



**GLOBAL WORKSHOP ON ADDRESSING THE
UNDERLYING CAUSES OF DEFORESTATION
AND FOREST DEGRADATION
18-22 JANUARY 1999**

The Global Workshop on Addressing the Underlying Causes of Deforestation and Forest Degradation took place from 18-22 January 1999 in San Jose, Costa Rica. The workshop was hosted by the Costa Rican government and organized by an Organizing Committee that included UNEP, governments and NGOs. The workshop was attended by 130 participants from 40 countries, representing governments, international, non-governmental and indigenous peoples' organizations, local communities, academia, trade unions and the private sector.

The culmination of a 16-month process of regional consultations and case studies, the Global Workshop aimed to support and build on the implementation of the Intergovernmental Panel on Forests' (IPF) proposals for action on the underlying causes of deforestation and forest degradation and the ongoing work of the Intergovernmental Forum on Forests (IFF). More specific objectives were to: contribute to further analysis of the major underlying causes at regional, national and local levels on the basis of case studies and various participatory consultation processes to feed into the Global Workshop; raise awareness and facilitate dialogue about underlying causes among a broad range of governmental and non-governmental actors within and outside the forest sector; and stimulate partnerships among stakeholders around solution-oriented approaches.

Over the course of the five-day workshop, delegates heard presentations on the indigenous peoples' organizations (IPO) workshop and the seven regional workshops held over the last six months to inform the Global Workshop. Participants met in plenary sessions and four parallel working groups, which addressed four workshop themes: trade and consumption; stakeholder participation and land tenure; investment policies, aid and financial flows; and forest valuation. The working groups sought to determine objectives for addressing the underlying causes of deforestation, define actions to meet these objectives and identify actors to implement these actions. Delegates based their deliberations on a background document, which contained summaries of the IPO and regional workshops' findings, a synthesis report of the summaries, and a document outlining the four workshop themes and issues to be addressed under each.

The outcome of the meeting was the Report of the Global Workshop, consisting of a compilation of the objectives, actions and actors identified by the four working groups. The Report was submitted to Intergovernmental Task Force on Forests (ITFF) and United Nations Environment Programme (UNEP). UNEP, as ITFF task manager for underlying causes, will attach the Workshop Report to its own report that it is preparing for the UN Secretary-General on underlying causes. After minor editing by the workshop Steering Committee, the Workshop Report will be submitted to IFF-3 in May 1999 by the Costa Rican government and introduced to other fora, including the World Bank Forest Policy Review.

A BRIEF HISTORY OF THE INITIATIVE

Alarming trends in global deforestation and forest degradation have spurred many initiatives over the past decade. However, these initiatives appear to be insufficient to generate the progress needed to reverse these trends because, some argue, they have focused too much on the proximate causes of deforestation and forest degradation and too little on the underlying or root causes.

The third session of the UN Commission on Sustainable Development (CSD) established the Intergovernmental Panel on Forests (IPF) in 1995 to address a wide range of global forest-related issues, including the underlying causes of deforestation and forest degradation. In February 1997, the IPF produced a final report containing 135 proposals for action that governments agreed to implement. In terms of underlying causes, the IPF proposals for action urged all countries, with the support of international organizations (IGOs) and the participation of civil society, to, *inter alia*: undertake case studies to identify the most important underlying causes; support the convening of a global workshop on the international underlying causes and their relationships to national underlying causes; formulate policies aimed at securing land tenure for local communities and indigenous people, including policies, as appropriate, aimed at fair and equitable sharing of forests' benefits; and formulate and implement national strategies for addressing underlying causes.

At the UN Special Session of the General Assembly (UNGASS) in June 1996, governments established the Intergovernmental Forum on Forests (IFF) to promote and monitor implementation of the IPF proposals for action and address matters left pending by the IPF. At the first IFF session in October 1997, a group of twenty NGOs presented a joint statement expressing willingness to contribute to a joint initiative on national and international underlying causes to inform IFF discussions. This proposal was well received and several governments expressed interest in joining as partners in the process, including the Costa Rican government, which offered to host the global workshop.

The proposed initiative included three elements: preparation of more than forty case studies, which were presented and discussed in seven regional workshops and one IPO workshop; the organization, in partnership with governments and international agencies, of a global workshop on national and international underlying causes of deforestation and forest degradation; and preparation of a synthesis report of the results of the above, to serve as the basis for review at IFF-3 in May 1999 on progress in implementing the IPF proposals for action on underlying causes.

The initiative was coordinated by a Global Secretariat, composed of the World Rainforest Movement and the Netherlands Committee for IUCN. The Organizing Committee consisted of Costa Rica as the host country, UNEP as the lead agency of the ITFF, one IPO and seven regional focal points and the Global Secretariat. The process received guidance from a Steering Committee, which included members of the Organizing Committee, government representatives, IFF Secretariat, IUCN/WWF and Via Campesina.

REPORT OF THE WORKSHOP

On Monday, 18 January, the Global Workshop participants heard opening statements in a plenary session and were presented with reports of the seven regional workshops and the IPO workshop. They met in four working groups on Monday afternoon and all day Tuesday and Wednesday, 19-20 January, to discuss the four workshop themes

and to outline objectives related to these themes and identify specific actions and actors to achieve them. They presented their findings in frequent plenary sessions. A drafting group met throughout the day on Thursday to draft the report of the workshop, which was based on the working groups' proposals. Participants commented on the report during a final day-long plenary session on Friday, 22 January.

OPENING PLENARY

Carlos Manuel Rodríguez Echandes, Costa Rican Vice-Minister for the Environment, officially opened the workshop on Monday, welcoming participants and noting that this initiative provided a needed opportunity to bridge science, academia, the non-governmental sector, landholders and government. Workshop Co-Chair Luis Rojas Bolaños, Director of the Costa Rican National System of Conservation Areas, welcomed the possibility of sharing ideas, proposals and solutions, and called for a multidisciplinary and participatory approach. Workshop Co-Chair Simone Lovera, Netherlands Committee for IUCN, urged participants to develop objectives and definitions. She noted that the workshop was being held to implement an IPF proposal for action and represented an opportunity for open debate rather than just prepared statements.

In opening statements, Bai-Mass Taal, on behalf of UNEP Executive Director Klaus Töpfer, highlighted that tropical forests are home to the majority of the world's biodiversity as well as to 500 million people, but are being destroyed at unprecedented rates, particularly for agricultural expansion in developing countries. He outlined other causes, including population pressures, poverty, subsistence agriculture, infrastructure development and national policies that subsidize conversion to other uses. He emphasized that deforestation is rarely a consequence of a single cause but is driven by complex dynamics, thus requiring a holistic approach that includes: better coordination of international assistance; greater assistance for national capacity-building; private sector promotion of sustainable forest management (SFM); expansion of the global process for assessing forests; and governmental tax and economic reforms that promote SFM, secure land tenure arrangements and participatory decision-making. He underscored the need for pragmatic solutions for reversing deforestation and forest degradation and expressed UNEP's readiness to cooperate with all stakeholders in this regard.

Jaime Hurtubia (IFF Secretariat) highlighted the Global Workshop as an example of the trend in partnerships among various agencies seeking global solutions to global problems. He noted that in view of the forthcoming IFF-3 meeting, it has a crucial role in building consensus on the underlying causes of deforestation. Identifying critical issues surrounding the underlying causes of deforestation, he cited the understanding of local initiatives and the roles of poverty and population pressure as significant in many countries. Given the complexity of these problems, each country has its own causes and circumstances requiring action. Some issues may be directly or indirectly related to the forest sector. He emphasized that many issues, such as demand for fuelwood and occupation of land, differ from nation to nation, while at the international level, structural adjustment programmes (SAPs), foreign debt and transboundary air pollution are major factors. The increasing pressure of demand from other economic sectors on forests requires cross-sectoral decision-making to make SFM possible. He said the various case studies undertaken by this initiative are significant in successfully identifying the underlying causes of deforestation.

