNFF-5. De (China) said his preference was for a framework convention. Rosseau (Canada) said that Canada prepared a matrix outlining the various advantages and disadvantages of all the options.

## WORKING GROUP 2

**Modalities of a Future IAF:** WG2 Chair McAlpine (US) presented two schematic interpretations of the components of the IAF. She said one schematic is hierarchal and the other depicts the component institutions acting in parallel. She then requested that participants comment on whether each squared with their own interpretation of the UNFF.

Carlos Salinas (Peru) and Fernández (Cuba) stressed the importance of not separating countries from the institutions in this model, as the IAF will succeed or fail based on countries' capabilities. Rhodes (New Zealand) stated that the UNFF should be the driving force behind the forestry agenda, go beyond being a "talk shop," and have greater influence within the CPF. El-Lakany (FAO) stated that since the CPF members are very independent, have their own governing bodies, and consider UNFF recommendations, it is highly unlikely that the UNFF could control the actions of CPF members.

Ulate (Costa Rica) suggested that since UNFF reports to ECOSOC, its resolutions are binding on all countries as well as CPF members. Fernández (Cuba) and Ainchil (Argentina) both suggested that UNFF has yet to make full use of its existing mandate to attain resources and mobilize technology transfer for SFM. Shamanov (Russian Federation) said objectives that have guided previous IAF work are still valid and what is needed is an empowered IAF capable of implementing them.

Karr-Colque (US) suggested several different approaches to building political support, including providing leaders with evidence of concrete action, building bridges with other constituencies and strengthening the CPF. De Schepper (Belgium) said the link between institutions and countries needs to be strengthened at the national, regional and global levels.

Limón Aguirre (Mexico), WG2 Rapporteur, said the lack of country reports has undermined UNFF's potential and that this is due to the lack of capacity. John Bazill (European Commission), supporting Barbara Ruis (UNEP), said superficial improvements to the IAF are inadequate when many countries are demanding more radical change, and stressed that participants must re-frame their rhetoric to link forests and their impact on people.

Roberts (Canada) agreed with Maini's vision for the future IAF. He suggested that the CPF should provide stronger leadership under a new structure, such as a World Forest Organization, and that moving from a voluntary to an obligatory IAF with targets would add to its strength. El-Lakany (FAO) clarified that the CPF is not an implementing body, but supports countries in national efforts to implement SFM. He stressed that CPF members have initiatives of their own though they attempt to modify their work to contribute to the larger UNFF vision.

Iwan Krolis (Suriname) said the UNFF should take the lead in coordinating the efforts of other forest-related institutions. He expressed concern that preoccupation with pursuing an LBI will yield limited results in SFM implementation. Mayer (IUFRO) mentioned that not all CPF members are bound to UNFF-related ECOSOC resolutions, although their work programs consider how to contribute to UNFF's work. He suggested that major groups could be influential in getting forests on the

political agenda, highlighting the Ministerial Conference for the Protection of Forests in Europe (MCPFE) as a good model for integrating these groups.

Albán Durán (Colombia) stated that the IAF has yet to penetrate national forest policies, and that this gap needs closing. Ricardo Ulate (Costa Rica) commented that the IAF has been a “moving target” to date, which makes it difficult to convince leaders to make strong commitments. He suggested that a permanent IAF with clear legal status would foster such commitment.

Conceição Ferreira (Portugal) stated that the future IAF should provide high-level political authority capable of liaising with other institutions, and questioned why other forums have been able to achieve consensus on issues that remain controversial in UNFF. She suggested that the CBD has succeeded due to their pursuit of concrete and well-articulated goals, and the UNFF should learn from this. Ahmad Rajabi (Iran) suggested that UNFF should be a mechanism to define commitment and implement PfAs.

Ana Belen Noriega (Spain) reported that in Spain the establishment of the CBD resulted in greater political commitment and she expects that an LBI on forests would result in the same type of commitment. Both Piotr Borkowski (MCPFE) and Rajabi (Iran) noted that regional processes can help bridge the gap between the IAF and the national level.

Parzer-Gludemans (The Netherlands) suggested the need to convey in specific terms how SFM contributes to MDGs. Gatas AKL (Lebanon) said that the IAF should be independent of other conventions.

