

Recognizing the call made in the Monterrey Consensus of the International Conference on Financing for Development⁴ for the strengthening of international tax cooperation through enhanced dialogue among national tax authorities and greater coordination of the work of the concerned multilateral bodies and relevant regional organizations, giving special attention to the needs of developing countries and countries with economies in transition,⁵

Taking note of the report of the Secretary-General on the implementation of and follow-up to commitments and agreements made at the International Conference on Financing for Development⁶ and the recommendations contained therein,

Recognizing the need for an inclusive, participatory and broad-based dialogue on international cooperation in tax matters,

Noting the activities developing within the concerned multilateral bodies and relevant regional organizations,

1. *Takes note with appreciation* of the report of the Committee of Experts on International Cooperation in Tax Matters on its second session⁷ and the significant progress of the Committee's work;

2. *Notes with gratitude* the establishment of the trust fund by the Secretary-General to supplement regular budget resources and urges all Member States and relevant organizations to contribute generously to the fund;

3. *Requests* the Secretary-General to prepare a comprehensive report addressing the financing of the Committee's work, including that of its subcommittees, taking into account the issues raised by the Committee at its second session, for consideration by the Economic and Social Council at its organizational session for 2008;

4. *Decides* that the third session of the Committee shall be convened in Geneva from 29 October to 2 November 2007;

5. *Approves* the provisional agenda for the third session of the Committee as contained in paragraph 63 of its report on its second session.

2007/40

Non-legally binding instrument on all types of forests

The Economic and Social Council,

Recalling its resolution 2006/49 of 28 July 2006, in which it requested the United Nations Forum on Forests to conclude and adopt at its seventh session a non-legally binding instrument on all types of forests,

1. *Notes* that the United Nations Forum on Forests, at its seventh session, adopted a non-legally binding instrument on all types of forests;

⁴ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

⁵ *Ibid.*, para. 64.

⁶ A/58/216.

⁷ *Official Records of the Economic and Social Council, 2006, Supplement No. 45* (E/2006/45).

2. *Reiterates* paragraph 17 of its resolution 2006/49 in which it decided to consider ways of strengthening the secretariat of the Forum, within existing resources, as well as through increased voluntary extrabudgetary resources, to enable it to fulfil its function more effectively, bearing in mind paragraph 163 (b) of the 2005 World Summit Outcome;⁸

3. *Refers in particular* to paragraphs 5 (f), 20 and 21 of its resolution 2006/49, in which it invited the members of the Collaborative Partnership on Forests to undertake activities related to supporting developing countries, as well as countries with economies in transition, in accessing additional national and international funding; monitoring, assessment and reporting; and the submission of consolidated reports on initiatives and activities of the Collaborative Partnership on Forests;

4. *Recommends* to the General Assembly that it adopt the draft resolution contained in the annex to the present resolution;

5. *Invites* the Forum to establish and maintain cooperation with relevant multilateral environmental agreements, instruments, processes and United Nations bodies, relevant international and regional organizations, institutions and major groups in order to facilitate enhanced cooperation to achieve the purpose of the non-legally binding instrument on all types of forests;

6. *Decides* to develop and consider, with a view to its adoption at the eighth session of the Forum, a voluntary global financial mechanism/portfolio approach/forest financing framework for all types of forests, aiming at mobilizing significantly increased, new and additional resources from all sources, based on existing and emerging innovative approaches, also taking into account assessments and reviews of current financial mechanisms, to support the implementation of sustainable forest management, the achievement of the global objectives on forests and the implementation of the non-legally binding instrument on all types of forests;

7. *Also decides* that the Forum should, within existing resources, convene before its eighth session an open-ended ad hoc expert group meeting to develop proposals for the development of a voluntary global financial mechanism/portfolio approach/forest financing framework, and invites the Collaborative Partnership on Forests to assist in the development of these proposals.