David Kaimowitz (Center for International Forestry Research—CIFOR) presented a UNEP/CIFOR report reviewing major underlying causes of deforestation. He noted that the costs and benefits of clearing forests are not shared equally and that assessments generally fail to consider all forest values. Underlying causes were categorized as market failures, policy interventions, poor governance, population growth and economic growth. Market causes include failure to represent future generations, provide adequate livelihoods and value environmental services, as well as land concentration and speculation. Policy interventions often reflect the underlying power structure and can lead to deforestation through road building, subsidies, land tenure policies promoting conversion, resource extraction, exchange rate devaluations, SAPs, trade liberalization and external debt. Poor governance includes corruption, illegal activities and open conflict, and he urged the design and enforcement of proper regulations and taxation. On population growth, he noted the link between high population densities and reduced natural forest, but stated that understanding of the causal relationship is weak. He said deforestation can be expected to increase with economic growth in tropical countries, but economic

decline does not necessarily have the opposite effect. He concluded that halting deforestation is a complex problem involving a trade-off with economic growth and that solutions will require experimentation.

REGIONAL AND IPO WORKSHOP PRESENTATIONS

On Monday afternoon the reports of the seven regional workshops and the IPO workshop were presented to delegates by the IPO and regional focal points.

Commonwealth of Independent States: Andrei Laletin (Friends of the Siberian Forests) presented the report of the Commonwealth of Independent States (CIS) workshop. The conclusions of the workshop highlighted that: timber harvesting has been increasing as part of efforts to alleviate economic problems; international financial institutions' (IFIs) policies have turned CIS countries into resource colonies for developed countries; associated corruption of government officials is problematic; forest degradation is more pressing than deforestation; new environmental and social NGOs play an increasingly important role in representing public interests and identifying underlying causes; environmental education is crucial; and forest legislation must shift from sustaining timber harvest to sustaining forest ecosystems. CIS workshop participants emphasized transparency of governmental and business decisions, public involvement in forest management, and development and implementation of criteria and indicators (C&I) as important steps toward SFM.

Africa: Lambert Okrah (Institute of Cultural Affairs) presented the conclusions of the African workshop. Direct causes of deforestation in Africa were summarized as: logging and timber production; fuelwood consumption; forest fires; human settlements; and natural forest conversion to agricultural land. The workshop outlined factors hindering SFM, including: inappropriate and conflicting policies; inadequate macroeconomic policies; unsatisfactory tree and land tenure; an unjust world economic order; negative impacts of SAPs; improper valuation of forest resources; governance problems; poverty; rapid population growth; inadequate institutional capacity; unsustainable development programmes; inappropriate technology; low levels of awareness; inadequate stakeholder participation; and conflicts in religious and cultural practices. African workshop participants identified practical steps to combat deforestation, including: providing an enabling policy framework; creating awareness; ensuring stakeholder participation in forest management; providing adequate resources; ensuring equitable distribution of benefits; educating the public on forest values; reviewing SAPs; assessing forest resources; reforming economic policies; and encouraging good cultural practices.

North America: Hans Verolme (BIONET) introduced four case study presenters, who outlined the major underlying causes in the North American region as: inadequate institutional capability to provide technical and financial support to small private forest owners; lack of investment in monitoring and research; patchwork systems of laws and responsibilities; undervaluation of forests and forest goods and services; perverse incentives; lack of recognition of the economic diversity of forests; pressures exerted by trade and globalization; and behavior such as competitiveness and greed.

Europe: Stefan Leiner (World Wide Fund for Nature) outlined the main underlying causes identified in the European regional workshop: the existing balance of power over forests; tendencies of forest policies to give priority to production; "short-termism" of politicians as an obstacle to inclusion of environmental concerns in forest-related decisions; and aid, trade and foreign investment as major contributors to forest loss. The workshop stressed that the IFF's broad definition of underlying causes is preferable to CIFOR's more limited approach, which overemphasizes economic factors.

Oceania: Ian Fry (Pacific BioWeb) reported on the Oceania workshop. Key issues identified from the case studies included: lack of stakeholder resources and involvement; poorly directed foreign assistance programmes; international and domestic trade pressures; domestic financial pressures; unsustainable population growth; lack of recognition of cultural values and land tenure systems; and inappropriate development policies and practices.

Asia: For the Asian workshop, Yoichi Kuroda (Institute for Global Environmental Strategies) presented a case study that stressed closer scrutiny of linkages between changes in Japan and effects on other forested countries in Asia. Mia Siscawati (Indonesian Institute for Forest and Environment) outlined the conclusions of four other case studies. Eight key issues were identified: lack of recognition of the real values and integral roles of forests; the current development paradigm based on consumerism and growth; government policies that create

subsidies and perverse incentives; corrupt political and government systems; land and resource allocation systems that concentrate land holdings; population growth, migration and poverty; ignorance of forest biodiversity and ecosystem management; and perverse objectives of IFIs, aid agencies and private investors.

Latin America: Rosario Ortíz (Fundación Ecotropico) introduced the results of the Latin American workshop. Underlying economic causes identified included: the predominant development model; GATT/WTO influence in the international economy; external debt; unsustainable production and consumption; and international capital mobility. National level economic causes identified included: inequitable land distribution and tenure; ineffective agrarian reform; concentration on export production; and perverse incentives. Causes linked to national policies included: weak regulatory systems; policies promoting the forest industry; non-participation of civil society in policy design and implementation; and lack of clear forest conservation and management policies. Cultural causes included consumption patterns, cultural homogenization and lack of clear definitions of forest types. Key proposals for action called for: avoidance of potentially damaging development projects; support for local projects for sustainable management and self-sufficiency; non-payment of foreign debt; regulation of activities of transnational corporations; social and environmental impact assessments (EIAs) prior to macro-economic reforms; and multilateral agreements to reduce world paper consumption.

Marcedonio Cortave (Asociación de Comunidades Forestales de Petén) and David James (Amerindian Peoples Association) provided recommendations related to peasants and indigenous peoples respectively, which included: mobilizing communities to protect and control territories; increasing access to participate in international negotiations; improving economic opportunities; focusing on discrimination and exclusion of indigenous peoples from their territories; legally recognizing territorial rights; and alleviating pressure from international creditors to undertake rapid structural adjustment without proper public consultation.

Indigenous Peoples' Organizations: Marcial Arias (International Alliance of Tribal-Indigenous Peoples of the Tropical Forests) introduced the results of the IPO workshop. Underlying causes were categorized according to geographic level. International causes included: ambiguity of existing international instruments, especially regarding recognition of indigenous territories; the existence of agreements promoting trade over environment; foreign debt; conditional loans promoting unsustainable development; economic pressure to increase exports; resettlement policies; and SAPs. One regional-level cause was the imposition of economic interests by regional economic blocs. National underlying causes included: failure to implement international environmental commitments; lack of legislation recognizing indigenous rights; pressures for agricultural and monocultural production; poor land-use planning; unequal land distribution and insecure land tenure; misguided forest concession policies; deterioration of indigenous identity; and resettlement policies. Specific recommendations included: adoption and implementation of international agreements on natural resources and indigenous peoples; legislative support for traditional knowledge in resource management; recognition of indigenous land rights; enforcement of and compliance with existing laws; and direct access for indigenous peoples to IFIs.