Laletin (Environmental NGOs) stated that forests need an institutional leader that is more forest-oriented than FAO, which is primarily responsible for agriculture. Wolff (Luxembourg) stated that the forest community has lost an opportunity to engage with the MDGs, and that the CPF has failed to represent the interests of forests in this area. El-Lakany (FAO) stated that CPF members have changed their program of work to reflect UNFF priorities. He highlighted that the role of forests in MDGs will be discussed at the FAO COFO meeting in March and that a paper discussing this will be posted on the FAO website in February.

**Institutional Status of the Future IAF:** WG2 Chair McAlpine introduced the session on options for the institutional status of the future IAF by listing the possible options, including: discontinuing the current IAF; a non-LBI, such as an enriched and stronger version of the existing IAF; an LBI, such as a framework convention; and an LBI, such as a standalone convention, open to participation by all or a large number of states that impose binding commitments, accountability and may involve pre-agreed sanctions.

Ainchil (Argentina), supported by Jitendra Sharma (India), said three elements are needed for the future IAF, including: a clearly defined normative body, which includes targets and goals; a mechanism relating to resources; and a mechanism for scientific input. Roberts (Canada) added the option of developing a protocol to an existing convention.

Wolff (Luxemburg) said the LBI option should have clear targets, mechanisms for monitoring, assessing and reporting, ensuring compliance, providing financial and technology transfer and linking to other international forest-related processes.

Fernández (Cuba) and Ana Belen Noriega (Spain) preferred an LBI with the option of adding protocols for specific forest-related issues. Aziyah Mohamed (Malaysia), De Schepper (Belgium), Claudio D’Aloya (Italy), Mohamed Abdi (Somalia), Ahn (Republic of Korea), Rodolfo Godinez (Mexico) and Christodoulou Alexandros (Cyprus) stated their preference for a framework convention. Rhodes (New Zealand) preferred an LBI, since it would provide greater visibility and discipline.

De Galembert (Business and Industry) said that an LBI would create a more predictable environment for decision-making and investment, level the playing field, give greater recognition to the sector, and improve implementation, monitoring, assessment and enforcement. Anders Portin (Finland) suggested that an LBI would be better suited for attracting resources, and said that a framework convention could be complemented by thematic and regional protocols.

Ahn (Republic of Korea) said a framework convention is the best option, since it would raise the profile of forests and could include both obligatory and non-obligatory provisions. De Schepper (Belgium) preferred a framework convention and added that, in negotiating an LBI, there is greater flexibility, since it allows countries to develop unique negotiation modalities, whereas the existing IAF is bound to normal UN procedures. Abdi (Somalia) preferred a framework convention, since it would limit the impunity of overexploitation in least-developed countries. Shamanov (Russian Federation) expressed his preference for a non-LBI, but said this need not preclude developing an LBI in the future. He also said UNFF could be more authoritative by submitting resolutions to ECOSOC and the General Assembly. Sharma (India), Karr-Colque (US) and Salinas (Peru) preferred a non-LBI. Ruis (UNEP) said a non-LBI does not preclude the development of guidelines and global and regional programmes of action similar to the Global Programme of Action for Regional Seas. Laletin (Environmental NGOs) preferred a protocol to an existing convention. Ahn (Republic of Korea) stated that a framework convention would promote voluntary adoption but would fall short of securing adequate funding, and that efforts to establish a stand alone convention might result in many countries not opting in. She suggested the consideration of creating a voluntary parallel institution that would encapsulate all member states, in addition to a legally binding option.

Ferreira (Portugal) expressed her preference for a framework convention, stating that a non-LBI may not do more than the current IAF. Mohamed (Malaysia) and Portin (Finland), supported by Parzer-Gludemans (The Netherlands) and Krolis (Suriname) stated that progress would be lost if the IAF was discontinued. Parzer-Gludemans (The Netherlands) added that participation of civil society might be facilitated through a separate LBI, since major group participation in the IAF is currently limited to ECOSOC rules. Laletin (Environmental

NGOs) stated his preference for an enhanced UNFF or protocol to an existing convention, noting that both are preferable to having no IAF at all, although he believed that the opinions of many ENGOs would differ on this.

Godinez (Mexico) spoke in favor of an LBI, and warned that if the IAF is not seen as benefiting local forest dependent people, it will be deemed irrelevant. He also said that a non-LBI is inadequate to break the current inertia of the multilateral forest agenda. D'Aloya (Italy) called for efficiency and simplicity in establishing goals, and said political attention could be gained by demonstrating concrete action. Ruis (UNEP) said that there is a chance that a non-LBI would only result in cosmetic changes and disrupt the international policy dialogue, while a framework convention would distinguish publicly between countries that are committed to forests, and those that are not.