Annex

Non-legally binding instrument on all types of forests

The General Assembly,

Recalling Economic and Social Council resolution 2006/49 of 28 July 2006, in which the Council requested the United Nations Forum on Forests to conclude and adopt at its seventh session a non-legally binding instrument on all types of forests,

1. *Decides* to adopt the non-legally binding instrument on all types of forests as contained in the appendix to the present resolution;

2. *Invites* members of the governing bodies of the member organizations of the Collaborative Partnership on Forests to support the implementation of the

⁸ See General Assembly resolution 60/1.

non-legally binding instrument on all types of forests, consistent with the mandates of those organizations, and, to that end, invites the United Nations Forum on Forests to provide guidance to the Collaborative Partnership on Forests;

3. *Invites* donor Governments and other countries in a position to do so, financial institutions and other organizations to make voluntary financial contributions to the Trust Fund for the United Nations Forum on Forests for it to address, within the context of its multi-year programme of work, the implementation of the non-legally binding instrument on all types of forests and to provide support for participants from developing countries and countries with economies in transition in respect of their attending meetings of the Forum;

4. *Decides* that the Forum will review the effectiveness of the non-legally binding instrument on all types of forests as part of the overall review of the effectiveness of the international arrangement on forests decided upon by the Economic and Social Council in its resolution 2006/49 of 28 July 2006.

Appendix

Non-legally binding instrument on all types of forests

*Member States,*⁹

Recognizing that forests and trees outside forests provide multiple economic, social and environmental benefits and emphasizing that sustainable forest management contributes significantly to sustainable development and poverty eradication,

Recalling the Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests;¹⁰ chapter 11 of Agenda 21;¹¹ the proposals for action of the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests; resolutions and decisions of the United Nations Forum on Forests; the Johannesburg Declaration on Sustainable Development and the Plan of Implementation of the World Summit on Sustainable Development (“Johannesburg Plan of Implementation”);¹² the Monterrey Consensus of the International Conference on Financing for Development;¹³ the internationally agreed development goals, including the Millennium Development Goals; the 2005 World Summit Outcome;¹⁴ and existing international legally binding instruments relevant to forests,

Welcoming the accomplishments of the international arrangement on forests since its inception through the adoption by the Economic and Social Council of its

⁹ Referring to States Members of the United Nations.

¹⁰ *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex III.

¹¹ *Ibid.*, annex II.

¹² *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 1, annex, and resolution 2, annex.

¹³ *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

¹⁴ See General Assembly resolution 60/11.

resolution 2000/35 of 18 October 2000, and recalling the decision by the Council, in its resolution 2006/49 of 28 July 2006, to strengthen the international arrangement on forests,

Reaffirming their commitment to the Rio Declaration on Environment and Development,¹⁵ including the principle that States have, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right to exploit their own resources pursuant to their own environmental and developmental policies, and the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction, and to the common but differentiated responsibilities of countries, as set out in principle 7 of the Rio Declaration,

Recognizing that sustainable forest management, as a dynamic and evolving concept, aims to maintain and enhance the economic, social and environmental values of all types of forests, for the benefit of present and future generations,

Expressing their concern about continued deforestation and forest degradation, as well as the slow rate of afforestation and forest cover recovery and reforestation, and the resulting adverse impact on economies, the environment, including biological diversity, and the livelihoods of at least 1 billion people and their cultural heritage, and emphasizing the need for more effective implementation of sustainable forest management at all levels to address these critical challenges,

Recognizing the impact of climate change on forests and sustainable forest management, as well as the contribution of forests to addressing climate change,

Reaffirming the special needs and requirements of countries with fragile forest ecosystems, including those of low forest cover countries,

Stressing the need to strengthen political commitment and collective efforts at all levels, to include forests in national and international development agendas, to enhance national policy coordination and international cooperation and to promote intersectoral coordination at all levels for the effective implementation of sustainable management of all types of forests,

Emphasizing that effective implementation of sustainable forest management is critically dependent upon adequate resources, including financing, capacity development and the transfer of environmentally sound technologies, and recognizing in particular the need to mobilize increased financial resources, including from innovative sources, for developing countries, including least developed countries, landlocked developing countries and small island developing States, as well as countries with economies in transition,

Emphasizing also that implementation of sustainable forest management is also critically dependent upon good governance at all levels,

Noting that the provisions of the present instrument do not prejudice the rights and obligations of Member States under international law,

Have committed themselves as follows:

¹⁵ *Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992*, vol. I, *Resolutions Adopted by the Conference* (United Nations publication, Sales No. E.93.I.8 and corrigendum), resolution 1, annex I.