Synthesis Report: Following these presentations, Ricardo Carrere (World Rainforest Movement) summarized the report that synthesizes the outcomes of the above workshops. He described the Underlying Causes initiative, noting its participatory approach and its objective of finding solutions rather than ascribing blame. He explained that seven regional focal points and one indigenous focal point had been identified, and they selected individuals and organizations to undertake case studies on local communities facing deforestation or forest degradation. He noted case studies were undertaken in forty countries, with fifteen more on general matters. Broadly participatory regional workshops were organized to reach conclusions, based on the case studies, about common regional causes and agents of deforestation and degradation and to make recommendations for addressing them. He emphasized that: deforestation and/or forest degradation exists on all continents; many causes are present in most countries; and comprehension of underlying causes as distinct from direct causes is insufficient.

He stated that causes common to all continents include: land tenure problems; resource management issues; growth of trade, over-consumption and externalization of costs; international economic relations such as structural adjustment, external debt, unfair trade relations

and promotion of foreign investment with inadequate regulation; and social exclusion, including poverty and unfair land distribution and their underlying causes.

Carrere said the synthesis report does not try to summarize the agents or solutions identified, but general conclusions drawn from the studies stress the need for: participatory processes to identify the chain of causes and agents; democratic mechanisms for stakeholder participation in decision-making; changes in national and international macroeconomic policies; and modification of current unsustainable consumption patterns. He called on the workshop to formulate recommendations for presentation to IFF-3.

THE FOUR WORKING GROUP THEMES

Following Carrere's presentation of the synthesis report of the IPO and regional workshop outcomes, delegates divided into four working groups to review a related background document that further listed issues to be addressed by the Global Workshop under four working group themes. These four themes were: trade and consumption; stakeholder participation and land tenure; investment policies, aid and financial flows; and forest valuation. The working groups reviewed these issues and additional themes suggested for consideration. Their findings were presented during the final and several plenary sessions.

On trade and consumption, the document listed the following issues to be addressed: over-consumption and over-industrialization; sustainable product discrimination (certification); impact of the free trade agenda; overvaluation of materialistic values; trade and marketing policies that encourage over-consumption; and lack of trade regulation. The working groups proposed additional issues to be addressed, including: the linkages between trade and investment policies and valuation; undervaluation of spiritual and recreational values; dominance of trade policies over other policies; trade and transfer of technology; and lack of transparency in trade negotiations.

Regarding stakeholder participation and land tenure, issues to be addressed included: land tenure inequities; indigenous peoples' rights; inadequate access to international institutions; unsatisfactory law enforcement; inadequate functioning of forestry departments; lack of influence of some stakeholders in developing forest laws; the role of government versus other stakeholders; and dominance of industry's interests. The working groups suggested adding inequitable distribution of costs and benefits derived from forest activities and military dictatorship and corruption with regard to land tenure inequities.

On investment policies, aid and financial flows, issues listed in the document included: inappropriate development strategies; the downgrading of capacity by SAPs; debt generation; perverse subsidies; negative impacts of private capital flows; governance and corruption; conflicting policies; and non-recognition of land rights and community issues. The working groups recommended adding: lack of women's participation in decision-making; insufficient recognition of land tenure regimes, access and user rights; policy problems pertaining to implementation and regulation; valuation of environmental services in trade; issues of social exclusion and domestic consumption; dependence of urban populations on forests; and recognition of the non-market values of forests.

Regarding valuation, the document listed the following issues to be addressed: lack of recognition of cultural values and land tenure; inadequate legislation and capacity to manage forests; inadequate education for foresters and politicians on forestry matters; failure to value forests as an ecosystem; overvaluation of timber as the main forest product; and undervaluation of community forestry and non-timber forest products (NTFPs). The working groups proposed additional considerations: inadequate inventory and monitoring data for forest resource assessment; lack of personal experiences with forests; lack of recognition and use of traditional knowledge; failure to value indigenous cosmologies and spiritual concerns; unclear distinctions between direct and underlying causes; an insufficient definition of "forest;" inadequate information about forest services; and lack of recognition of other forest values.

Beyond these proposed additions, some general points of guidance were also suggested by the working groups. It was recommended that when discussing solutions, participants should consider the relativity of different national and local contexts and the necessity for open dialogue between Northern and Southern countries as well as within countries. It was also noted that recommendations for concrete actions are needed, particularly for policy and economic instruments, rather than just repeated generalizations. These must be credible to the IFF and other relevant bodies, refer to realistic timeframes for needed

social, economic and ecological changes, and be targeted at the appropriate agents and institutions. One participant suggested referring to the IPF proposals for action to avoid repetition.

WORKING GROUPS

On Tuesday, delegates met in the four thematic working groups. Each group engaged in general discussion on its theme and then divided into subgroups to identify objectives related to the issues to be addressed under that theme. The working groups reported the findings of their subgroups in a plenary session in the afternoon. The subgroups met again on Wednesday to formulate specific actions to fulfill these objectives and specify the actors to implement them. These results were presented in a plenary session on Wednesday afternoon.

TRADE AND CONSUMPTION: Working Group 1 (WG-1), chaired by Lambert Okrah (Ghana), addressed the theme of trade and consumption. One participant reminded the group of what the regional workshops had already emphasized on this theme: inherent problems with the current global trade regime; unequal terms of trade between North and South; illegal trade in forest products; strong enforcement of trade agreements versus weak enforcement of environmental and human rights agreements; and lack of transparency in trade regimes. Solutions proposed by the regional workshops included: reducing consumption; addressing the creation of demand through by different advertising practices; promoting re-use and recycling through consumer awareness; implementing eco-taxes; advancing voluntary regulations such as certification and codes of conduct; forging dialogue between the IFF and the WTO and OECD; prioritizing control of illegal trade; and exploring log export bans.

In the ensuing discussion, participants highlighted the importance of: scrutinizing the differences between timber from plantations versus natural forests; fostering less materialistic and consumption-oriented lifestyles; considering the effect of reduced consumption on countries whose economies depend heavily on forest product exports; and addressing the impacts of agriculture and other sectors on forests.

WG-1 then divided into three subgroups to define objectives under the theme of trade and consumption.

The first subgroup addressed consumption and identified the following objectives: make production and consumption patterns more sustainable; increase consumer awareness; improve civil participation in policy development and enforcement; develop clear government policies; shift incentives (i.e. subsidies) to support sustainable consumption and production rather than unsustainable consumption and production; "get the prices right;" develop regulatory frameworks that promote sustainable investments and discourage export of bad corporate practices; reduce advertising that promotes materialistic lifestyles; and reduce trade imbalances by reducing consumption and import of luxury consumer goods and military products.

The second subgroup considered new forms of regulation. They suggested that the objective of voluntary regulation was to promote SFM through certification of all forest products and products that have potentially adverse impacts on forests and/or social sustainability. The objectives articulated regarding mandatory regulation were to strengthen and implement an international minimum standard of SFM that could become mandatory at the global level and to eliminate domestic regulations that promote over-consumption of resources.

The third subgroup elaborated objectives with respect to the dominance of the international trade regime. The overriding objective was to change the fundamental philosophy and frameworks of international trade agreements so they promote environmental objectives that focus on sustainable production patterns and discriminate between products and production methods. A second objective was to reduce the supremacy of trade agreements over environmental agreements and increase the legal enforceability of the latter at national and international levels. A third objective was to balance vested interests (i.e. industry, trade lobbies, finance and economic ministries) with other parts of civil society by empowering the latter to be equal partners, by increasing the transparency of international trade negotiations; raising civic awareness; increasing capacity in developing countries; and having civic representation on delegations.