Lennart Ackzell (Sweden) warned that UNFF's universal membership will not be included under a framework convention, and may result in a watered down document applicable only to signatories. Karr-Colque (US) stated that it is unclear to her how an LBI will add value to the current IAF, and that pre-occupation with this might reverse progress made to date. Laletin (Environmental NGOs) said that he is against a framework convention, as it appears that any LBI capable of achieving wide consensus will be ineffective, and that existing mechanisms could be effective, if implemented.

Krolis (Suriname) stated that although an LBI would add compulsion to enforce the IAF, it would do nothing to improve the capacity of developing nations to achieve it. Salinas (Peru) stated that most forest-related problems are occurring in tropical countries and that FAO and the International Tropical Timber Organization (ITTO) already cover this topic. He stressed the importance of providing incentives instead of imposing sanctions.

Mohamed (Malaysia) said the long negotiation time associated with a framework convention is a drawback and may exclude many countries.

Ferreira (Portugal), Fernández (Cuba) and Mohamed (Malaysia) all mentioned that a protocol under an existing instrument is too narrow as it is confined to the existing instrument and lacks a holistic approach. Portin (Finland) said that a protocol under an existing instrument would not be easier than a framework or stand alone agreement, and that it could be counterproductive environmentally. D'Aloya (Italy) stated that a stand alone convention is too rigid, while a protocol under an existing instrument misses the holistic approach developed under the current IAF.

#### **THURSDAY, 27 JANUARY WORKING GROUP 1**

**Options for Financing:** Maini, Senior Advisor, reviewed the section on financing in his background paper, noting that financing is needed for both the implementation of SFM and to support the institutional structure of the future IAF. He also emphasized that the forest community must change the way it appeals for financing in light of changing government priorities.

De (China), supported by Wani (Pakistan), identified that domestic capacity-building and international and domestic awareness-raising should be the highest priorities on the financing agenda. Schworer (Germany) noted the difficulty in separating the issue of finance from that of modalities, and stressed the need for concerted financial support for SFM in the form of new partnerships that include NGOs, but also support to the GEF and the NFP Facility. He identified the need for a non-confrontational compliance mechanism to ensure that financing is linked to the achievement of local objectives and global targets. He also said that while an LBI is no guarantee of increased financing, it is the best choice for attracting political attention.

Bonnane (Central African Republic) noted that sources of SFM financing include bilateral aid and private sector financing, and emphasized that SFM financing needs to be traceable and accountable.

Bojang (Gambia) stressed the need for capacity-building at the local level to ensure that local producers are viable and underscored that a new financing arrangement will foster confidence among local communities, particularly those dependent on mangrove forests. Da Rocha Vianna (Brazil) emphasized the need for financing for capacity-building, and stressed that the provision of funds should target the local, domestic, regional and global levels.

Chaudron (France) drew attention to the CPF Sourcebook and said that the NFP Facility would merit further development to facilitate implementation. He also said new funds could be secured through the establishment of a trust fund or some other instrument.

Benmellouk (Morocco) said that in Morocco forest protection is directly related to the struggle against poverty and those communities living on the border of forests. He emphasized the need to link SFM financing to poverty reduction and the achievement of the MDGs, and endorsed the idea that the future IAF should be guided by clear, measurable targets. Gutierrez (Argentina) said more work needs to be done on NFPs, that, at a minimum, the existing IAF needs to be strengthened, a world forest fund could be created, and existing finances for forests have not been channelled in the most efficient way.

Gschwandtl (Austria) indicated that an appropriate financial arrangement to finance SFM at all levels is needed, and that it is unrealistic to expect more money to come from governments because of their budgetary constraints. He suggested drafting a new forest narrative including the MDGs, but questioned whether a new IAF would have the full potential to capitalize on a new narrative.

Perrez (Switzerland) noted that: the new IAF should be a catalyst to support country priorities on forests and strengthen political commitment for forests; CPF could help channel financial resources to where they are needed; and the upcoming CLI on finance in Costa Rica is critical.