I Purpose

1. The purpose of the present instrument is:
 - (a) To strengthen political commitment and action at all levels to implement effectively sustainable management of all types of forests and to achieve the shared global objectives on forests;
 - (b) To enhance the contribution of forests to the achievement of the internationally agreed development goals, including the Millennium Development Goals, in particular with respect to poverty eradication and environmental sustainability;
 - (c) To provide a framework for national action and international cooperation.

II Principles

2. Member States should respect the following principles, which build upon the Rio Declaration on Environment and Development¹⁵ and the Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests (Forest Principles):¹⁰
 - (a) The instrument is voluntary and non-legally binding;
 - (b) Each State is responsible for the sustainable management of its forests and for the enforcement of its forest-related laws;
 - (c) Major groups¹⁶ as identified in Agenda 21,¹¹ local communities, forest owners and other relevant stakeholders contribute to achieving sustainable forest management and should be involved in a transparent and participatory way in forest decision-making processes that affect them, as well as in implementing sustainable forest management, in accordance with national legislation;
 - (d) Achieving sustainable forest management, in particular in developing countries as well as in countries with economies in transition, depends on significantly increased, new and additional financial resources from all sources;
 - (e) Achieving sustainable forest management also depends on good governance at all levels;
 - (f) International cooperation, including financial support, technology transfer, capacity-building and education, plays a crucial catalytic role in supporting the efforts of all countries, particularly developing countries as well as countries with economies in transition, to achieve sustainable forest management.

III Scope

3. The instrument applies to all types of forests.

¹⁶ The major groups as identified in Agenda 21 are women, children and youth, indigenous people and their communities, non-governmental organizations, local authorities, workers and trade unions, business and industry, scientific and technological communities, and farmers.

4. Sustainable forest management, as a dynamic and evolving concept, aims to maintain and enhance the economic, social and environmental values of all types of forests, for the benefit of present and future generations.

IV

Global objectives on forests

5. Member States reaffirm the following shared global objectives on forests and their commitment to work globally, regionally and nationally to achieve progress towards their achievement by 2015:

Global objective 1

Reverse the loss of forest cover worldwide through sustainable forest management, including protection, restoration, afforestation and reforestation, and increase efforts to prevent forest degradation;

Global objective 2

Enhance forest-based economic, social and environmental benefits, including by improving the livelihoods of forest-dependent people;

Global objective 3

Increase significantly the area of protected forests worldwide and other areas of sustainably managed forests, as well as the proportion of forest products derived from sustainably managed forests;

Global objective 4

Reverse the decline in official development assistance for sustainable forest management and mobilize significantly increased, new and additional financial resources from all sources for the implementation of sustainable forest management.

V

National policies and measures

6. To achieve the purpose of the instrument, and taking into account national policies, priorities, conditions and available resources, Member States should:

(a) Develop, implement, publish and, as necessary, update national forest programmes or other strategies for sustainable forest management that identify actions needed and contain measures, policies or specific goals, taking into account the relevant proposals for action of the Intergovernmental Panel on Forests/Intergovernmental Forum on Forests and resolutions of the United Nations Forum on Forests;

(b) Consider the seven thematic elements of sustainable forest management,¹⁷ which are drawn from the criteria identified by existing criteria and indicators processes, as a reference framework for sustainable forest management

¹⁷ The elements are (a) extent of forest resources; (b) forest biological diversity; (c) forest health and vitality; (d) productive functions of forest resources; (e) protective functions of forest resources; (f) socio-economic functions of forests; and (g) legal, policy and institutional framework.