In the plenary discussion following the subgroups' presentations, one participant suggested that the objectives reflect the need to stop dumping timber on international markets and increase competitive pricing of standing trees. Another delegate called for greater focus on reviewing those market policies that encourage over-consumption. It was suggested that objectives and actions regarding certification should specify the meaning of "third party, independent certification."

The subgroups of WG-1 met most of Wednesday to specify actions to achieve the objectives elaborated the previous day on trade, regulation and consumption and to identify actors to carry them out. The subgroups presented their findings to the working group for consideration, and incorporated the group's comments into their recommendations before presenting them to the plenary in the afternoon.

The subgroup on consumption identified actions and actors to achieve the objective of changing unsustainable production and consumption patterns, recommending to:

- increase education and awareness about the full life-cycle and impacts on forests of production, consumption and trade of forest and other products, by: devoting resources to education and awareness (government); conducting research on changing product life-cycle and forest impact patterns to be incorporated into curricula (academia); identifying initiatives and lifestyles that reduce consumption and its impacts (government, academia, NGOs); developing consumers' guides and networks; expanding specialized training for environmental education; and improving consumer information with labeling;
 - develop, implement and enforce integrated and holistic national policies with full transparency and civil participation, by: incorporating the concept of ecosystem services; elaborating the CSD work programme on consumption and production in the field of forest products; and collecting information and reporting to the IFF on innovative government policies (IFF, CSD, governments, NGOs);
 - shift perverse incentives and penalties, such as subsidies, taxes to promote sustainable production, consumption and trade (governments, bilateral and multilateral institutions);
 - develop concrete macroeconomic policies to address over-consumption of imported goods and trade imbalances (governments, multilateral banks, IMF);
 - improve data collection and dissemination on production, consumption and trade in forest products and products that impact forests (FAO, governments, NGOs, academia); and
 - reduce the impact of advertising that promotes unsustainable lifestyles and consumption (business, government, NGOs in partnership).
- In the plenary discussion of these actions, one participant emphasized the need for strengthening research in all areas, particularly in trade in NTFPs as potential sources of income for local communities.

The subgroup on regulation called for action to:

- support independent, third-party certification schemes with adequate multi-stakeholder involvement at subnational, national and international levels, by providing incentives for and increasing awareness of certification and demands for certified products (NGOs, government, industry); and
- develop and implement certification schemes for non-forest products such as forest product substitutes, agricultural products, minerals and fossil fuels (industry, government);

The regulation subgroup also formulated actions on mandatory regulation, including using a legally-binding instrument to establish an international framework with specific C&I for SFM and establishing an independent monitoring body to enforce mandatory regulations. However, the working group was reluctant to make recommendations on legally-binding instruments, arguing that there are existing conventions with specific standards and what is needed is their increased enforcement. The group also highlighted the difficulty with global C&I, which would have to be very general and thus weak. Another expressed concern about the cost of certification for small producers and the potential for discrimination and decreased competitiveness. The working group agreed not to present these recommendations for global C&I regulation to the plenary.

Following the presentation of these proposed actions in plenary, one delegate advocated calling for an additional action by the WTO, to promote fair stumpage pricing.

The subgroup on international trade regimes outlined actions and actors to change the fundamental philosophy and framework of international trade agreements so they promote environmental objectives, increase the enforceability of human rights and environmental agreements and balance vested interests with those of other parts of civil society. The trade regime subgroup recommended that:

- the relationship between environmental and human rights conventions and the international trade regime be discussed at the February 1999 meeting on trade in forest products (UNCTAD, ITTO, governments, NGOs);

- a dialogue be established on the need to address the imbalance between trade and sustainable development regimes (governments, NGOs, industry, other stakeholders);
- an Intergovernmental Negotiating Committee (INC) on a forest convention not be established until progress is made on this issue;
- Article XX of GATT be interpreted to allow individual countries to ban or limit the export of unsustainably harvested forest products (WTO);
- the Multilateral Agreement on Investment (MAI) be opposed (IFF members);
- ITTO members renegotiate the International Tropical Timber Agreement (ITTA) in 2000 to include all timbers, involve all sectors of society and establish a revised voting structure;
- International Labor Organization (ILO) conventions be ratified and the current Draft Declaration on the Rights of Indigenous Peoples and establishment of the Permanent Forum on Indigenous Peoples be supported (IFF members);
- trade in illegally produced forest products be prohibited, by assisting developing countries to apply these controls and strengthening NGOs capacity to monitor and expose illegal forest trade (IFF members, donors, NGOs);
- the incremental costs criterion of GEF be eliminated (GEF participants, NGOs);
- the enforceability of the Convention on Biological Diversity (CBD) be improved and a dispute settlement process developed (CBD Parties);
- all ECOSOC-status NGOs be allowed access to trade negotiations (WTO, EU, regional trade agreements);
- NGOs and indigenous peoples be included on delegations in trade negotiations (government); and
- international trade negotiation preparatory and final documents be published and disseminated (WTO).

Following the presentation of these recommendations in plenary, one delegate asked why the proposal to interpret Article XX of GATT to allow banning export of unsustainably harvested forest products did not also include banning other products. He also inquired who would be the judge of whether management is unsustainable.

STAKEHOLDER PARTICIPATION AND LAND TENURE:

WG-2, chaired by Hernan Verscheure (Chile), addressed stakeholder participation and land tenure and initiated discussion on Tuesday on relevant underlying causes and the overall scope of the group's theme. Significant discussion centered around the concept of "stakeholder," noting the centrality of indigenous peoples and local communities in this process and cautioning against mixing indigenous and local interests with those of other stakeholders such as industry, governments, NGOs, research and technical bodies. Many supported the need to clearly identify all relevant stakeholders, who differ across countries, along with their vested interests, rights and legitimacy. Participants recommended consideration of: gender concerns; indigenous cosmologies and spiritual values; recognition of rights to territory, which is more encompassing than land tenure; and the interaction of indigenous peoples with other industrial sectors. One participant proposed the notion of inequality as the central "meta-underlying cause," since it encapsulates marginalized peoples, inequities within and between groups at all geographic levels, and latent power structures embedded in government decision-making, privatization processes and activities of transnational corporations.

WG-2 then divided into four subgroups. The subgroup on indigenous and local communities discussed the lack of recognition of their individual and collective rights for access, use and management of natural resources, lands and territories. They developed specific objectives, including: recognizing these and other land tenure rights, along with traditional knowledge and spirituality in national and international legislation; supporting forest conservation and indigenous livelihoods through sustainable management proposals; ensuring equitable distribution of social, economic and cultural benefits along with environmental costs; requiring prior informed consent for projects in indigenous lands and territories; and ensuring management and administrative mechanisms for protection of local knowledge, rights and equitable distribution of benefits.

Objectives identified by the subgroup on participation included: recognizing the legitimacy of alternative development models and the rights of indigenous peoples and local communities to oppose development projects affecting them; providing necessary resources to facili-

tate effective participation of indigenous peoples and local communities; and creating the legal and cultural conditions for effective participation of women.

A subgroup on governance and corporate accountability was formed to address the: increasing power of government bodies and corporations in land tenure regimes; lack of transparency and accountability in decision-making; lack of long-term land-use policies; and corruption, militarism and dictatorship. Objectives were categorized according to government and corporate/trade concerns. Those for government included: transparent, accountable and participatory decision-making in land planning, use and tenure; devolution of decision-making processes to the local level; cessation of unregulated conversion of forest lands; government compliance with international obligations and commitments; and recognition of former ownership/land tenure arrangements of indigenous peoples and local communities. Regarding trade and corporations, the subgroup developed objectives on: corporate accountability to local publics; establishment of viable alternatives to industrial models; elimination of financing from international banks to corporations that destroy natural forests; and representation of communities and NGOs in international trade negotiations.