Aho (Finland) drew attention to the fact that the AHEG-FINTEST report had not been utilized in the CLI discussions and that the move toward programme financing should be kept

in mind when designing the new IAF. He said governments need to highlight the economic aspects of forests in policies and strategies using a programmatic approach. He also called for the reduction of transaction costs, and suggested that the World Bank could provide advice to countries applying for grants on forests through the GEF.

Supporting Schwoerer (Germany) and Gutierrez (Argentina), Grace Ramirez (Ecuador) said a binding agreement could help achieve financial objectives and obviate concerns about fragmentation under the new IAF. She also indicated that a South-South mechanism could be arranged to help development cooperation and finance.

Imaizumi (Japan) said the struggle over financial resources may continue even if an LBI is agreed, and noted that Japan's experience generating tax revenue for forests may help in designing finance arrangements under the new IAF. He noted the need for: linking forests to a societal agenda; accountability; and fundraising mechanisms for civil society involvement.

Garcia (Costa Rica) suggested establishing a fund or bilateral agreements and said that the immediate needs of countries should be more promptly addressed through an effective funding mechanism. He highlighted the importance of saving forest-based communities as well as the forests. Regarding funding, utilization and management of forests, Bartlett (Australia) noted issues of importance, including: the need to better coordinate resources; the role of NFPs in establishing a funding framework; establishing priorities at the national level; building the capacity of staff in forestry agencies and organizations; and creating an enabling environment for private sector funding.

Kruzic (Croatia) highlighted Croatia's experience in certifying nearly all their forests according to Forest Stewardship Council standards, and supported the creation of a forest law in Croatia. Suggesting there is untapped potential for forest funding, O'Donohue (US) noted the need to better appeal to sectors where funds exist. He also discussed successful partnerships, including the Liberia Forest Initiative and the Congo Basin Partnership. He suggested establishing a trust fund for cooperative work on forests, based on the ITTO project system model where an Expert Panel reviews project proposals.

Mike Fullerton (Canada) said a voluntary trust fund should be maintained in the UN budget, but it needs to be sufficient and maintained under a strengthened IAF. He said: financing for the CPF should come from CPF members' budgets; financing under an LBI would be more accessible; and linking forests to MDGs is important. He also stressed that forest strategies need to be linked to national development plans and that private-public partnerships should be encouraged.

Ruth Mubiru (Women) said the UNFF could be maintained but must be operationalized to achieve its objectives. She noted trust funds should be established at the national level, which should give landowners information as to how funds are accessed and have a special emphasis on women's projects. She also called for gender mainstreaming to give women the opportunity to engage in sustainable forest management.

Godinez (Mexico) noted the possibility of obtaining funds from the private sector and through taxation. Nkusi (Kenya) noted that existing trust funds have not been successful in attracting financing, and called for minimizing transaction costs. He also called for capacity-building mechanisms and the use of traditional knowledge to ensure the sustainability of programmes.

## WORKING GROUP 2

**Options for Financing:** Elizabeth Barsk-Rundquist (UNFF Secretariat) gave an overview of how the IAF is currently funded, and what, in turn, it funds. She said that providing travel assistance draws a substantial portion of the budget and is supplemented by a trust fund of around US \$700,000.

Ainchil (Argentina) mentioned that under a framework convention, every country will pay according to the UN scale of assessments, and that it is likely the current UNFF Secretariat would continue to service the IAF. He stated that since a non-LBI most closely resembles the current arrangement it is the most likely to be supported. He stated his preference for the IAF to meet every other year, with the alternate year used for smaller regional meetings.

Fernández (Cuba) said that finance is critical, as resources provided will define what the IAF is capable of doing. He suggested that a provisional arrangement, such as a non-LBI, does not preclude other more binding options, and that the GEF is an opportunity for financing implementation of the future IAF. Andrea Kutter (GEF) said the GEF Operational Program 15 is focused on sustainable land management, including agricultural, pastoral and forest sub-themes, but that donors have indicated that the next replenishment might be less than previously allocated.

El-Lakany (FAO) stressed the importance of differentiating between financing the IAF itself, versus financing implementation.

Barbara Ruis (UNEP) said that establishing an LBI has high start-up costs and the costs to maintain it will depend on the modalities of the new IAF. Fernández (Cuba), Ainchil (Argentina) and Ulate (Costa Rica) all indicated that without knowing which option is being chosen for implementation, it is difficult to discuss its financing, and suggested that the Secretariat prepare cost estimates for each option.

