



WORLD OF FORESTRY

UNFF continues search for solution on financing for sustainable forest management

Over 600 participants attended the eighth session of the United Nations Forum on Forests (UNFF-8), held from 20 April to 1 May 2009 at United Nations headquarters in New York, United States of America. Seeking agreement on how to finance the implementation of the Non-legally Binding Instrument on All Types of Forests (NLBI), established at UNFF-7, was the main task at hand.

UNFF was established in 2000 as a subsidiary body of the United Nations Economic and Social Council (ECOSOC), with the main objective of promoting the management, conservation and sustainable development of all types of forests by:

- facilitating implementation of forest-related agreements and fostering a common understanding on sustainable forest management;
- providing for continued policy development and dialogue among governments, international organizations, and major groups, in a holistic, comprehensive and integrated manner;
- enhancing cooperation and policy and programme coordination on forest-related issues;
- monitoring, assessing and reporting on progress towards, and strengthening political commitment for, sustainable forest management.

UNFF-8 had two main themes. Under the theme “forests in a changing environment”, delegates addressed issues of forests and climate change, forest loss and degradation, desertification and biodiversity conservation. The second theme, “means of implementation for sustainable forest management” embraced transfer of technology, capacity building and financing for

sustainable forest management. Participants divided into two working groups to deliberate on these and other issues.

Working Group 1 focused on forests in a changing environment, regional inputs and enhanced cooperation. Substantial time was devoted to forests and climate change, in particular the relationship between measures for reducing emissions from deforestation and forest degradation (REDD) and sustainable forest management. Many delegates stressed the need for adequate consideration of sustainable forest management in REDD policies, including ensuring that policies for climate change mitigation and forest financing consider the multiple values of forests and the whole range of forest products. Some delegates expressed the hope that UNFF could provide an opportunity to give a holistic perspective on forests and climate change to the outside world, including the climate change convention.

Working Group 2 covered means of implementation, progress towards sustainable forest management and forest law enforcement and governance (FLEG) as a cross-cutting issue. On the subject of financing, however, delegates were unable to reach agreement. The developing countries favoured the establishment of a global forest fund, while donor countries would prefer a facilitative process to enhance access to current funding and create enabling conditions for investment. Delegates eventually agreed on the establishment of an Ad Hoc Expert Group to consider the establishment of a voluntary global forest fund. This group will submit a preliminary report to UNFF-9 and final recommendations to UNFF-10. The resolution adopted after a final all-night session contains bracketed text for negotiation at the forum’s next session.

During the meeting, delegates also participated in two multistakeholder dialogues which addressed the participation of women, youth and indigenous people in decision-making. Panel discussions were held on forests and biodiversity, climate change and desertification, the financial crisis and regional perspectives on forests in a changing environment.

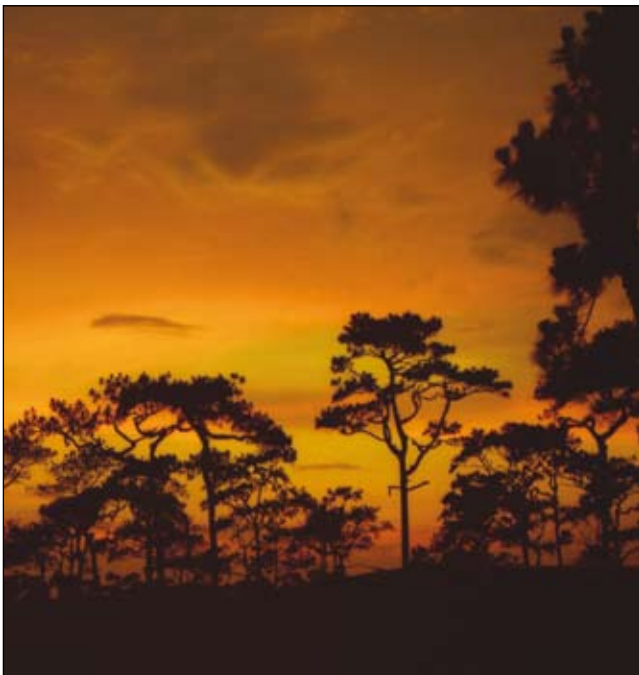
The ninth session of UNFF will be held in New York from 24 January to 4 February 2011 with the theme “People, livelihoods and poverty eradication”.

More information, documents and the report of the session can be viewed at: www.un.org/esa/forests/index.html

A forest road to Copenhagen

Climate change negotiators have been meeting throughout 2009 in the run-up to the final negotiation of a post-2012 agreement to follow the Kyoto Protocol – due to be concluded in Copenhagen, Denmark, from 7 to 18 December 2009, at the fifteenth session of the Conference of the Parties (COP-15) to the United Nations Framework Convention on Climate Change (UNFCCC).

Deliberations on the text for agreement at Copenhagen are being carried out by two working groups:



- the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA), which is responsible for the Bali Action Plan discussions on UNFCCC's total long-term emission reduction targets and actions on mitigation;
- the Ad Hoc Working Group on Further Commitments for Annex I Parties under the Kyoto Protocol (AWG-KP).