The subgroup on implementation and management proposed clarification of ambiguous concepts and rights related to indigenous peoples and local communities in international and national legal instruments. Other objectives that were articulated included: increased accessibility, accountability and transparency of governments, industry and aid agencies in forest-related activities; opportunities for indigenous and local communities to influence decision-makers; and appropriate government funding and capacity-building, including community capacity-building for monitoring and enforcing forest-related legislation and regulations.

During the plenary presentation of the subgroups' findings, one participant supported further discussion of trends and means to return lands to their "original tenurial systems."

On Wednesday morning, WG-2 broke into three subgroups (combining the two subgroups on indigenous and local communities' rights and participation) to identify actions and actors to realize the previously developed objectives. One participant pointed to the IPF action proposal requiring development of national forest programmes (NFPs), which could serve as a vehicle for recommendations on stakeholder participation, institutional mechanisms and other national level requirements.

The subgroup on indigenous peoples and local communities' rights and participation developed a list of concrete actions based on their objectives with some specification of relevant actors. On individual and collective rights of indigenous and local communities, proposed actions and actors outlined were to:

- ratify and enforce ILO Convention 169 (governments, indigenous peoples and local communities, IFF);
 - establish working groups on forest-related issues in the IFF and at the national level (governments, ministries, IGOs, civil society, business, indigenous peoples and local communities); and
 - ensure participation of indigenous peoples and local communities in national and international negotiations.
- On forest conservation and the social existence of indigenous peoples, the subgroup recommended that actions include:
- collection and systematization of traditional knowledge on sustainable natural resource management, pending adequate legal protection (NGOs, indigenous peoples and local communities, universities, ministries);
 - government support for indigenous peoples and local communities in SFM (indigenous peoples and local communities, ministries); and
 - establishment of technical assistance centers for indigenous peoples and local communities and the development of databases and inventories of projects, experiences, successful technologies, forest legislation and indigenous and local communities' rights (NGOs, indigenous peoples and local communities, community-based organizations (CBOs), scientific community, universities).

Regarding indigenous peoples and local communities' rights and participation in environmental legislation, the subgroup called for, *inter alia*:

- promoting appropriate legislation on environmental resources that guarantees indigenous and local communities' rights (parliaments, relevant ministries, indigenous peoples and local communities, environmental organizations, women's groups, other elements of civil society);

- public consultation processes and independent evaluations of social, cultural and environmental impacts prior to all economic activities in forests (government, indigenous peoples and local communities, corporations); and

- mechanisms within the CBD, Framework Convention on Climate Change (FCCC) and Convention to Combat Desertification (CCD) to ensure equitable distribution of benefits derived from forests to those protecting forests (convention Parties).

On the role of women, the subgroup proposed, *inter alia*:

- ratifying and implementing the Convention on Elimination of Discrimination against Women (CEDAW) (governments);

- developing linkages among environmental conventions, CEDAW and ILO 169 (governments, UN and other international agencies, other interested groups);

- developing databases and information sharing on women's traditional forest-related knowledge (TFRK) (women's groups, NGOs, indigenous peoples and local communities, funding agencies);

- incorporating gender into forest-related policies, programmes and projects (governments, NGOs, private corporations); and

- strengthening networking among women's groups and participation in forest-related events at all geographic levels (NGOs, indigenous peoples and local communities, IGOs).

When the subgroups presented these proposals to WG-2, several participants stressed the need to protect traditional knowledge from bio-piracy and suggested further involvement in the upcoming review of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs). During the afternoon plenary, one delegate advocated including considerations of gender equality in legislation regarding land tenure.

The subgroup on governance and corporate accountability stressed the need for increased attention to developing NFPs under the IPF proposals for action. Recommended actions and actors on governance included:

- identifying and initiating open dialogues on high priority land-use issues (government, indigenous peoples and local communities, relevant stakeholders);

- developing structures for stakeholder capacity-building, including resources, knowledge, equitable participation in decision-making and authority to act (government, indigenous peoples and local communities, other stakeholders);

- linking decision-making to its direct consequences through forest programmes aimed for local contexts and an iterative process of implementation, monitoring and adaptation (governments);

- enforcing mandatory social and environmental impact assessments with full stakeholder participation prior to all investments impacting forests (banks, governments);

- reviewing and redressing outstanding land tenure claims consistent with the rights of indigenous peoples and local communities (government, indigenous peoples and local communities, industry); and

- developing a UN "forest keeping" mechanism which supports civil society networks to monitor compliance with international agreements relevant to SFM (UN, civil society).

Regarding corporate accountability, the subgroup proposed actions and actors to, *inter alia*:

- develop accountability mechanisms to monitor large-scale forest industry activities, including investment proposals and ongoing operations, to ensure regulatory compliance (government, civil society groups, UN agencies);

- promote alternatives to industrial forestry, alternatives for sustainable local livelihoods and consumer awareness of such alternatives (funding agencies, alternative corporations/industries, consumers);

- secure direct procurement of viable alternative products by UN agencies, governments and corporations to reduce pressures on natural forests (UN, governments, corporations, civic groups);

- promote global C&I elaboration in the IFF as a basis for internationally enforceable WTO rules (IFF);

- adopt bank policies that forbid investment in or subsidization of corporations that exploit natural and indigenous forests (private and multilateral development banks); and

- secure space for civil society in WTO negotiations (IFF, WTO).

One WG-2 participant stressed consideration of export credit agencies. After debate over voluntary versus mandatory codes of conduct, participants agreed to remove reference to such codes. In WG-2 and plenary discussion, several delegates noted the failure to adequately address corruption and militarism, which are central underlying causes and relate to land tenure, corporate power and non-recognition of the rights of indigenous peoples and local communities. In this regard, participants supported effective enforcement of legal measures, transparency and accountability in decision-making and elimination of militarism.

Regarding the ambiguity and weakness of legislation on indigenous peoples and local communities, the subgroup on implementation and management suggested:

- establishing independent review panels to monitor national, regional and international legal instruments (government, lawyers, civil society, indigenous peoples and local communities, interest groups); and

- developing education and awareness programmes (government, civil society, indigenous peoples and local communities, NGOs).

On increasing government and industry accessibility, transparency and accountability, the subgroup recommended actions:

- developing legislation requiring open access to policy-makers;

- supporting public advocacy for transparency and accountability and strengthening the lobbying capacity of indigenous peoples and local communities;

- promoting educational programmes; and

- promoting legislation to increase access to decision-makers (governments, indigenous peoples and local communities, educational institutions, monitoring networks, other interested groups).

Finally, on capacity-building for monitoring and enforcement, the subgroup called for:

- requiring separate, dedicated funding for environmental and forest-related law enforcement;

- training in law enforcement for policy-makers and interest groups at all levels; and

- creating dialogue mechanisms between interest groups and governments on law enforcement matters (governments, law enforcement agencies, indigenous peoples and local communities, NGOs, educational institutions).

In WG-2's review of the subgroups' work, participants also emphasized the distinction between indigenous peoples and "stakeholders" and the relationship between their proposed recommendations and the process of globalization.

INVESTMENT POLICIES, AID AND FINANCIAL FLOWS: Chaired by Rob Thorman (Australia), WG-3 considered investment policies, aid and financial flows. On Tuesday, they divided into four subgroups to elaborate objectives regarding the issues to be addressed under this theme.