Tasso Rezende de Azevedo (Brazil) concurred that financing will largely be determined by the option chosen, and that maintaining the current arrangement would draw funds from the UN budget, whereas moving to a framework agreement would require the sharing of additional operational costs.

Limón Aguirre (Mexico), WG2 Rapporteur, stated that if an LBI is not signed by major contributors, this will have major implications for those who do participate. Ahn (Republic of Korea) clarified that the parallel meetings she had suggested could be held in New York at minimal cost and that a framework convention could influence the CPF on a "horizontal" basis if it attained a critical mass of signatories.

Carlos Salinas (Peru) suggested that it may be possible to re-allocate the budget of related conventions to finance the options we are considering.

**Financing Implementation:** Fernández (Cuba) suggested looking to Agenda 21 for estimates of costs associated with actions necessary to obtain objectives, and that these could be updated to be presently applicable. Ainchil (Argentina) highlighted that the CPF Sourcebook could be a good departure point for identifying financing mechanisms.

Karr-Colque (US) suggested expanding the trust fund, catalyzing collaborative activities through CPF, and providing seed money to develop implementation protocols, and said that ITTO's structure provides a good model for the new IAF.

El-Lakany (FAO) stated that CPF-member activities related to UNFF have been financed by members themselves. Aziyah Mohamed (Malaysia) stated that the IAF needs a new and additional Forest Fund.

Shamanov (Russian Federation) asked about the sequence of steps required to ensure that forests are a priority at the GEF. Kutter (GEF) replied that countries need to make forests a priority and that the forest community needs to take better advantage of the implementing agencies that are CPF members. El-Lakany (FAO) agreed that it is true forest issues go un-financed because countries do not prioritize forests, but insisted that it is incumbent on the donor community to send developing countries a strong message that forest-related issues are worth funding. He also said that the FAO does not own but simply hosts the NFPF, and said the NFP Facility has an annual budget of US \$3-4 million of which US \$300,000-400,000 is financed directly by FAO.

Roberts (Canada) asked whether a study had been done that shows a positive correlation between the establishment of an LBI and increased financing. Rezende de Azevedo (Brazil) noted that before making any substantive policy commitments it is important to know how much financing will exist to underwrite those commitments.

## PLENARY SESSION

**Working Group Reports:** CLI Co-Chair Rollinson (UK) invited the working group rapporteurs to present the preliminary results of the working groups.

Hoogeveen (The Netherlands), WG1 Rapporteur, reported on the objectives and functions for the future IAF as discussed in WG1. He said these include, *inter alia*, potential overarching and operational objectives and targets. On overarching objectives, Hoogeveen said the main objectives identified include, *inter alia*: protecting and improving global forest cover; promoting the conservation and sustainable development of all types of forests and their contribution to the MDGs; and improving the well being of forest dependent people. On operational objectives, he reported that WG1 had stated that the new IAF could: strengthen political commitment; increase implementation of national forest programmes; and strengthen partnerships. On targets, Hoogeveen stated that the group identified three possible targets: reducing deforestation; reducing by half the number of forest dependent people living in poverty; and increasing the forest area under secure community ownership.

On domestic roles, he reported that WG1 had stated that the future IAF should ensure that governments: determine

national policy and targets; engage domestic stakeholders in policy making; establish cross-sectoral linkages; and develop partnerships. On international roles, he reported that the international community should: establish an authoritative policy forum; determine priority themes; strengthen cooperation within the CPF; share information; and facilitate trade. On major groups, Hoogeveen noted, *inter alia*, the need to enhance participation of major groups at the national, regional and international level.

Limón Aguirre (Mexico), WG2 Rapporteur, presented the synthesis report from WG2. He said the group had considered how to increase political attention for forests, whether an IAF was necessary, and if so, whether or not the IAF should include an implementing body. He then presented the possible objectives and functions the group identified for the future IAF. He noted that challenges ahead include securing additional sources of funding, taking advantage of existing funding sources and clarifying the relationship between forests and the UN. He described the four modalities of the IAF that had been discussed, along with their pros and cons, noting that many participants felt that these options are not necessarily mutually exclusive. He said that many participants believed there is still a lack of understanding regarding the merits of the options, and that there is a need for building financial capacity and encouraging greater accountability for how funds are used at both the national and international levels.