The ad hoc working groups convened from 29 March to 8 April 2009 in Bonn, Germany; again in Bonn from 1 to 12 June; and in informal intersessional consultations from 10 to 14 August. Further meetings of the working groups will take place 1 to 12 September in Bangkok, Thailand, and 2 to 6 November in Barcelona, Spain.

Many of the discussions are of interest to the forest sector, particularly negotiation (under AWG-LCA) of a mechanism for reducing emissions from deforestation and forest degradation (REDD). Major issues to be resolved include the form of a financial incentive mechanism (fund, market-based or mixed) and whether REDD could be used for generating carbon offsets.

The scope of REDD activities is also under discussion. There appears to be widespread support for a "REDD-Plus" instrument (covering REDD plus conservation, sustainable management of forests and enhancement of forest stocks) and some support for REDD-Plus-Plus (which would also address activities outside the forest sector that drive deforestation and forest degradation). Support for these expanded proposals is consistent with the call by the Collaborative Partnership on Forests (CPF) for a more comprehensive approach to REDD.

Some environmental groups recommend excluding production forests from REDD, claiming that REDD funds should not be used to subsidize industrial logging operations. Negotiators recognize, however, that excluding production forests from a REDD instrument could actually undercut efforts to reduce deforestation and forest degradation, since a REDD-Plus mechanism would require carbon accounting in all forests and thus provide an incentive for their improved management. Such a mechanism would also help avoid leakage (i.e. loss of carbon from one site because of mitigation actions taken elsewhere).

Support for a phased approach to REDD (from readiness to early actions to full implementation with measuring, reporting and verification) and for a mix of market and non-market financing appears to be emerging. Many parties have emphasized the need to ensure that REDD activities respect the rights of indigenous people and forest-based communities and safeguard biodiversity.

Possible expansion of the scope of the Clean Development Mechanism, to include agriculture and other forest activities in addition to afforestation and reforestation, has also been receiving increased attention in recent months.

Several issues under discussion in AWG-KP would have implications for the forestry sector in Annex I (developed) countries:

- **Harvested wood products.** Inclusion of harvested wood products in carbon accounting by Annex I Parties is gaining

support. Instead of assuming loss of all carbon from trees at the time of their harvesting, carbon emissions from harvested wood products would be discounted over time to reflect carbon stored in long-lived wood products (construction wood, furniture, etc.). Some environmental groups object to this, on the grounds that it would lead to increased use of wood products and thence to deforestation – objections that erroneously equate sustainable harvesting with deforestation, and neglect the carbon mitigation benefits of substituting wood for other more energy-intensive materials such as concrete or steel. Higher demand for harvested wood products could also provide incentives for more sustainable management of forests in developed countries.

- **Accounting for forest management.** Under the Kyoto Protocol, Annex I countries can choose to include carbon stock changes due to forest management in their national greenhouse gas accounting. Alternative accounting methods are being proposed for those that select this option, which could result in greater incentives for managing forest lands sustainably.
- **Land-based accounting.** Some parties propose that Annex I countries should include greenhouse gas emissions and removals from all land-based activities rather than only select ones. Related issues under discussion concern natural disturbances and non-permanence, as well as greenhouse gas accounting in wetlands.

Discussions on adaptation have remained relatively general, laying out principles for action. There is agreement that adaptation efforts should reflect country priorities; that priority should be given to the most vulnerable countries and the most vulnerable people within countries; that funding should be sufficient, additional to official development assistance (ODA) and equitably distributed; and that implementation and impact of adaptation programmes should be monitored, reported and verified.

World's three largest tropical forest regions to collaborate on biodiversity conservation

At a meeting in Montreal, Canada, from 8 to 10 July 2009, the intergovernmental regional organizations representing the world's three largest tropical forest regions – the Amazon Cooperation Treaty Organization (ACTO), the Association of South-East Asian Nations (ASEAN) and the Central Africa Forests Commission (COMIFAC) – agreed to work more closely in the conservation and sustainable management of tropical forests and biodiversity.

Amazonia, Southeast Asia and Central Africa together contain more than 80 percent of the world's tropical forests and an estimated two-thirds of all terrestrial species. To promote sharing of the regions' different experiences and approaches in conservation of their rich forest biodiversity, the Secretariat of the Convention on Biological Diversity (CBD), in collaboration



with Germany, facilitated a meeting among the three regional organizations on South-South cooperation and sustainable forest management, with a focus on forest biodiversity. In addition to experts from the three organizations, participants included international partners of CBD such as the Secretariat of the United Nations Forum on Forests, representatives of Parties to CBD and resource persons.

Sustainable forest management is a key objective of all three of these regional organizations. The participants exchanged

knowledge, strategies and experiences. They agreed to continue developing their cooperation through participation in major events, exchange of experts and technical and managerial expertise, coordination of programmes and projects, and sharing and learning from successful initiatives.

The meeting was held in the context of the implementation of the Bonn mandate on South-South Cooperation. The CBD Secretariat convened a similar meeting in 2006.