The first subgroup discussed appropriate development models, development strategies and SAPs. The subgroup proposed consideration of long-term sustainability and more appropriate development models and strategies, given social and environmental costs and benefits. With regard to SAPs, the subgroup developed the following objectives: incorporation of social and environmental accountability; mitigation of negative impacts of SAPs; deeper review and analysis of SAP impacts; broader discussion of policies and proposed changes; and transparency in SAP decision-making.

The second subgroup discussed debt servicing and debt creation, perverse incentives and private capital flows. Objectives on debt servicing and debt creation suggested that: capacity related to natural resource management not be adversely affected by debt servicing; lending institutions and countries restructure and, where appropriate, write off debts; and countries that implement environmentally and socially sustainable forest management practices be rewarded by measures to reduce debt servicing. Alternatively, such financial resources could be earmarked for SFM, based on countries' ability to service debts and conditionalities that aim to achieve SFM. On shifting perverse incentives, the subgroup highlighted the elimination of subsidies for forest commodities and evaluation of non-forest sector policies' impact on SFM. On private capital flows, they suggested the following objectives: private sector internalization of externalities;

imposition of sanctions against companies not conforming to requirements for SFM; definition of private capital flows that do not produce certifiable forest products as "dumping;" provision of favorable conditions or preferential treatment by lending institutions to investments that support SFM; evaluation of the impact of non-forest sector private capital investment on SFM; and inclusion of conditionalities to minimize such impacts.

The third subgroup formulated objectives on corruption, governance and institutional instruments, including: reinforcement of forest sector governance, institutions and instruments through improved representation, transparency and accountability to various stakeholders; establishment of principles and protocols; and creation of verification systems and codes of conduct.

The fourth subgroup outlined objectives with respect to community issues and the non-recognition of land rights, including: a shared vision of the spiritual values of forests; integration of these values into human behavior; and implementation of policies to facilitate attitudinal changes in society.

WG-3 met in four subgroups again on Wednesday to identify actions and actors in the context of the objectives developed during the previous day and reported their results to the working group as a whole.

The first subgroup identified the following actions and actors regarding alternative development models and SAPs:

- ensuring the participation of civil society in biannual reviews of the Bretton Woods institutions (IMF, World Bank, International Finance Corporation);
- including public participation processes in development assistance programmes;
- incorporating social and environmental principles in the G-8 and ITFF;
- establishing a public commission to review IMF operations and recommend methods to increase IMF transparency;
- creating independent national-level consultation mechanisms to improve transparency and include NGO participation in decision-making processes;
- building dialogue between ITFF and IMF to ensure long-term sustainability of IMF interventions, such as SAPs (finance and planning ministries, World Bank, IMF).

On private capital flows and debt issues, the second subgroup identified, *inter alia*, the following actions and actors:

- implementation of C&I and regional standards for SFM currently being developed (OECD, NGOs, researchers);
- establishment of a clearinghouse mechanism to enable institutional investors, donors, financial institutions and the private sector to support community-based SFM;
- exploration of alternative mechanisms to reduce or forgive debt servicing (IMF, researchers, donors, recipients);
- negotiation, evaluation and implementation of mechanisms to encourage countries to pursue sustainable development strategies;
- strengthening of government capacity for effective monitoring of environmental and social impacts of private investments affecting forests (treasury ministries, donors); and
- review of debt-for-nature swaps to evaluate their effectiveness and explore their future potential for SFM (GEF, international NGOs, donors and recipients).

The third subgroup proposed, *inter alia*, the following actions and actors to address corruption and good governance:

- establishment of an international forest organization (CSD, IFF);
- elaboration of terms of reference for loans that support SFM (donors, lending institutions);
- establishment of codes of conduct for private forest enterprise (IFF, civil society, private and state sectors);
- incorporation of all Agenda 21 principles into national laws (national governments, civil society);
- granting of cabinet status to forest ministries (national governments);
- separation of regulatory from enterprise functions in forest departments (national governments); and
- creation of forest trust funds for sectoral development (national governments, donors, civil society).

The fourth subgroup identified, *inter alia*, the following actions and actors to address community issues and non-recognition of land rights:

- promotion of community-based microenterprises to maximize returns from sustainable management plans;
- implementation of agreements with universities for research on production based on cultural practices of local communities (government, universities, researchers);
- orientation of aid policies towards projects initiated by local communities;
- training for local communities on the workings of IFIs (IFIs, NGOs); and
- information exchange at the international level on experiences of local communities (NGOs, governments).

After discussing the various recommended actions and actors elaborated by the four subgroups, WG-3 and identified further actions to be to the workshop plenary.

Regarding SAPs, WG-3 proposed that:

- a public commission be established to review IMF operations and to make recommendations to improve its transparency (IMF, NGOs, CBOs, IPOs, ITFF);
- dialogue be instituted between the ITFF and IMF regarding the long-term sustainability of IMF interventions; and
- environmental and social goals be given equal status to economic goals in SAP formulation and implementation (ITFF, IMF, governments, SAPs).

WG-3 participants also recommended the following additional actions and actors to:

- encourage the G-8 to pressure multilateral development banks, particularly the Asian Development Bank (ADB) and its donor governments, to ensure SFM so as to address inappropriate development strategies that cause deforestation and forest degradation (G-8, ADB, the US, Japan, other donors);
- encourage the ITFF to identify and assess impacts of perverse incentives in the forest and non-forest sectors at global and national levels (donors, researchers, government, sectoral agencies, international agencies);
- explore alternative mechanisms to reduce or forgive debt services that contribute to underlying causes of deforestation (researchers, IMF, donors, recipients);
- create an international association of socially acceptable investors and clearinghouse mechanism enabling investors to support community-based SFM (international donors, private sectors, recipients, communities);
- encourage UNDP to broaden its programme supporting community-based microenterprises to maximize sustainable returns from natural resources based on sustainable management plans (UNDP, NGOs, governments, international cooperatives of communities);
- address the lack of recognition of land rights and community issues by developing community capacity to understand and interact with IFIs (NGOs, UNDP, government, communities);
- facilitate NGO, CBO and IPO involvement in developing terms of reference for donors and funding institutions (OECD Development Assistance Committee, donors, recipients);
- strengthen frameworks and protocols for international cross-sectoral coherence on policy and implementation of initiatives which effect forests (governments, NGOs).

VALUATION: WG-4, chaired by Jutta Kill (Germany), considered valuation of forest goods and services. On Tuesday morning, WG-4 divided into three subgroups to define objectives regarding economic, philosophical, political and legal aspects of forest valuation.

The subgroup on economic values specified objectives for: ensuring that natural forests are valued as fully functional ecosystems; acknowledging the ecosystem values and restoration potential of all forests; maintaining the ecological integrity of all remaining primary forests; developing an equitable valuation system for non-timber goods and services that allows for comparability of economic, social and ecological values; and making sure that FAO changes its definitions of forest, deforestation, afforestation and degradation of forests to include more than just tree cover statistics. One participant recommended a world-wide fund to pay people for protecting rather than logging forests.

The subgroup on philosophical issues of forest valuation identified the following objectives: stopping the destruction of spiritual and cultural values, especially "cosmovisions" of indigenous peoples and local communities; recovering and transmitting ancestral knowledge, especially the spirituality and cosmovisions of indigenous peoples and their knowledge of NTFPs; broadening understanding of spiritual values and integrating material and spiritual conceptions of forests; ensuring that benefits derived from full valuation of NTFPs are retained by local people; developing laws to grant collective and community property rights; halting the appropriation of TFRK; validating TFRK; collectively studying orally transmitted knowledge systems and assuring that this compiled knowledge is returned to forest communities; and promoting the indigenous concept of knowing as "using" rather than "owning" knowledge. During WG-4's discussion of these objectives, one participant commented that concepts of rights over knowledge, particularly the notion of knowledge as property, differ greatly between cultures. He recommended further discussion on these notions. Another participant noted that many of these values are already officially recognized by countries that have ratified the CBD.