Limón Aguirre (Mexico) then presented WG2's views concerning the five options for the institutional status for a new IAF and possible financial arrangements associated with each. He noted that, *inter alia*: discontinuing the current IAF is not an option; strengthening the current IAF may not have any authority unless clear goals and targets are set; a framework convention would raise political awareness, foster stronger commitment and help attract financial resources; a stand alone convention would require a long process of negotiation and may not be able to attract all agendas, although it provides discipline; and a protocol under an existing agreement may deal with specific issues but may lose an holistic approach.

On financing, he noted the group had suggested that: CPF joint activities could be co-financed by funding specific tasks by interested donors; a study was needed to analyze the financing of the different modalities; financial resources from existing instruments could possibly be reallocated; the total budget may be higher for an LBI or protocol due to additional costs associated with negotiations; the costs of an LBI or protocol could be shared by signatory countries; and that rules for the distribution of cost may differ from the UN rules.

Regardless of the modality, he noted the group suggested that a study should be undertaken to analyze SFM financing, especially through the GEF. He also said the group had mentioned that, *inter alia*: it was important to avoid the scattering of and competition for funds; a global forest fund could respond to calls for new funding; and countries need to affirm commitment to SFM through funding their own forest initiatives.

Immediately following the Plenary, participants reconvened in working groups to discuss the reports in more detail.

### WORKING GROUP 1

WG1 Chair García invited participants to comment on the WG1 synthesis report. Audomaro Alba Padilla (Mexico) noted that some participants had said that targets were not a priority, and asked that this be reflected in the report. To do so, da Rocha Vianna (Brazil) suggested using language found in the AHEG-PARAM report. Bartlett (Australia) asked about reformulating language on targets and objectives.

Kostilainen, on behalf of the major groups, said the report should make reference to the need to: clearly define expectations for participation of major groups in the IAF; broaden major group participation in IAF components, including the CPF; and improve information exchange between the local and international levels.

Wolter (Luxembourg) said participants need to think about how to better formulate targets at the global and national levels, how to establish links between the social and economic agendas, and to further discuss the details of a non-LBI or framework convention.

Mike Fullerton (Canada) indicated that it would be useful to have information exchange and further discussion on the CLI outcomes at another UN event, possibly at the FAO Committee on Forestry (COFO). He also noted that a study on the options could be commissioned and hoped that major groups would accelerate their engagement in discussing the options. Perrez (Switzerland) said that more details on a non-LBI need to be put in writing.

### WORKING GROUP 2

WG2 Chair McAlpine (US) invited participants to comment on the WG2 report. Fernández (Cuba), Rezende de Azevedo (Brazil), El-Lakany (FAO), Ruis (UNEP), and Bazill (European Commission) all expressed concern that the text appears as a consensus report and not a diversity of opinions. Shamanov (Russian Federation) cautioned against pursuing a perfect document to avoid delaying or preventing its completion.

Anders Portin (Finland) requested including text reflecting the idea that the IAF should be flexible enough to take on emerging issues. Rhodes (New Zealand) stated that the discussion of the possibility of pursuing specific modalities in tandem was not represented in the summary. Ulate (Costa Rica) suggested that “fostering the creation of capacity” should be recognized as one of the functions of the IAF. WG2 Chair McAlpine proposed initiating research on the financial implications for the four options. Parzer-Gludemans (The Netherlands) requested that the report mention that participants discussed using specific targets under a new IAF and that one of the advantages of an LBI is it could have unique guidelines for the participation of major groups.

### FRIDAY, 28 JANUARY

#### CLOSING PLENARY

On Friday morning, CLI Co-Chair Rollinson (UK) opened the closing Plenary session, noting that the final report of the CLI

was a synthesis of views and not a consensus document. He then reviewed the objectives of the CLI and said that, while these had been achieved, much work remained to be done. Co-Chair Rollinson also mentioned that the CLI sponsors, Mexico and the United States, would forward the final report to the United Nations. He then invited participants to comment on the draft synthesis report.

Gschwandtl (Austria) said it was unclear what adopting the report would signify, since it was informational and not a consensus document. Bartlett (Australia), supported by Rhodes (New Zealand), asked that the report reflect the idea that regional initiatives can contribute to implementation, and that creating an enabling environment for private sector investment should be listed under “domestic roles.”