and, in this context, identify, as appropriate, specific environmental and other forest-related aspects within those elements for consideration as criteria and indicators for sustainable forest management;

(c) Promote the use of management tools to assess the impact on the environment of projects that may significantly affect forests, and promote good environmental practices for such projects;

(d) Develop and implement policies that encourage the sustainable management of forests to provide a wide range of goods and services, and that also contribute to poverty reduction and the development of rural communities;

(e) Promote efficient production and processing of forest products, with a view, inter alia, to reducing waste and enhancing recycling;

(f) Support the protection and use of traditional forest-related knowledge and practices in sustainable forest management with the approval and involvement of the holders of such knowledge, and promote fair and equitable sharing of benefits from their utilization, according to national legislation and relevant international agreements;

(g) Further develop and implement criteria and indicators for sustainable forest management that are consistent with national priorities and conditions;

(h) Create enabling environments to encourage private sector investment, as well as investment by and involvement of local and indigenous communities, other forest users and forest owners and other relevant stakeholders, in sustainable forest management, through a framework of policies, incentives and regulations;

(i) Develop financing strategies that outline the short-, medium- and long-term financial planning for achieving sustainable forest management, taking into account domestic, private sector and foreign funding sources;

(j) Encourage recognition of the range of values derived from goods and services provided by all types of forests and trees outside forests, as well as ways to reflect such values in the marketplace, consistent with relevant national legislation and policies;

(k) Identify and implement measures to enhance cooperation and cross-sectoral policy and programme coordination among sectors affecting and affected by forest policies and management, with a view to integrating the forest sector into national decision-making processes and promoting sustainable forest management, including by addressing the underlying causes of deforestation and forest degradation, and by promoting forest conservation;

(l) Integrate national forest programmes, or other strategies for sustainable forest management, as referred to in paragraph 6 (a) above, into national strategies for sustainable development, relevant national action plans and poverty reduction strategies;

(m) Establish or strengthen partnerships, including public-private partnerships, and joint programmes with stakeholders to advance implementation of sustainable forest management;

(n) Review and, as needed, improve forest-related legislation, strengthen forest law enforcement, and promote good governance at all levels in order to

support sustainable forest management, to create an enabling environment for forest investment and to combat and eradicate illegal practices according to national legislation, in the forest and other related sectors;

(o) Analyse the causes of and address threats to forest health and vitality from natural disasters and human activities, including threats from fire, pollution, pests, disease and invasive alien species;

(p) Create, develop or expand, and maintain networks of protected forest areas, taking into account the importance of conserving representative forests, by means of a range of conservation mechanisms, applied within and outside protected forest areas;

(q) Assess the conditions and management effectiveness of existing protected forest areas with a view to identifying improvements needed;

(r) Strengthen the contribution of science and research to advancing sustainable forest management by incorporating scientific expertise into forest policies and programmes;

(s) Promote the development and application of scientific and technological innovations, including those that can be used by forest owners and local and indigenous communities to advance sustainable forest management;

(t) Promote and strengthen public understanding of the importance of and the benefits provided by forests and sustainable forest management, including through public awareness programmes and education;

(u) Promote and encourage access to formal and informal education, extension and training programmes on the implementation of sustainable forest management;

(v) Support education, training and extension programmes involving local and indigenous communities, forest workers and forest owners, in order to develop resource management approaches that will reduce the pressure on forests, particularly fragile ecosystems;

(w) Promote active and effective participation by major groups, local communities, forest owners and other relevant stakeholders in the development, implementation and assessment of forest-related national policies, measures and programmes;

(x) Encourage the private sector, civil society organizations and forest owners to develop, promote and implement in a transparent manner voluntary instruments, such as voluntary certification systems or other appropriate mechanisms, through which to develop and promote forest products from sustainably managed forests harvested according to domestic legislation, and to improve market transparency;

(y) Enhance access by households, small-scale forest owners, and forest-dependent local and indigenous communities, living in and outside forest areas, to forest resources and relevant markets in order to support livelihoods and income diversification from forest management, consistent with sustainable forest management.