The subgroup on legal and political aspects of valuation identified the following objectives: consideration of forests as ecosystems offering different goods and providing spiritual, environmental, social, cultural and economic services in international and national legislation; generation of proper instruments to reflect all values of forests in decision-making processes; development of educational programmes and capacity-building initiatives to increase knowledge and encourage attitude changes regarding forest values; and assurance that international cooperation policies recognize the necessity of working to conserve and sustainably use forests.

Following the plenary presentation of the subgroups' conclusions on Tuesday, one participant noted that mention of monetary economic valuation was missing and urged the group to ensure that these views would be addressed by the IFF. Another delegate recommended addressing economic valuation frameworks such as "greening of national accounts."

On Wednesday morning WG-4's three subgroups specified actions and actors for each objective and reported back to the working group in the afternoon.

Regarding the objective for an ecosystem approach and valuation of all forest goods and services in international and national legislation, the subgroup on legal and political aspects of valuation called for action to, *inter alia*:

- review, analyze, compare and improve current legislation on natural resources and forests (donors, governments, NGOs);
- ensure participation in legislative processes (local, regional and national authorities);
- ensure accountability in projects to avoid corruption (national government, local authorities, NGOs, private sector, communities);
- advise citizens and local leaders on legislation through workshops (government, NGOs, local community leaders, academia); and
- exchange information on experiences in revising legislation (FAO, CBD).

On improving international cooperation policies, the subgroup proposed:

- ensuring financial transfers to community-level participation processes (donors); and
- supporting effective participation of NGOs, indigenous people, minorities and traditional communities in international fora (international donors, multilateral agencies).

On developing educational instruments for changing attitudes regarding the entire range of forest values, the subgroup proposed that:

- citizens, students and professors be updated and informed on TFRK TFRK and other information on advances in forest management (mass media, government, NGOs); and
- formal educational curricula be reviewed and changed to reflect all forest values and to incorporate environmental issues at primary and secondary levels (education ministries and local, regional and national academic institutions).

On methods to reflect all forest values in decision-making processes and to promote capacity-building, the subgroup proposed:

- evaluation and revision of other sectoral policies that negatively impact forests (academia, government, research institutions);
- performance of EIAs for all national and regional-level activities affecting forests (private sector, government, NGOs);

- forest value assessments, including integration of all values related to forest ecosystem conservation through definition of C&I (NGOs, researchers);
- improvement, expansion and promotion of economic valuation techniques (local, regional and national technical experts); and
- repeal of perverse policies (i.e. subsidies) that encourage conversion of forest lands (academia and other technical experts).

The subgroup on economic aspects called for actions and actors to:

- develop NFPs, through fully participatory processes to include reserves rather than exclusionary protected areas, community forestry projects, forest restoration and C&I for SFM to address valuation of natural forests as ecosystems (government);
- strengthen civil society to defend forests and establishing an international network of reserves representing all forest types in order to perpetuate the ecological integrity of primary forests (national government, international organizations, civil society); and
- ensure that the FAO includes the ecosystem approach in its forest-related definitions for both developed and developing countries.

On valuation of non-timber goods and services, the subgroup called for actions and actors to:

- expand information on all forest timber and non-timber values;
- institute an international research programme based on well-defined criteria and linked to forest sector decision-makers (governments, scientists, trade groups and communities); and
- enforce legal obligations to perform environmental and social impact assessments for all projects in or near natural forest areas.

WG-4 also made two proposals calling for:

- a mechanism to ensure non-disbursement of loans to governments not complying with forest-related obligations; and
- strengthening of CBD obligations through national legislation.

Regarding traditional knowledge and spiritual values, the subgroup on philosophical issues called for:

- denouncing destruction of traditional and indigenous forest values;
- investigating and compiling traditional knowledge (community elders, academia, NGOs, forest-related organizations, UNESCO, government);
- disseminating these results to raise consciousness (community organizations, NGOs, government, mass media); and
- information exchange among and between indigenous peoples and local communities (communities, NGOs, IFIs);
- including traditional knowledge in national education systems (NGOs, government, universities, UNESCO).

On local communities' rights and capture of NTFP benefits, the subgroup proposed that:

- develop legislative proposals for laws on collective/community property rights (communities);
- identify NTFPs to be identified by through further research;
- examine measures for studying ways to add value to NTFPs within local communities;
- develop C&I for community-based certification and SFM;
- raising consumer awareness to create markets for NTFPs; and
- exchanging information among communities on NTFP development (communities, NGOs, academic institutions, government, FAO, IFIs, commercial institutions, Forest Stewardship Council).

On Wednesday afternoon, WG-4 consolidated the actions into the following eight proposals, each presented to the plenary:

- changing FAO definitions on forests to eliminate discrimination between developed and developing countries and to incorporate the ecosystem approach and measurements of forest quality;
- establishing an international research programme to assess all forest goods, services and values, disseminate information to communities, schools and the forest sector and integrate all levels for SFM;
- creating a separate research programme on TFRK, directed by communities, with information dissemination on traditional knowledge and intellectual property rights in relation to appropriate and ongoing CBD-related processes;
- developing C&I for SFM that include ecological, economic, social and cultural criteria useful for decision-making;

- developing NFPs, with participation of all stakeholders, that include reserves, community forestry projects, forest restoration and SFM C&I development and implementation, along with legal and economic instruments to protect biodiversity;
- conducting comparative studies on national legislation that affects forest biodiversity in order to improve legislation where necessary, especially with respect to collective community rights;
- disseminating of legislation information to citizens through community-based fora; and
- performing social and environmental impact assessments prior to launching projects.

WG-4 on forest valuation also presented to the plenary a disputed proposal to encourage public and private donors and IGOs to develop a range of incentives and innovative mechanisms to aid governments in enforcing and promoting forest-related programmes. During the plenary discussion of WG-4's results, one participant noted the need for research on how to ensure that benefits, especially commercial ones are retained by local communities. Another commented on WG-4's lack of reference to land tenure aspects pertinent to forest valuation.

In the remaining plenary discussion on Wednesday, delegates also made a number of general observations on all four working groups' recommendations. One participant stressed the need to attach specific timetables to the actions proposed. Another proposed that the workshop make a strong declaration that forests are in crisis in order to focus public attention and catalyze governmental action. One speaker advocated communicating the necessity for immediate action by specific actors, such as calling on UN agencies to stop buying wood and paper products originating from destructive practices and demanding an immediate response from the UN on this proposal.

Another delegate noted that many of the recommendations target governments and international institutions, but few are directed at industry and logging companies, and she suggested distributing and presenting workshop proposals to these private sector actors.

Workshop Co-Chair Simone Lovera then informed participants that a drafting group would meet all day on Thursday to compile the report of the workshop, which would be based on the recommendations formulated by each of the working groups. She stated that the drafting group would be composed of the Organizing Committee and a number of other participants, and invited volunteers to assist. She announced that the report would be available Thursday night and that delegates would have ample opportunity to comment on the report during the plenary session on Friday.