Polyakova (Belarus) said that, under “Functions,” capacity-building and technology transfer should be given greater emphasis. Rajabi (Iran) wished to see greater recognition of regional processes and the contribution of forests to socio-economic issues. Ahn (Republic of Korea) emphasized that the elaboration of financial proposals for the future of the IAF should occur prior to UNFF5.

Arias (Indigenous Peoples) requested that the report reflect that many forests are located in traditional indigenous territory and that indigenous peoples’ rights need to be respected. Arias also said all references to “indigenous people” in the final report should be pluralized. Fernández (Cuba) proposed adding “policy guidance” to the section on international roles for the IAF, and a new bullet highlighting the need to enhance the ecological and environmental uses of forests. Coulombe (Business and Industry) said the report should reflect the difficulty major groups have in communicating international forest policy developments to their diverse constituencies, and noted that the future IAF should ensure adequate financing for major group participation.

Mayer (IUFRO) noted the contradictory nature of the report where proposals for a trust fund were discussed. Da Rocha Viarra (Brazil) said that specific references to targets under the framework convention should be mentioned in the report.

Chair Rollinson said the Co-Chairs of the CLI would include the interventions in a revised version of the CLI report, which would be sent to the US and Mexico and then passed on to the UN.

The Country-Led Initiative closed at 12:44pm CT.

## UPCOMING MEETINGS

### SECOND SESSION OF THE UNITED NATIONS CONFERENCE FOR THE NEGOTIATION OF A SUCCESSOR AGREEMENT TO THE INTERNATIONAL TROPICAL TIMBER AGREEMENT, 1994:

The second session of the United Nations Conference for the Negotiation of a Successor Agreement to the International Tropical Timber Agreement, 1994 will be held from 14-18 February 2005, in Geneva, Switzerland. For more information contact: UNCTAD Secretariat, Intergovernmental Affairs and Outreach Service; tel: +41-22-917-5809; fax: +41-22-917-0056; e-mail: [correspondence@unctad.org](mailto:correspondence@unctad.org); Internet:

<http://www.unctad.org/Templates/Meeting.asp?intItemID=3322&lang=1>

#### **INFORMAL CONSULTATIONS IN PREPARATION**

**FOR UNFF-5:** This informal meeting will take place on 28 February 2005 in New York. It will seek to advance understanding among member States and maintain the momentum generated by the outcome of the AHEG-PARAM and the CLI held in Zapopan-Guadalajara in January 20005. For more information contact: Elisabeth Barsk-Rundquist, UNFF Secretariat; tel: +1-212-963-3262; fax: +1-917-367-3186; e-mail: [barsk-rundquist@un.org](mailto:barsk-rundquist@un.org); Internet: <http://www.un.org/esa/forests>

#### **17TH COMMONWEALTH FORESTRY CONFERENCE:**

This meeting will be held from 28 February - 5 March 2005 in Colombo, Sri Lanka. For more information contact: Commonwealth Forestry Association; tel: +44-18-6582-0935; fax: +44-87-0011-6645; e-mail: [cfa@cfa-international.org](mailto:cfa@cfa-international.org); Internet: <http://www.cfa-international.org/CFC%202005.html>

#### **GLOBAL FORUM ON THE REVIEW OF WOMEN'S PROGRESS ON FORESTRY MANAGEMENT SINCE BEIJING 1995: TOWARDS A COMMON AGENDA:**

This forum will be held from 28 February - 4 March 2005 in Kampala, Uganda and will examine the advances made and challenges met by women in implementing sustainable forest management. For more information contact: Ruth Mubiru, Uganda Women's Tree Planting Movement; tel: +256-41-235-602; fax: +256-41-345-597; e-mail: [ruthmubiru@yahoo.com](mailto:ruthmubiru@yahoo.com); Internet: <http://www.un.org/esa/forests/gov-unff.html>

**FORESTLEADERSHIP CONFERENCE:** This conference will be held from 1-4 March 2005, in Toronto, Canada. Held under the theme 'Partnerships towards Sustainability,' it will address the development of multi-stakeholder partnerships in the area of forest sustainability. For more information contact: Carole Zabbal; tel: +1-514-274-4344; fax: +1-514-277-6663; e-mail: [info@ForestLeadership.com](mailto:info@ForestLeadership.com); Internet: <http://www.ForestLeadership.com>

#### **INTERNATIONAL EXPERT MEETING ON INNOVATIVE FINANCIAL MECHANISMS: SEARCHING FOR VIABLE ALTERNATIVES TO SECURE A BASIS FOR THE FINANCIAL SUSTAINABILITY OF FORESTS:**