VI

International cooperation and means of implementation

7. To achieve the purpose of the instrument, Member States should:

(a) Make concerted efforts to secure sustained high-level political commitment to strengthen the means of implementation for sustainable forest management, including financial resources, and to provide support, in particular for developing countries and countries with economies in transition, as well as to mobilize and provide significantly increased, new and additional financial resources from private, public, domestic and international sources to and within developing countries, as well as countries with economies in transition;

(b) Reverse the decline in official development assistance for sustainable forest management and mobilize significantly increased, new and additional financial resources from all sources for the implementation of sustainable forest management;

(c) Take action to raise the priority of sustainable forest management in national development plans and other plans, including poverty reduction strategies, in order to facilitate increased allocation of official development assistance and financial resources from other sources for sustainable forest management;

(d) Develop and establish positive incentives, in particular for developing countries as well as countries with economies in transition, to reduce the loss of forests, to promote reforestation, afforestation and rehabilitation of degraded forests, to implement sustainable forest management and to increase the area of protected forests;

(e) Support the efforts of countries, particularly in developing countries as well as countries with economies in transition, to develop and implement economically, socially and environmentally sound measures that act as incentives for the sustainable management of forests;

(f) Strengthen the capacity of countries, in particular developing countries, to significantly increase the production of forest products from sustainably managed forests;

(g) Enhance bilateral, regional and international cooperation with a view to promoting international trade in forest products from sustainably managed forests harvested according to domestic legislation;

(h) Enhance bilateral, regional and international cooperation to address illicit international trafficking in forest products through the promotion of forest law enforcement and good governance at all levels;

(i) Strengthen, through enhanced bilateral, regional and international cooperation, the capacity of countries to effectively combat illicit international trafficking in forest products, including timber, wildlife and other forest biological resources;

(j) Strengthen the capacity of countries to address forest-related illegal practices according to domestic legislation, including wildlife poaching, through enhanced public awareness, education, institutional capacity-building, technological transfer and technical cooperation, law enforcement and information networks;

(k) Enhance and facilitate access to and transfer of appropriate, environmentally sound and innovative technologies and corresponding know-how relevant to sustainable forest management and to efficient value-added processing of forest products, in particular to developing countries, for the benefit of local and indigenous communities;

(l) Strengthen mechanisms that enhance sharing among countries and the use of best practices in sustainable forest management, including through freeware-based information and communications technology;

(m) Strengthen national and local capacities in keeping with their conditions for the development and adaptation of forest-related technologies, including technologies for the use of fuelwood;

(n) Promote international technical and scientific cooperation, including South-South cooperation and triangular cooperation, in the field of sustainable forest management, through the appropriate international, regional and national institutions and processes;

(o) Enhance the research and scientific forest-related capacities of developing countries and countries with economies in transition, particularly the capacity of research organizations to generate and have access to forest-related data and information, and promote and support integrated and interdisciplinary research on forest-related issues, and disseminate research results;

(p) Strengthen forestry research and development in all regions, particularly in developing countries and countries with economies in transition, through relevant organizations, institutions and centres of excellence, as well as through global, regional and subregional networks;

(q) Strengthen cooperation and partnerships at the regional and subregional levels to promote sustainable forest management;

(r) As members of the governing bodies of the organizations that form the Collaborative Partnership on Forests, help ensure that the forest-related priorities and programmes of members of the Partnership are integrated and mutually supportive, consistent with their mandates, taking into account relevant policy recommendations of the United Nations Forum on Forests;

(s) Support the efforts of the Collaborative Partnership on Forests to develop and implement joint initiatives.

VII

Monitoring, assessment and reporting

8. Member States should monitor and assess progress towards achieving the purpose of this instrument.

9. Member States should submit, on a voluntary basis, taking into account availability of resources and the requirements and conditions for the preparation of reports for other bodies or instruments, national progress reports as part of their regular reporting to the Forum.

VIII

Working modalities

10. The Forum should address, within the context of its multi-year programme of work, the implementation of this instrument.