CLOSING PLENARY

In the closing plenary, Co-Chair Lovera presented the Report of the Global Workshop, explaining that it was a compilation of the issues raised in the various working groups over the preceding days and that no substantive changes had been made. She noted that the drafting group had added an appendix to the report which highlighted particular recommendations that were "ostensibly different" from the IPF proposals for action. She stated that the recommendations would be forwarded for consideration at IFF-3. She emphasized the need for implementation of the workshop recommendations and invited delegates' comments on the report.

Several delegates commended the report for its diversity of ideas and issues. One participant proposed that a summary of the report be produced to give it focus and better engage the attention of its targeted actors. He stated that since the report represented all viewpoints, summarizing it to provide focus would not be against the spirit of the process. Many participants supported this proposal. One speaker recommended that such a summary: highlight crucial action proposals; reference links between underlying causes and actions to address them; eliminate duplication; and move general narrative statements from current proposals to a new section. Another recommended putting such general statements in a chapeau, prioritizing issues identified in all working groups, and leaving the present report as a background paper. He also expressed concern about possible inconsistencies between proposals. It was also recommended that strategic proposals be included in UNEP's report to the UN Secretary-General as task manager on underlying causes for deforestation.

Delegates highlighted elements that they noted were missing in the report. One participant noted the absence of calls for: recovery and demarcation of indigenous territories; NTFP certification; consideration of non-compliance with forest-related obligations by IFIs when granting loans; research on commercial values of NTFPs; halting of concessions within protected areas; and legislation to promote compli-

ance with biodiversity-related obligations. Speakers noted inadequate references to forest-related agricultural issues and to biodiversity, particularly the CBD work programme on forest biodiversity. One delegate noted that trade in illegally produced forest products, including mahogany, had received much attention under the Convention on International Trade in Endangered Species, and asked workshop participants to support this by forwarding this message to IFF-3. Another commented that many of the actions proposed were re-statements of underlying causes and called for a review of the workshop report to arrive at actions to address the underlying causes.

Regarding follow-up, one speaker called for funding of national workshops to educate the actors identified in the proposed actions. Another participant called for a detailed study of internationally financed development projects that may contribute to deforestation, such as hydropower and highway projects. Another participant highlighted country-specific actions that can be undertaken immediately, without waiting for an IFF mandate.

A suggestion that the workshop's output include a "Declaration of Forest Crisis," presenting figures for the rate and extent of deforestation and stressing the urgency of action, received support. Another commentator recommended citing sources for figures given. One delegate stressed that it should also highlight the workshop's contribution to new understandings of underlying causes.

One participant read a joint letter of protest to the Kenyan government regarding the assault on Wangari Maathai during her attempts to reforest an area of the Karura forest preserve, and requested delegates to endorse the letter.

Following these comments, delegates heard reflections on the report from a representative of the World Bank and of a community-based organization

Odin Knudsen, on behalf of Ian Johnson, World Bank Vice-President, commented on the relation of the workshop's results to World Bank activities. He noted how the Bank's focus on poverty alleviation and sustainable development relates to deforestation and forest peoples, stressing partnerships among and comparative advantages between banks, governments, NGOs and the private sector. Knudsen noted that the Bank's funding of SAPs has generally focused on the short-term. He stressed a longer-term perspective, improved coordination with the IMF and studies on SAPs' environmental effects. He said the Bank needs to continue improving participation and transparency, especially through inclusion of indigenous peoples and local communities. The Bank is also beginning to recognize the link between sustainable development and human rights. He affirmed the need for proper forest valuation and highlighted ongoing Bank research in this regard. He outlined the Bank's Forest Policy Implementation Review and Strategy, which will continue with regional consultations in developing the Bank's global forest strategy.

In response, several participants welcomed the Bank's progressiveness and stressed further work on ecosystem valuation and the effects of conservation policies on the distribution of benefits. One delegate called on the Bank to "look again, look harder and look wider" in its regional consultations, because wherever the Bank is present there is poverty and economic imbalance leading to destruction of indigenous values, heritage and forests.

Mia Siscawati (Indonesian Institute for Forest and Environment) provided some reflections on the workshop outcomes in the context of Asian forest experiences and recent forest-related disasters from fires, floods, landslides and other natural disasters. She highlighted actions to, *inter alia*: change unsustainable patterns of consumption and production, and the philosophy of international trade agreements regarding human rights and environmental issues; address counterproductive investment, aid policies and financial flows; recognize and protect individual and collective rights, knowledge and spirituality, as well as land tenures of indigenous peoples, local communities and women; ratify and promote ILO 169 and CEDAW; address corruption, militarism, dictatorship and lack of transparency, accountability and the increasing power of government bodies and corporations; and amend FAO's forest-related definitions to include the ecosystem approach and forest quality. She expressed regret about the private sector's lack of representation at the workshop and asked participants to ensure follow-up of the recommendations.

A panel discussion ensued on how best to ensure implementation of the report's recommendations, with representatives from government, local communities and regional focal points addressing the plenary.

Jean Pierre LeDanff (CBD Secretariat) stated that the workshop report has important recommendations that will be considered by the CBD Conference of Parties when it addresses forest biodiversity at its sixth meeting (COP-6) in 2002. He noted other more immediate avenues to advance the report's recommendations, including the CBD subsidiary body's meeting in June 2000, the progress report to be prepared in advance of COP-6, and the open-ended CBD working group on indigenous knowledge.

Amrit Joshi (FAO) emphasized the responsibility of the various international organizations to undertake the actions recommended by the workshop. He said the main problem is how to mitigate the underlying causes, and a clear answer is to involve communities in resource management. He emphasized the particular need for action at the national level. He described FAO's community forestry programme, stressing the need to enable forest users to manage the forests and reap their benefits, and highlighted the case of community forestry in Nepal as a successful example.

Marcus Colchester (Forest Peoples Programme) expressed hope that the workshop had created a shift in thinking on forests, away from an exclusive focus on tropical forests toward a more comprehensive definition of how all forests should be valued, and toward recognition of the need for participation and ownership of forests by indigenous peoples and local communities. He also underscored the need for a shift in international legal regimes to give equal weight to environmental and human rights issues. He noted that more remains to be done, such as moving the debate beyond the forest sector to address agriculture and other sectors impacting forests. He called on governments to ensure the use of the workshop report at IFF-3.

Lourdes Barragán (Ministry of Environment of Ecuador) emphasized the need to approach forest problems in a holistic and multidisciplinary manner. Praising the workshop for formulating sound recommendations that can and must be implemented, she called on participants to enable implementation by: disseminating the results to government agencies and the mass media; establishing strategies with comprehensive vision; lobbying political parties at the national level; and ensuring monitoring and follow-up after the workshop.

Alberto Chinchilla (Coordinadora Indígena-Campesina de Agroforestería Comunitaria - CICAFOC) emphasized the need for conservation and development policies at all levels that take indigenous peoples and local communities into consideration, and for open political spaces with active participation of local communities. He noted CICAFOC's efforts in Central America to implement many of the actions recommended at this workshop, including training, education and information exchange programmes among local communities.

Finally, Elisabeth Odio, Vice President and Minister of Environment of Costa Rica, delivered the closing statement of the Global Workshop. She expressed her deep appreciation of the work done by participants in coming together to sincerely attempt to understand the deeper issues involved in deforestation and to forge effective, long-term solutions to the global problem of deforestation. She cited the recent devastation caused by Hurricane Mitch in Central America, underscoring the urgency of not neglecting the environment for short-sighted gains. She pointed out that as no single stakeholder is responsible for the state of the environment today. All stakeholders must come together to find a solution. In this regard the workshop was a valuable intellectual exercise to seek consensual solutions to the underlying causes of deforestation and forest degradation; and she assured participants that their recommendations would receive the full consideration and support of the Costa Rican government.