This meeting will convene from 8-11 March 2005, in San Jose, Costa Rica. Meeting outcomes are expected to include: an exchange of successful experiences on financial and economic instruments and mechanisms to enhance SFM; the identification of mechanisms to further enhance and promote North-South and South-South cooperation; and the identification and consolidation of partnerships among interested parties to promote the use of innovative financial and economic instruments. For more information contact: Government of Costa Rica, Ministry of Environment and Energy; Internet: <http://www.un.org/esa/forests/gov-unff.html>

**PRACTICAL SOLUTIONS TO COMBAT ILLEGAL LOGGING: INTERNATIONAL DIALOGUE ON BEST PRACTICE FOR BUSINESS AND CIVIL SOCIETY:** This organization-led initiative in support of UNFF-5 will be held from 8-10 March 2005 in Hong Kong, China. It is organized

by The Forest Dialogue of Yale University in collaboration with other organizations. For more information contact: Gary Dunning, The Forests Dialogue Secretariat; tel: +1-203-432-5966; fax: +1-203-432-3809; e-mail: [info@theforestdialogue.org](mailto:info@theforestdialogue.org); Internet: <http://research.yale.edu/gisf/tfd/logging.html>

#### **SEVENTEENTH SESSION OF THE FAO COMMITTEE ON FORESTRY (COFO):**

The 17th biennial session of COFO will convene at FAO headquarters in Rome, Italy, from 15-19 March 2005. COFO-17 will bring together heads of forest services and other senior government officials to identify emerging policy and technical issues and advise FAO and others on appropriate action. For more information contact: Douglas Kneeland, FAO Forestry Department; tel: +39-06-5705-3925; fax: +39-06-5705-5137; e-mail: [douglas.kneeland@fao.org](mailto:douglas.kneeland@fao.org); Internet: <http://www.fao.org/forestry/foris/webview/forestry2/index.jsp?siteId=1400&sitetreeId=2962&langId=1&geoId=0>

#### **ITTO WORKSHOP ON PHASED APPROACHES TO CERTIFICATION:**

This ITTO workshop, tentatively scheduled to take place in Bern, Switzerland in April 2005, will seek to promote the use of phased approaches to certification in tropical timber exporting developing countries. For more information contact: Manoel Sobral Filho, ITTO Executive Director; tel: +81-45-223-1110; fax: +81-45-223-1111; e-mail: [itto@itto.or.jp](mailto:itto@itto.or.jp); Internet: <http://www.itto.or.jp/live/PageDisplayHandler?pageId=223&id=852>

#### **GLOBAL INITIATIVE ON FOREST LANDSCAPE RESTORATION:**

This workshop will be held from 4-8 April 2005 in Petropolis, Brazil. Organized by the Global Partnership on Forest Landscape Restoration, this event is a country- and organization-led initiative in support of the UNFF. The workshop seeks to contribute to implementation of the work programmes of other international and regional policy processes, including the conventions on biodiversity, climate change and desertification, the ITTO and the WSSD. For more information contact: Carole Saint-Laurent, Coordinator, Global Partnership on Forest Landscape Restoration, IUCN; tel: +1-416-763-3437; e-mail: [CarSaintL@bellnet.ca](mailto:CarSaintL@bellnet.ca); Internet: <http://www.unep-wcmc.org/forest/restoration/globalpartnership/>

**CRIC-3:** The third session of the Committee for the Review of the Implementation of the Convention (CCD) will be held in Bonn, Germany from 2-11 May 2005. For more information contact: UNCCD Secretariat; tel: +49-228-815-2802; fax: +49-228-815-2898; e-mail: [secretariat@unccd.int](mailto:secretariat@unccd.int); Internet: <http://www.unccd.int/cop/cric3/menu.php>

**UNFF-5:** The fifth session of UNFF will be held from 16-27 May 2005 at UN Headquarters in New York. This meeting represents the conclusion of UNFF's five-year mandate. Delegates will discuss the future of the IAF. For more information contact: Elisabeth Barsk-Rundquist, UNFF Secretariat; tel: +1-212-963-3262; fax: +1-917-367-3186; e-mail: [barsk-rundquist@un.org](mailto:barsk-rundquist@un.org); Internet: <http://www.un.org/esa/forests>